

Wesfarmers Kleenheat Gas Pty Ltd

Gas Trading Licence (GTL10)

2023 Performance Audit

Final report

5 December 2023



ASSURANCE
ADVISORY
GROUP

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5 December 2023

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Dear Deanna

Gas Trading Licence (GTL10) – 2023 Performance audit report

We have completed the Gas Trading Licence Performance Audit for Wesfarmers Kleenheat Gas Pty Ltd for the period 1 September 2020 to 31 August 2023 and are pleased to submit our report to you.

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 Andrew Baldwin at abaldwin@assuranceadvisory.com.au or myself at slinden@assuranceadvisory.com.au.

Yours sincerely

Assurance Advisory Group



Stephen Linden

Director

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1. Independent assurance practitioner's report

Modified opinion

We have undertaken a reasonable assurance engagement on Wesfarmers Kleenheat Gas Pty Ltd's (**Kleenheat**) compliance, in all material respects, with the conditions of its Gas Trading Licence (GTL10) (the **Licence**) and relevant legislative obligations for the period 1 September 2020 to 31 August 2023. Our evaluation was made against the licence obligations listed in the relevant versions of the Economic Regulation Authority's (the **ERA**) Gas Compliance Reporting Manual (the **Reporting Manual**) and in accordance with the ERA's March 2019 Audit and Review Guidelines: Electricity and Gas Licences (the **Guidelines**).

In our opinion, based on the procedures we have performed and the evidence we have obtained, except for the effects of the matter described in the Basis for modified opinion paragraph below, Kleenheat has complied, in all material respects, with its licence conditions and relevant legislative obligations for the period 1 September 2020 to 31 August 2023.

Basis for modified opinion

During the period 1 September 2020 to 31 August 2023, Kleenheat did not comply with the following licence obligations:

Reporting Manual number and Licence obligation		Description
119	Gas Marketing Code of Conduct clause 6(1)(a) <i>When a customer enters into a non-standard contract that is not an unsolicited consumer agreement, a retailer or gas marketing agent must obtain and make a record of the customer's verifiable consent to entering into the non-standard contract</i>	On eight occasions during the audit period, Kleenheat did not obtain or did not make a record of the customer's verifiable consent to enter into a non-standard contract.
120A	Gas Marketing Code of Conduct clause 6(2) <i>A retailer or gas marketing agent must ensure that the information specified is provided to the customer before entering into a non-standard contract</i>	On one occasion during the audit period, Kleenheat did not provide specified information to a customer before entering into a non-standard contract.
120B	Gas Marketing Code of Conduct clause 6(3) <i>Subject to clause 6(4), if entering into a non-standard contract, a retailer or gas marketing agent must give the customer the information specified in clauses (a)-(g) before or at the time of giving the customer's first bill.</i>	On 77 occasions during the audit period, Kleenheat did not give a customer the information specified in clause 6(3) before or at the time of giving the customer's first bill.

Reporting Manual number and Licence obligation	Description
<p>125 Gas Marketing Code of Conduct clause 8(2) <i>A retailer or gas marketing agent who meets with a customer face to face for the purposes of marketing must:</i></p> <ul style="list-style-type: none"> • <i>wear a clearly visible and legible identity card showing the information specified; and</i> • <i>as soon as practicable provide the customer, in writing, the information specified.</i> 	<p>On one occasion during the audit period, two Kleenheat business sales agents did not wear or display identity cards while meeting with prospective customers during a corporate event.</p>
<p>135 Compendium clause 3.1(2) <i>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.</i></p>	<p>On 32 occasions during the audit period, Kleenheat did not forward a customer's request for connection to the relevant distributor in the required time.</p>
<p>136 Compendium clause 4.1(a) <i>A retailer must issue a bill no more than once a month unless the conditions specified in clause 4.1(a)(i)-(iv) apply.</i></p>	<p>On one occasion during the audit period, Kleenheat did not comply with clause 4.1(a) when a customer received two bills in the same month without their consent.</p>
<p>137 Compendium clause 4.1(b) <i>A retailer must issue a bill at least every 105 days unless the conditions specified are met.</i></p>	<p>On 16,313 occasions during the audit period, Kleenheat did not issue a bill to a customer within the required time.</p>
<p>147 Compendium clause 4.5(1) <i>Unless the customer agrees otherwise, a retailer must include the minimum prescribed information in clauses 4.5(1)(a)-(cc) on the customer's bill.</i></p>	<p>On 854 occasions during the audit period, Kleenheat did not include the minimum prescribed information on the customer's bill.</p>
<p>165 Compendium clause 4.14(2) <i>If the customer's account is in credit at the time of account closure, the retailer must, subject to clause 4.14(3), at the time of the final bill ask the customer for instructions on where to transfer the amount of credit (based on clauses 4.14(2)(a) or (b)), and pay the credit in accordance with the customer's instructions within 12 business days or another time agreed with the customer.</i></p>	<p>On 247 occasions during the audit period, Kleenheat did not:</p> <ul style="list-style-type: none"> • At the time of the final bill ask customers for instructions on where to transfer credit; or • Pay the credit in accordance with the customer's instructions within 12 business days.

Reporting Manual number and Licence obligation		Description
165A	<p>Compendium clause 4.14(3)</p> <p><i>If the customer's account is in credit at the time of account closure and the customer owes a debt to the retailer, the retailer may, with written notice to the customer, use that credit to set off the debt.</i></p> <p><i>If after the set off, there remains an amount of credit, the retailer must ask the customer for instructions in accordance with clause 4.14(2).</i></p>	On one occasion during the audit period, Kleenheat did not notify a customer as required before using the customer's credit to offset their debt.
171	<p>Compendium clause 4.17(2)</p> <p><i>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), the retailer must follow the procedure specified in clauses 4.17(2)(a)-(e).</i></p>	On one occasion during the audit period, Kleenheat did not follow the procedures specified and issued three bills for the previous three billing periods without an accompanying undercharge letter.
176	<p>Compendium clause 4.19(1)</p> <p><i>If a retailer proposes to recover an amount of an adjustment which does not arise due to any act or omission of the customer, the retailer must follow the procedure specified in clauses 4.19(1)(a)-(d).</i></p>	On one occasion during the audit period, Kleenheat did not follow the procedure specified in clause 4.19(1)(a) and issued a bill including an adjustment for a period greater than 12 months.
181	<p>Compendium clause 5.1</p> <p><i>The due date on the bill must be at least 12 business days from the date of that bill, unless otherwise agreed with the customer. The date of the dispatch is the date of the bill, unless the retailer specifies a later date.</i></p>	On 361 occasions during the audit period, Kleenheat issued bills with a due date that did not satisfy clause 5.1.
183	<p>Compendium s clause 5.3</p> <p><i>Prior to a direct debit facility commencing, a retailer must obtain the customer's verifiable consent and agree with the customer the date of commencement of the direct debit facility and the frequency of the direct debits.</i></p>	On two occasions during the audit period, Kleenheat did not record a customer's verifiable consent prior to a direct debit facility commencing.
190	<p>Compendium clause 5.7(1)</p> <p><i>A retailer must not require a customer who has vacated a supply address, and who has given the retailer notice, to pay for gas consumed at the customer's supply address in the circumstances specified in clause 5.7(1), unless the retailer and the customer have agreed to an alternative date.</i></p>	On four occasions during the audit period, Kleenheat issued bills to customers who had advised that they had vacated the premises.

Reporting Manual number and Licence obligation	Description
<p>198 Compendium clause 6.1(1)</p> <p>A retailer must assess whether a residential customer is experiencing payment difficulties or financial hardship, within 5 business days from when the residential customer informs the retailer about the payment problems. If the retailer cannot make the assessment within 5 business days, it must refer the customer to a relevant consumer representative to make the assessment. If a residential customer provides the retailer with an assessment from a relevant consumer representative, the retailer may adopt that assessment as its own assessment for the purposes of clause 6.1(1)(a)</p>	<p>On 11 occasions during the audit period, Kleenheat did not assess customers who had informed Kleenheat that they were experiencing payment difficulties or financial hardship within the required timeframe.</p>
<p>206 Compendium clause 6.4(2)</p> <p><i>When offering or amending an instalment plan to a residential customer a retailer must ensure that the instalment plan is fair and reasonable taking into account the customer's capacity to pay and consumption history and comply with clause 6.4(3).</i></p>	<p>On three occasions during the audit period, Kleenheat offered payment plans to customers that were not reasonable taking into account the customers capacity to pay and consumption history.</p>
<p>206A 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>On 204 occasions during the audit period, Kleenheat did not provide the required information specified in clauses 6.4(3)(a)(i)-(iii) within the required timeframe.</p>
<p>211 Compendium clause 6.8</p> <p>A retailer must advise a customer experiencing financial hardship of the options specified in clause 6.8.</p>	<p>On one occasion during the audit period, Kleenheat did not provide a customer experiencing financial hardship the options specified in clause 6.8.</p> <p>Throughout the audit period, Kleenheat was also unable to demonstrate that it had advised all customers experiencing financial hardship of the customer's right to have a bill forwarded to a third person at no charge, per the options specified in clause 6.8.</p>

Reporting Manual number and Licence obligation		Description
215	Compendium clause 6.10(2) <i>A retailer must ensure that its hardship policy complies with the criteria specified in clause 6.10(2)</i>	Until Kleenheat revised its financial hardship policy in October 2020, Kleenheat's financial hardship policy did not include a statement on how confidential customer information is to be treated and stored, as prescribed by clause 6.10(2) of the Compendium.
220	Compendium clause 6.10(7) <i>A retailer must comply with the ERA's Financial Hardship Policy Guidelines.</i>	
222	Compendium clause 7.1 <i>A retailer must follow the procedures specified in clause 7.1(1) prior to arranging for disconnection of a customer's supply address for failure to pay a bill. A customer has failed to pay a bill in the circumstances specified in clause 7.1(2).</i>	On 119 occasions during the audit period, Kleenheat did not follow the procedures specified in clause 7.1(1) prior to arranging for disconnection of a customer's supply address for failure to pay a bill.
228	Compendium clause 8.1(1) <i>In the circumstances specified in clause 8.1(1)(a)-(c), a retailer must arrange for reconnection of the customer's supply address if the customer makes a request for reconnection and pays the retailer's reasonable charges for reconnection (if any) or accepts an offer of an instalment plan for the retailer's reasonable charges for reconnection.</i>	On two occasions during the audit period, Kleenheat did not arrange for reconnection of the customer's supply address after a customer made a request for reconnection.
229	Compendium clause 8.1(2) <i>A retailer must forward the request for reconnection to the relevant distributor that same business day if the request is received before 3pm on a business day; or no later than 3pm on the next business day if the request is received after 3pm on a business day, or on the weekend or on a public holiday.</i>	On three occasions during the audit period, Kleenheat did not forward a request for reconnection to the distributor within the required timeframe.

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3100 *Compliance Engagements (ASAE 3100)* 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 conclusion.

Kleenheat's responsibility for compliance with the conditions of the Licence

Kleenheat is responsible for:

- Compliance with the Licences as evaluated against the conditions within the Licence, for the period 1 September 2020 to 31 August 2023
- Identifying risks that threaten the conditions within the Licence identified above being met
- Identifying suitable compliance requirements as specified by the ERA

- Identifying, designing and implementing controls to enable the conditions within the Licence to be met and to monitor ongoing compliance.

Our independence and quality control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We applied 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 responsibilities

Our responsibility is to express an opinion on Kleenheat's compliance, in all material respects, with the licence obligations as evaluated against its Licence Conditions for the period 1 September 2020 to 31 August 2023. ASAE 3100 requires that we plan and perform our procedures to obtain reasonable assurance about whether Kleenheat has complied, in all material respects, with the licence obligations as evaluated against its Licence Conditions for the period from 1 September 2020 to 31 August 2023.

A reasonable assurance engagement in accordance with ASAE 3100, to report on Kleenheat's compliance with the licence obligations as evaluated against its Licence Conditions involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the conditions within the Licence. The procedures selected depend on our judgement, including the identification and assessment of risks of material non-compliance with the licence obligations as evaluated against its Licence Conditions.

Our procedures included:

- Utilising the Audit Guidelines and the January 2023 Reporting Manual as a guide for development of a risk assessment and document review to assess controls
- Development of an Audit Plan for approval by the ERA and an associated work program, set out in Appendix A
- Interviews with and representations from relevant Kleenheat representatives to gain an understanding of process controls
- Review of documents and walkthrough of processes and controls to support the assessment of compliance and the effectiveness of the control environment in accordance with Licence obligations
- Sample testing where relevant for obligations rated as an audit priority 3 and above in the approved Audit Plan.

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 September 2020 to 31 August 2023 does not provide assurance on whether compliance with the Licence will continue in the future.

Restricted use

This report has been prepared for use by Kleenheat for the purpose of satisfying its obligation under Section 11ZA of the Energy Coordination Act 1994. We disclaim any assumption of responsibility for any reliance on this report to any person other than Kleenheat, or for any other purpose other than that for which it was prepared. We understand that a copy of the report will be provided to the ERA for the purpose of reporting on the performance audit for the Licence. We agree that a copy of this report will be given to the ERA in connection with this purpose, however we accept no responsibility to the ERA or to anyone who is provided with or obtains a copy of our report.

Assurance Advisory Group



Stephen Linden

Director

5 December 2023

2. Executive Summary

2.1 Introduction and Background

The Economic Regulation Authority (the **ERA**) has under the provisions of the Energy Coordination Act 1994 (the **Act**), issued to Wesfarmers Kleenheat Gas Pty Ltd (**Kleenheat**) a Gas Trading Licence (GTL10) (the **Licence**).

The Licence relates to Kleenheat's operations as a gas retailer in the Coastal, Great Southern, Goldfields-Esperance and Wheatbelt gas supply areas. These retail operations relate to the supply of:

- Natural Gas (**NG**) to small use customers via the Mid-West/South West Gas Distribution System
- Liquefied Petroleum Gas (**LPG**) to small use customers via Kleenheat's LPG distribution systems in Albany and Margaret River.

Kleenheat is part of Wesfarmers Chemicals, Energy and Fertilisers, a division of Wesfarmers Limited. As at 30 June 2022, Kleenheat had over 215,000 residential natural gas customers, over 2,000 commercial natural gas customers and over 500 reticulated LPG customers across WA.

Section 11ZA of the Act requires Kleenheat to provide to the ERA a performance audit (the **audit**) conducted by an independent expert acceptable to the ERA not less than once in every 24 month period, unless otherwise approved by the ERA. With the ERA's approval, Assurance Advisory Group (**AAG**) was appointed to conduct the audit for the 36-month period 1 September 2020 to 31 August 2023 (**audit period**).

The audit has been conducted in accordance with the ERA's March 2019 issue of the *Audit and Review Guidelines: Electricity and Gas Licences* (**Audit Guidelines**).

2.2 Observations

In considering Kleenheat's internal control 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:

- Maintained a stable control framework, including tailored policies and procedures in support of its obligations under the Energy Coordination Act 1994, Energy Coordination (Gas Tariffs) Regulations 2000, Energy Coordination (Customer Contracts) Regulations 2004, Gas Marketing Code, Compendium of Gas Customer Licence Obligations and its Licence conditions
- Continued to resource an effective regulatory management function through the positions of Regulatory Manager, Natural Gas & Electricity and Senior Regulatory Specialist, who:
 - Held the primary responsibility for managing Kleenheat's compliance with its Licence obligations, with support from other Kleenheat staff with specific responsibilities
 - Demonstrated a comprehensive understanding of Kleenheat's Licence obligations
 - Promoted a strong and pragmatic compliance attitude. We note that almost all of Kleenheat's reported compliance breaches have been self-reported by Kleenheat
 - Ensured rigour in investigating of incidents that result in breaches or near misses, including obtaining legal advice, assessing root causes of any breaches and identifying corrective actions
- Maintained a commitment to its core Oracle system, with further information system improvements implemented during the audit period

- Further developed its suite of exception reporting designed to support its Licence compliance obligation, as well as to prevent and/or detect and report non-compliances, specifically in relation to timing requirements. There continues to be further opportunities for Kleenheat to make more effective use of preventative exception reporting in relation to its supply of LPG to customers
- Continued to provide an effective mix of general and targeted compliance based training to staff with customer facing responsibilities
- Maintained a quality assurance function over customer facing activities performed by customer service representatives, enabling performance against key Licence obligations (including related compliance breaches) to be monitored and improved, including through the provision of coaching and targeted training
- Maintained its online Compliance Tracker for recording compliance breaches, potential breaches and near misses
- Effectively responded to each of the non-compliances it had recognised and reported during the audit period by assessing the cause of the non-compliance, implementing system fixes and/or control improvements and applying its staff training and performance management procedures
- Appropriately completed the two action plans in response to the 2020 audit recommendations
- Demonstrated an appetite for continuous improvement in its compliance performance.

2.3 Findings

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

Table 1 sets out the rating scale defined by the ERA in the Audit Guidelines for the assessment of the level of compliance with the conditions of the Licence. For the highest possible compliance rating to be achieved, Kleenheat was required to demonstrate it has maintained mature processes and controls, which facilitate compliance with relevant obligations.

Table 1: Control adequacy and compliance rating scale

Controls Rating		Compliance Rating	
Rating	Description	Rating	Description
A	Adequate controls – no improvement needed	1	Compliant
B	Generally adequate controls – improvement needed	2	Non-compliant – minor impact on customers or third parties
C	Inadequate controls – significant improvement required	3	Non-compliant – moderate impact on customers or third parties
D	No controls evident	4	Non-compliant – major impact on customers or third parties
N/P	Not performed – A controls rating was not required	N/R	Not rated – No activity took place during the audit period

Table 5 at section 3 of this report provides further detail on the controls and compliance rating scales. The above rating scale is defined by the Audit Guidelines.

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

		Compliance rating					Total
		1	2	3	4	N/R	
Controls rating	A	6	22	-	-	-	28
	B	1	2	-	-	-	3
	C	-	-	-	-	-	-
	D	-	-	-	-	-	-
	N/P	154	-	-	-	46	200
	Total	161	24			46	231

Table 3: Summary of findings, by **audit priority and controls rating**

Audit Priority	Controls rating					Total
	A	B	C	D	N/P	
Priority 1	-	-	-	-	-	-
Priority 2	28	2	-	-	-	30
Priority 3	-	-	-	-	-	-
Priority 4	-	1	-	-	114	115
Priority 5	-	-	-	-	86	86
Total	28	3	-	-	200	231

Table 4: Summary of findings, by **audit priority and compliance rating**

Audit Priority	Compliance rating					Total
	1	2	3	4	N/R	
Priority 1	-	-	-	-	-	-
Priority 2	6	24	-	-	-	30
Priority 3	-	-	-	-	-	-
Priority 4	81	-	-	-	34	115
Priority 5	74	-	-	-	12	86
Total	161	24	-	-	46	231

Note that, in accordance with the Audit Guidelines:

- Obligations assessed as being “not applicable” to Kleenheat’s operations have not been included within this report
- A control rating is only provided for those obligations with a Priority 1, 2 or 3 rating, where an obligation is assessed as non-compliant, or where a control improvement opportunity is identified.

Specific assessments for each Licence obligation are summarised at Table 5 in the “Summary of findings” section of this report.

Detailed findings, including relevant observations, recommendations and action plans are located in section 4 “Detailed findings, recommendations and action plans”.

2.4 Kleenheat’s response to previous audit recommendations

This audit considered Kleenheat's progress in completing the two action plans detailed in the 2020 post audit implementation plan, relating to obligations 147 and 165.

Based on our examination of relevant documents, discussion with staff and consideration of the results of this audit's testing against the associated licence obligations, we determined that Kleenheat has completed both of the action plans detailed in the 2020 post audit implementation plan.

Accordingly, there were no unresolved non recommendations or actions from previous performance audits.

Refer to section 5 of this report for further detail.

2.5 Current audit non-compliances, recommendations and action plans

A. Resolved during current audit period

Licence obligation ref no.	Non-compliance / Controls improvement (Rating / Licence obligation / Details of non-compliance or inadequacy of controls)	Date resolved & action taken by the licensee	Auditor's comments
119	<p>A2</p> <p><i>Code of Conduct clause 6(1)(a)</i></p> <p>On eight occasions during the audit period, Kleenheat did not obtain or did not make a record of the customer's verifiable consent to enter into a non-standard contract. The breaches were identified as part of Kleenheat's internal review processes, were self-reported by Kleenheat and were attributed to human error, with customer service agents not following the established procedures.</p>	<p>Resolved June 2022</p> <p>Kleenheat contacted all affected customers to obtain or record consent retrospectively.</p> <p>Each breach was discussed with the relevant customer service agent, and additional, focussed training was provided. This action is considered to be appropriate to address the isolated nature of the breaches.</p>	No further action required.
120A	<p>A2</p> <p><i>Code of Conduct clause 6(2)</i></p> <p>On one occasion during the audit period, Kleenheat did not provide specified information to a customer before entering into a non-standard contract. The breach was identified as part of Kleenheat's internal review processes, was self-reported by Kleenheat and was attributed to human error, with the customer service agent failed to follow the established sign-up script.</p>	<p>Resolved July 2022</p> <p>The customer was contacted to provide the required information retrospectively.</p> <p>The breach was discussed with the relevant customer service agent, and additional, focussed training was provided. This action is considered to be appropriate to address the isolated nature of the breach.</p>	No further action required.
120B	<p>A2</p> <p><i>Code of Conduct clause 6(3)</i></p> <p>On 77 occasions during the audit period, Kleenheat did not give a customer the information specified in clause 6(3) before or at the time of giving the customer's first bill.</p> <p>The breach was caused by an error in the billing system resulting in SME customers being incorrectly classified as large use customers.</p> <p>We note that the misclassification did not have an impact on the validity of tariffs or charges applied i.e. the customers were billed for the correct amount.</p>	<p>Resolved April 2021</p> <p>A data fix was deployed to correct the billing system error and all affected customers were communicated with to ensure they understood any changes to their future invoicing.</p>	No further action required.

Licence obligation ref no.	Non-compliance / Controls improvement (Rating / Licence obligation / Details of non-compliance or inadequacy of controls)	Date resolved & action taken by the licensee	Auditor's comments
125	<p>A2 <i>Code of Conduct clause 8(2)</i></p> <p>On one occasion during the audit period, two Kleenheat business sales agents did not wear or display identity cards while meeting with prospective customers during a corporate event. The breaches were reported by the customer service agents that same day.</p>	<p>Resolved November 2022</p> <p>Further feedback was provided to customer service agents regarding the requirement to wear identity cards at all events.</p> <p>This action is considered to be appropriate to address the isolated nature of the breach.</p>	No further action required.
135	<p>A2 <i>Compendium clause 3.1(2)</i></p> <p>On 32 occasions during the audit period, Kleenheat did not forward a customer's request for connection to the relevant distributor in the required time. The breach was due to a system error causing market requests to fail. The system error had a minor impact on customers, as late connection requests were submitted within four days.</p>	<p>Resolved February 2023</p> <p>A manual process was initially implemented to ensure failed market requests were identified and addressed in a timely manner. A system fix was then deployed.</p>	No further action required.
136	<p>A2 <i>Compendium clause 4.1(a)</i></p> <p>On one occasion during the audit period, Kleenheat did not comply with clause 4.1(a) when an LPG customer received two bills in the same month without their consent. The breach was due to the billing team not receiving the appropriate Notice of Completion form in time to commission a new meter and issue the first bill to the customer in a timely manner, resulting in two meter reads and two resulting bills being issued in the same month.</p>	<p>Resolved May 2021</p> <p>Kleenheat has enhanced its LPG administration procedures to escalate the receipt of the Notice of Completion form if it is delayed or to otherwise seek the customer's consent prior to issuing more than one bill a month.</p>	No further action required.

Licence obligation ref no.	Non-compliance / Controls improvement (Rating / Licence obligation / Details of non-compliance or inadequacy of controls)	Date resolved & action taken by the licensee	Auditor's comments
137	<p>B2</p> <p><i>Compendium clause 4.1(b)</i></p> <p>On 16,313 occasions during the audit period, Kleenheat did not issue a bill to a customer within the required time. There were several different causes of those breaches, being:</p> <ul style="list-style-type: none"> • Kleenheat receiving an unprecedented amount of reads from ATCO that were subsequently followed by replacement reads, placing a strain on Kleenheat's existing exception process. To avoid confusion for customers, Kleenheat placed a hold on billing for estimated reads in anticipation of actual reads, resulting in bills being issued beyond the 105 day condition (16,300 breaches) • A billing system error in processing the market transaction file from AEMO, where the read was not matched to a MIRN record (2 breaches) • Reads received from ATCO not being recognised due to accounts with 'connection pending' status not being updated to 'connected' (3 breaches) • LPG meter reads being disabled while an investigation into a high read enquiry was completed (2 breaches) • Human error, with the billing officer failing to action an exception and manually process the bill in a timely manner, and/or to seek consent from the customer to bill longer than 105 days (3 breaches) • A process gap, where an LPG move-in template was misplaced, resulting in three billing periods passing before actioning the move-in (1 breach) • The LPG billing team not receiving the appropriate Notice of Completion form in time to commission a new meter and issue the first bill to the customer in a timely manner (2 breaches). 	<p>Resolved January 2023</p> <p>Kleenheat resolved these matters by:</p> <ul style="list-style-type: none"> • Working with ATCO to understand the implications of the high volume of estimate reads and to revise billing processes to ensure bills were not delayed • Further revising its LPG and NG billing exception reports used to manage bills approaching the 105 day timeframe. Note that this audit observed opportunities for Kleenheat to further improve its LPG exception reporting arrangements • Performing reconciliations and investigations to address one-off breaches and implement process improvements, including further escalation arrangements • Providing feedback to relevant billing officers. This action is considered to be appropriate to address the isolated nature of the breaches. 	No further action required.
147	<p>A2</p> <p><i>Compendium clause 4.5(1)</i></p> <p>On 854 occasions during the audit period, Kleenheat did not include the minimum prescribed information on the customer's bill. Those breaches were due to:</p> <ul style="list-style-type: none"> • A template failure in the billing system affecting LPG customers (486 breaches) • A customer classification error affecting SME customers (361 breaches) • A billing system fault, resulting in price lists with blank start dates (7 breaches). 	<p>Resolved September 2021</p> <p>Kleenheat resolved these matters by deploying:</p> <ul style="list-style-type: none"> • Fixes in its billing system to prevent future reoccurrence of the template failure • A data fix to transition affected customers to the correct account classification • A billing system improvement to address blank start dates. 	No further action required.

Licence obligation ref no.	Non-compliance / Controls improvement (Rating / Licence obligation / Details of non-compliance or inadequacy of controls)	Date resolved & action taken by the licensee	Auditor's comments
165	<p>A2 Compendium clause 4.14(2)</p> <p>On 247 occasions during the audit period, Kleenheat did not at the time of the final bill ask customers for instructions on where to transfer credit; or pay the credit in accordance with the customer's instructions within 12 business days. Those breaches were due to:</p> <ul style="list-style-type: none"> • A systemic issue causing final bills not to be issued under the final bill template, which asks the customer to contact Kleenheat to arrange a refund should the account be in credit (222 breaches) • During COVID 19 precautions when staff were working from home and the turnaround time between teams was prolonged, Kleenheat failed to issue refund cheques within the required 12 days (2 breaches) • A manual processing error (2 breaches) • Human error, where the credit officer did not follow the established refund procedure to attach the customer's bank account details for EFT processing, or submit a service request (8 breaches) • Human error where the accounts payable officer did not appropriately tag processed refunds for payment (13 breaches). 	<p>Resolved by May 2023</p> <p>Kleenheat took the following action to resolve these matters:</p> <ul style="list-style-type: none"> • In relation to the systemic issue causing final bills not to be issued under the final bill template, Kleenheat investigated the potential fixes and determined that it is currently unable to prevent all possible instances where the final bill is not issued under the final bill template. Compliance with this obligation will continue to be monitored • In November 2020, final modifications were made to the billing engine to enable exception reporting to pick up all known human errors for monitoring and action • Providing feedback and further training to relevant credit officers and accounts payable officers. This action is considered to be appropriate to address the isolated nature of the breaches. 	No further action required.
165A	<p>A2 Compendium clause 4.14(3)</p> <p>On one occasion during the audit period, Kleenheat did not notify a customer as required before using the customer's credit to offset their debt.</p> <p>This breach was attributed to an isolated, human error, with the credit officer not following the appropriate process to notify the customer before offsetting a refund against an amount owed.</p>	<p>Resolved October 2022</p> <p>Kleenheat resolved this breach by:</p> <ul style="list-style-type: none"> • Reversing the transfer of funds • Providing further coaching to the Credit team, including confirmation of Kleenheat's position that debt offsetting is not to be undertaken. This action is considered to be appropriate to address the isolated nature of the breach. 	No further action required.

Licence obligation ref no.	Non-compliance / Controls improvement (Rating / Licence obligation / Details of non-compliance or inadequacy of controls)	Date resolved & action taken by the licensee	Auditor's comments
171	<p>A2 Compendium clause 4.17(2)</p> <p>On one occasion during the audit period, Kleenheat did not follow the procedures specified and issued three bills for the previous three billing periods without an accompanying undercharge letter. The breach was attributed to human error when a move in template was misplaced and three billing periods passed before the move in was actioned.</p>	<p>Resolved March 2022</p> <p>Kleenheat resolved this breach by:</p> <ul style="list-style-type: none"> • Immediately sending the undercharge letter to the customer offering the customer time to pay • Providing feedback to the billing officer and further training to the billing team. This action is considered to be appropriate to address the isolated nature of the breaches. 	No further action required.
176	<p>A2 Compendium clause 4.19(1)</p> <p>On one occasion during the audit period, Kleenheat did not follow the procedure specified in clause 4.19(1)(a) and issued a bill including an adjustment for a period greater than 12 months.</p> <p>The breach was due to a process gap where a bill included an adjustment for the period between actual reads, which was more than 12 months. The breach was discovered after the customer escalated a high bill complaint.</p>	<p>Resolved November 2022</p> <p>Kleenheat implemented a new process to limit bill adjustments to 12 months when an actual read is received more than 12 months after the last actual read.</p>	No further action is required.
181	<p>A2 Compendium clause 5.1</p> <p>On 361 occasions during the audit period, Kleenheat issued bills with a due date that did not satisfy clause 5.1.</p> <p>The breaches affecting 83 SME customers were due to a business classification error where SME customers received bills with a 14 day due date rather than the required 21 day terms.</p>	<p>Resolved May 2021</p> <p>Kleenheat deployed a data fix to transition the affected customers to the right account classification and correct invoice template. Customers were contacted to ensure they understood changes to future invoicing.</p>	No further action required.
183	<p>A2 Compendium clause 5.3</p> <p>On two occasions during the audit period, Kleenheat did not record a customer's verifiable consent prior to a direct debit facility commencing.</p> <p>One breach occurred due to the call recording of a direct debit facility arrangement consent failing, which was determined to be an isolated incident.</p> <p>The other breach was attributed to human error when an agent failed to read the correct direct debit consent script as part of the sign-up process. This breach was identified by Kleenheat's programmed audit process.</p>	<p>Resolved July 2023</p> <p>Kleenheat resolved these matters by obtaining retrospective consent from the customers and providing feedback to the relevant agent.</p> <p>This action is considered to be appropriate to address the isolated nature of the breaches.</p>	No further action required.

Licence obligation ref no.	Non-compliance / Controls improvement (Rating / Licence obligation / Details of non-compliance or inadequacy of controls)	Date resolved & action taken by the licensee	Auditor's comments
190	<p>A2 <i>Compendium clause 5.7(1)</i></p> <p>On four occasions during the audit period, Kleenheat issued bills to customers who had advised that they had vacated the premises. Those breaches were due to:</p> <ul style="list-style-type: none"> • Kleenheat's third-party collection agency (engaged on a three-month trial) failing to notify Kleenheat that customers had advised that they had vacated the premises (2 breaches) • Human error, where customer service agents did not follow the move-out procedure (recognised when the customers contacted Kleenheat after receiving subsequent bills) (2 breaches). 	<p>Resolved January 2023</p> <p>In all cases, the affected customers were contacted and the bills comprising gas consumed after the customer gave notice were reversed.</p> <p>Kleenheat also:</p> <ul style="list-style-type: none"> • Fully reviewed the trial of the third party collection agency and determined that the trial should cease. • Provided feedback and further training to the customer service agents. <p>This action is considered to be appropriate to address the isolated nature of the breaches.</p>	No further action required.
198	<p>A2 <i>Compendium clause 6.1(1)</i></p> <p>On 11 occasions during the audit period, Kleenheat did not assess customers who had informed Kleenheat that they were experiencing payment difficulties or financial hardship within the required timeframe. Those breaches were due to:</p> <ul style="list-style-type: none"> • Kleenheat's third-party collection agency (engaged on a three-month trial) failing to refer customers to Kleenheat after they had informed the agency they were experiencing payment problems (9 breaches) • Human error, where customer service agents did not follow the correct procedure for conducting financial hardship assessments (recognised after a complaint to the ombudsman) (2 breaches). 	<p>Resolved August 2022</p> <p>In all cases, the affected customers were contacted to offer assistance in accordance with Kleenheat's financial hardship guidelines and in the case of customers contacting the ombudsman, further rectification was made.</p> <p>Kleenheat also:</p> <ul style="list-style-type: none"> • Fully reviewed the trial of the third party collection agency and determined that the trial should cease • Provided feedback and further training to the customer service agents regarding the importance of transferring hardship customers to team members specifically trained to handle financial assessments. This action is considered to be appropriate to address the isolated nature of the breaches 	No further action required.

Licence obligation ref no.	Non-compliance / Controls improvement (Rating / Licence obligation / Details of non-compliance or inadequacy of controls)	Date resolved & action taken by the licensee	Auditor's comments
206	<p>A2 Compendium clause 6.4(2)</p> <p>On three occasions during the audit period, Kleenheat offered payment plans to customers that were not reasonable taking into account the customers capacity to pay and consumption history. Those breaches were due to Kleenheat's third-party collection agency (engaged on a three-month trial) incorrectly offering customers payment arrangements that were not reasonable, considering their capacity to pay and consumption history. The breaches were identified as a part of a full review of the trial of the third party collection agency.</p>	<p>Resolved August 2022</p> <p>Affected customers were contacted to cancel the incorrect payment arrangements and to offer reasonable payment arrangements in accordance with Kleenheat's guidelines.</p> <p>After its review of the trial of the third party collection agency Kleenheat determined that the trial should cease.</p>	No further action required.
206A	<p>A2 Compendium clause 6.4(3)</p> <p>On 204 occasions during the audit period, Kleenheat did not provide the required information specified in clauses 6.4(3)(a)(i)-(iii) within the required timeframe. Those breaches were due to:</p> <ul style="list-style-type: none"> • Kleenheat's third-party collection agency (engaged on a three-month trial) failing to provide customers who had entered into payment arrangements the required information within the specified timeframe. The breaches were identified as a part of a full review of the trial of the third party collection agency (2 breaches) • The credit officer outlook account not being configured correctly, resulting in payment arrangement letters sent by email failing (178 breaches) • Human error, where credit officers did not follow the correct procedure for providing information to customers, including a new procedure introduced to centralise the issue of payment arrangement letters (24 breaches). 	<p>Resolved June 2023</p> <p>Kleenheat took the following action to resolve the impact on affected customers and to address process issues:</p> <ul style="list-style-type: none"> • Contacted all effected customers to offer the appropriate action, including payment assistance, cancellation or confirmation of payment arrangements and/or reset of payment arrangements • Ceased its trial of the third party collection agency • Provided feedback and further coaching to credit officers. This action is considered to be appropriate to address the isolated nature of the breaches • Further revised the process for issuing payment arrangement letters to ensure compliance with required timeframes. 	No further action required.
215 and 220	<p>A2 Compendium clause 6.10(2) and clause 6.10(7)</p> <p>Until Kleenheat revised its financial hardship policy in October 2020, the policy did not include a statement on how confidential customer information is to be treated and stored, as prescribed by clause 6.10(2) of the Compendium. This matter was detailed in the 2020 performance audit report.</p>	<p>Resolved October 2020</p> <p>Kleenheat revised its financial hardship policy to be compliant with 6.10(2) and 6.10(7).</p>	No further action required.

Licence obligation ref no.	Non-compliance / Controls improvement (Rating / Licence obligation / Details of non-compliance or inadequacy of controls)	Date resolved & action taken by the licensee	Auditor's comments
222	<p>A2 Compendium clause 7.1</p> <p>On 119 occasions during the audit period, Kleenheat did not follow the procedures specified in clause 7.1(1) prior to arranging for disconnection of a customer's supply address for failure to pay a bill. Those breaches were due to:</p> <ul style="list-style-type: none"> • Reminder notices and disconnection warning notices not being issued or disconnection warning notices not being issued within the required timeframe due to human error, including a manual letter run process not being actioned in the required timeframe (98 breaches affecting LPG customers) • A manual exception reporting process was not run (1 breach affecting an LPG customer) • Reminder notices not being issued to NG customers prior to disconnection warning notices due to a billing system error (20 breaches). 	<p>Resolved May 2022</p> <p>In relation to the LPG billing process, feedback was provided to the LPG team responsible for the manual exception reporting process and the manual letter run process, which was further refined.</p> <p>In relation to the NG billing system error, Kleenheat implemented an interim manual exception reporting process to withhold the disconnection notices without prior reminder notice being issued until a system improvement was deployed.</p>	No further action required.
228	<p>A2 Compendium clause 8.1(1)</p> <p>On two occasions during the audit period, Kleenheat did not arrange for reconnection of a customer's supply address after the customer made a request for reconnection. Both breaches were attributed to human error, where a customer service officer did not raise a service request for reconnection until the customer called back some days later.</p>	<p>Resolved July 2023</p> <p>Kleenheat provided feedback and further coaching to the customer service officer. This action is considered to be appropriate to address the isolated nature of the breaches.</p>	No further action required.
229	<p>A2 Compendium clause 8.1(2)</p> <p>On three occasions during the audit period, Kleenheat did not forward a request for reconnection to the distributor within the required timeframe. These breaches were attributed to human error when reconnection requests were either not raised or processed as a different request, per Kleenheat's established procedures.</p>	<p>Resolved May 2023</p> <p>Kleenheat raised priority reconnections and provided coaching and feedback to the relevant customer service officers. This action is considered to be appropriate to address the isolated nature of the breaches.</p>	No further action required.

Unresolved at end of current audit period

Reference (no./year)	Non-compliance / Controls improvement (Rating / Licence obligation reference number and licence obligation / Details of noncompliance or inadequacy of controls)	Auditor's recommendation	Action taken
1/2023	<p>B2</p> <p><i>Obligation 211, Compendium Clause 6.8</i></p> <p>On one occasion during a three month trial with a collection agency, Kleenheat did not provide a customer experiencing financial hardship the options specified in clause 6.8. Kleenheat adequately resolved this matter by contacting the customer to offer assistance and to appropriately manage the matter under Kleenheat's hardship guidelines. Kleenheat also ceased the trial.</p> <p>Throughout the audit period, Kleenheat was also unable to demonstrate that it had advised (either verbally or in writing) all customers experiencing financial hardship of the customer's right to have a bill forwarded to a third person at no charge, per the options specified in clause 6.8. This matter had not been resolved at the time of this audit.</p>	Kleenheat devise an effective method for ensuring all customers who are assessed as experiencing financial hardship have been advised of the options available as specified in clause 6.8 of the Compendium.	<p>On 15 November 2023, Kleenheat implemented a new process for ensuring all customers who are assessed as experiencing financial hardship are to be advised of all relevant options available, by way of a standard notification (via email or letter). We tested a sample of relevant customers to determine that the new process is effective, enabling Kleenheat to demonstrate compliance with the requirements of clause 6.8 from 15 November 2023.</p> <p>No further action is recommended.</p>

2.6 Scope and objectives

We have conducted a reasonable assurance audit in order to state whether, in our opinion, based on our procedures, Kleenheat has complied, in all material respects, with the conditions of its Licence as outlined in the approved Audit Plan (dated September 2023) during the period 1 September 2020 to 31 August 2023.

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 its July 2023 Gas Compliance 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.

2.7 Approach

Our approach for this audit involved the following activities, which were undertaken during the period September to October 2023:

- 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 (see Appendix A) for approval by the ERA and an associated work program
- Interviewed relevant Kleenheat representatives to gain an understanding of process controls (see Appendix B 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 B for reference listing)
- Sample tested relevant obligations (assessed as an audit priority 3 or higher) and where there was relevant activity, determined whether transactions complied with the requirements of the obligation
- Reported findings to Kleenheat for review and response.

3. Summary of Ratings

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 conditions of the Licence. For the highest possible compliance rating to be achieved, Kleenheat was required to demonstrate it has maintained effective processes and controls, which facilitate compliance with relevant obligations.

The remainder of this report provides:

- A summary of the findings for the compliance obligations (at Table 5 below)
- Detailed findings, including relevant observations and recommendations (at Section 4).

Table 5: Compliance Ratings

Refer to Detailed Findings at Section 4 and Audit Plan at Appendix A for descriptions of the obligations. Note that detailed findings are not presented for those obligations assessed to be not applicable to Kleenheat's operations for the period subject to audit - refer to the Audit Plan at Appendix A for further explanation.

*Applicable to 30 June 2022 only

**Applicable to 2 January 2023 only

Ψ Applicable from 3 January 2023 only

No	Obligation reference	NG or LPG	Audit Priority	Controls rating					Compliance rating					
				A	B	C	D	N/P	1	2	3	4	N/R	
9. Energy Coordination Act 1994														
1	Section 11Q(1-2)	NG & LPG	Priority 4					N/P	1					
2	Section 11WG(1)	NG & LPG	Priority 4					N/P	1					
3	Section 11WG(2)	NG & LPG	Priority 4					N/P						N/R
4*	Section 11WK(1-2)	NG & LPG	Priority 5					N/P	1					
5*	Section 11WK(3)	NG & LPG	Priority 5					N/P	1					
10	Section 11ZA(1)	NG & LPG	Priority 4					N/P	1					
11	Section 11ZAF(a)	NG & LPG	Priority 5					N/P						N/R
12	Section 11ZAF(b)	NG & LPG	Priority 5					N/P						N/R
13	Section 11ZAF(c)	NG & LPG	Priority 4					N/P						N/R
14	Section 11ZAH(2)	NG & LPG	Priority 5					N/P						N/R
15	Section 11ZAJ	NG & LPG	Priority 4					N/P						N/R
16	Section 11ZAJ Customer Contracts Reg 38A(4)	NG & LPG	Priority 5					N/P						N/R
17*	Section 11ZK(3)	NG & LPG	Priority 5					N/P						N/R
19*	Section 11ZOC(1)(b)	NG & LPG	Priority 4					N/P	1					
20*	Section 11ZOV(1)	NG & LPG	Priority 4					N/P	1					
21*	Section 11ZOV(2)	NG & LPG	Priority 4					N/P	1					
22*	Section 11ZOZ.(3)	NG & LPG	Priority 4					N/P						N/R
24	Section 11ZQH(a)	NG & LPG	Priority 4					N/P	1					
24A	Section 11ZQH(a)	NG & LPG	Priority 4					N/P	1					

No	Obligation reference	NG or LPG	Audit Priority	Controls rating					Compliance rating				
				A	B	C	D	N/P	1	2	3	4	N/R
11. Licence compliance requirements – Energy Coordination (Gas Tariffs) Regulations 2000													
29	Regulation 5(1)	NG & LPG	Priority 4					N/P	1				
31	Regulation 6(4)	NG & LPG	Priority 4					N/P	1				
2 Licence compliance requirements – Energy Coordination (Customer Contracts) Regulations 2004													
32	Reg 12(2)	NG & LPG	Priority 5					N/P	1				
33	Reg 12(4)(a)	NG & LPG	Priority 5					N/P	1				
34	Reg 12(4)(b)	NG & LPG	Priority 5					N/P	1				
35	Reg 12(5)(a)	NG & LPG	Priority 5					N/P	1				
36	Reg 12(5)(b)	NG & LPG	Priority 5					N/P	1				
37	Reg 12(5)(c)	NG & LPG	Priority 5					N/P	1				
38	Reg 12(5)(d)	NG & LPG	Priority 5					N/P	1				
39	Reg 12(5)(e)	NG & LPG	Priority 5					N/P	1				
40**	Reg 12(6)	NG & LPG	Priority 5					N/P	1				
41**	Reg 12(6)	NG & LPG	Priority 5					N/P	1				
42**	Reg 12(6)	NG & LPG	Priority 5					N/P	1				
43**	Reg 12(6)	NG & LPG	Priority 5					N/P	1				
44**	Reg 12(6)	NG & LPG	Priority 5					N/P	1				
45**	Reg 12(6)	NG & LPG	Priority 5					N/P	1				
46**	Reg 12(6)	NG & LPG	Priority 5					N/P	1				
47**	Reg 12(6)	NG & LPG	Priority 5					N/P	1				
48**	Reg 12(6)	NG & LPG	Priority 5					N/P	1				
49**	Reg 12(6)	NG & LPG	Priority 5					N/P	1				
50**	Reg 12(6)	NG & LPG	Priority 5					N/P	1				
51**	Reg 12(6)	NG & LPG	Priority 5					N/P	1				
52**	Reg 12(6)	NG	Priority 5					N/P	1				
53	Reg 13(1)	NG & LPG	Priority 5					N/P	1				
54**	Reg 13(3)	NG & LPG	Priority 5					N/P	1				
55**	Reg 13(4)	NG & LPG	Priority 5					N/P	1				
55AΨ	Reg 44(A)	NG & LPG	Priority 5					N/P	1				
55BΨ	Reg 44B(1)-(3)	NG & LPG	Priority 5					N/P	1				
55CΨ	Reg 44B(4)	NG & LPG	Priority 5					N/P	1				
56	Reg 14(2)	NG & LPG	Priority 5					N/P	1				
57	Reg 14(3) to 2 Jan '23 Reg 14(4) from 3 Jan '23	NG & LPG	Priority 5					N/P	1				
58**	Reg 14	NG & LPG	Priority 5					N/P	1				
59	Reg 15(1) AGA Code clause 4.2.1 to 2 Jan '23 Reg 15 from 3 Jan '23	NG & LPG	Priority 5					N/P	1				
60**	Reg 15(1) AGA Code clause 4.2.3.1, 4.2.3.2 and 4.2.3.3	NG & LPG	Priority 5					N/P	1				

No	Obligation reference	NG or LPG	Audit Priority	Controls rating					Compliance rating				
				A	B	C	D	N/P	1	2	3	4	N/R
61**	Reg 15(1) AGA Code clause 4.2.3.2	NG & LPG	Priority 5					N/P	1				
62**	Reg 15(1) and (2)	NG & LPG	Priority 5					N/P	1				
63A**	Reg 15(1) AGA Code clause 4.2.3.4	NG & LPG	Priority 5					N/P	1				
64**	Reg 15(1) AGA Code clause 4.2.4.1	NG & LPG	Priority 5					N/P	1				
65**	Reg 15(1) AGA Code clause 4.2.4.2	NG & LPG	Priority 5					N/P	1				
66**	Reg 15(1) AGA Code clause 4.2.4.4	NG & LPG	Priority 5					N/P	1				
67**	Reg 15(1) AGA Code clause 4.2.4.5	NG & LPG	Priority 5					N/P	1				
68**	Reg 15(1) AGA Code clause 4.3.2.1	NG & LPG	Priority 5					N/P	1				
69**	Reg 15(1) AGA Code clause 4.3.2.2	NG & LPG	Priority 5					N/P	1				
70	Reg 16(3)	NG & LPG	Priority 5					N/P	1				
71	Reg 19	NG & LPG	Priority 5					N/P	1				
72	Reg 20 (2) AGA Code clause 4.3.5.1 to Jan '23 Reg 20(1) from 3 Jan '23	NG & LPG	Priority 5					N/P	1				
72A	Reg 20 (3)	NG & LPG	Priority 5					N/P	1				
72AAΨ	Reg 21	NG & LPG	Priority 5					N/P	1				
72B	Reg 22	NG & LPG	Priority 5					N/P	1				
73	Reg 40(3)	NG & LPG	Priority 5					N/P	1				
74A	Reg 48	NG & LPG	Priority 5					N/P					N/R
75A	Reg 49(2)	NG & LPG	Priority 5					N/P					N/R
76	Reg 49(3)	NG & LPG	Priority 5					N/P					N/R
77	Reg 49(4)	NG & LPG	Priority 5					N/P					N/R
78	Reg 49(5)	NG & LPG	Priority 5					N/P					N/R
79	Reg 50	NG & LPG	Priority 5					N/P	1				
80	Reg 44	NG & LPG	Priority 5					N/P	1				
83	Reg 46(1)	NG & LPG	Priority 5					N/P					N/R
84	Reg 46 (4)	NG & LPG	Priority 5					N/P	1				
84A	Reg 47 (2) & (4)	NG & LPG	Priority 5					N/P	1				
91	Reg 42	NG & LPG	Priority 5					N/P	1				
13 Licence Conditions (Energy Coordination Act s11M)													
96	Licence clause 5.1.2	NG & LPG	Priority 4					N/P	1				
97	Licence clause 5.1.3	NG & LPG	Priority 5					N/P	1				
98	Licence clause 4.6.4	NG & LPG	Priority 4					N/P					N/R
99	Licence clause 3.7.1	NG & LPG	Priority 5					N/P	1				
100	Licence clause 4.3.1	NG & LPG	Priority 4					N/P	1				
101	Licence clause 4.4.1(a)	NG & LPG	Priority 4					N/P					N/R
102	Licence clause 4.5.1	NG & LPG	Priority 2	A					1				

No	Obligation reference	NG or LPG	Audit Priority	Controls rating					Compliance rating					
				A	B	C	D	N/P	1	2	3	4	N/R	
103	Licence clause 3.8.1	NG & LPG	Priority 4					N/P	1					
106	Licence clause 6.4.2	NG & LPG	Priority 5					N/P	1					
107	Licence clause 6.4.3	NG & LPG	Priority 5					N/P	1					
108	Licence clause 6.5.1	NG & LPG	Priority 4					N/P	1					
109	Licence clauses 6.8.1 and 6.8.2	NG & LPG	Priority 4					N/P	1					
110	Licence Schedule 1 clause 2.5	NG & LPG	Priority 4					N/P						N/R
111	Licence Schedule 1 clause 2.7	NG & LPG	Priority 4					N/P						N/R
112	Licence Schedule 1 clauses 3.1 and 3.2	NG & LPG	Priority 4					N/P	1					
113	Licence Schedule 1 clause 4.1	NG & LPG	Priority 4					N/P	1					
14. Licence compliance requirements – Gas Marketing Code of Conduct														
116	Clause 4	NG & LPG	Priority 4					N/P						N/R
117	Clause5(1)	NG & LPG	Priority 4					N/P	1					
118	Clause 5(2) and 5(3)	NG & LPG	Priority 4					N/P	1					
119	Clause 6(1)(a)	NG & LPG	Priority2	A						2				
119A	Clause 6(1)(b)	NG & LPG	Priority 4					N/P	1					
120A	Clause 6(2)	NG	Priority2	A						2				
		LPG	Priority 4											
120B	Clause 6(3)	NG & LPG	Priority 2	A						2				
121A	Clause 6(5)	NG & LPG	Priority 4		B				1					
122	Clause 7(1)	NG & LPG	Priority 4					N/P	1					
123	Clause 7(2)	NG & LPG	Priority 4					N/P	1					
124	Clause 8(1)	NG & LPG	Priority 4					N/P	1					
125	Clause 8(2)	NG & LPG	Priority 2	A						2				
126	Clause 9	NG & LPG	Priority 4					N/P						N/R
128	Clause 12	NG & LPG	Priority 4					N/P	1					
129	Clause 13	NG & LPG	Priority 4					N/P	1					
15. Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations														
Part 3 Connections														
134	Clause 3.1(1)	NG & LPG	Priority 4					N/P	1					
135	Clause 3.1(2)	NG & LPG	Priority 2	A						2				
Part 4 Billing														
136	Clause 4.1(a)	NG & LPG	Priority 2	A						2				
137	Clause 4.1(b)	NG	Priority 2		B					2				
		LPG	Priority 4											
138	Clause 4.2(1)	NG & LPG	Priority 4					N/P						N/R
139	Clause 4.2(2)	NG & LPG	Priority 4					N/P						N/R
140	Clause 4.2(3)	NG & LPG	Priority 4					N/P						N/R
141	Clause 4.2(4)	NG & LPG	Priority 4					N/P						N/R

No	Obligation reference	NG or LPG	Audit Priority	Controls rating					Compliance rating					
				A	B	C	D	N/P	1	2	3	4	N/R	
142	Clause 4.2(5)	NG & LPG	Priority 4					N/P						N/R
143	Clause 4.2(6)	NG & LPG	Priority 4					N/P						N/R
144	Clause 4.3(1)	NG & LPG	Priority 4					N/P						N/R
145	Clause 4.3(2)	NG & LPG	Priority 4					N/P						N/R
146	Clause 4.4	NG & LPG	Priority 4					N/P	1					
147	Clause 4.5(1)	NG	Priority 2	A							2			
		LPG	Priority 4											
149	Clause 4.5(3)	NG & LPG	Priority 4					N/P						N/R
150	Clause 4.6	NG & LPG	Priority 4					N/P	1					
152	Clause 4.7(1)	NG & LPG	Priority 5					N/P	1					
153	Clause 4.7(2)	NG & LPG	Priority 5					N/P	1					
154	Clause 4.8(1)	NG & LPG	Priority 4					N/P	1					
155	Clause 4.8(2)	NG	Priority 4	A						1				
		LPG	Priority 2											
156	Clause 4.8(3)	NG & LPG	Priority 4					N/P	1					
157	Clause 4.9	NG	Priority 4	A						1				
		LPG	Priority 2											
158	Clause 4.10	NG & LPG	Priority 5					N/P	1					
159	Clause 4.11(1)	NG & LPG	Priority 4					N/P	1					
160	Clause 4.11(2)	NG & LPG	Priority 4					N/P						N/R
161	Clause 4.12(1)	NG & LPG	Priority 4					N/P	1					
163	Clause 4.13	NG & LPG	Priority 4					N/P						N/R
164	Clause 4.14(1)	NG & LPG	Priority 5					N/P	1					
165	Clause 4.14(2)	NG	Priority 2	A							2			
		LPG	Priority 4											
165A	Clause 4.14(3)	NG	Priority 2	A							2			
		LPG	Priority 4											
166	Clause 4.15	NG & LPG	Priority 4					N/P	1					
167	Clause 4.16(1)(a)	NG & LPG	Priority 4					N/P	1					
168	Clause 4.16(1)(b)	NG & LPG	Priority 4					N/P	1					
169	Clause 4.16(2)	NG & LPG	Priority 4					N/P	1					
170	Clause 4.16(3)	NG & LPG	Priority 4					N/P	1					
171	Clause 4.17(2)	NG	Priority 4	A							2			
		LPG	Priority 2											
172	Clause 4.18(2) & (5)	NG & LPG	Priority 5					N/P	1					
173	Clause 4.18(3)	NG & LPG	Priority 4					N/P	1					
174	Clause 4.18(4)	NG & LPG	Priority 5					N/P	1					
175	Clause 4.18(6)	NG & LPG	Priority 5					N/P	1					
175A	Compendium clause 4.18(7)	NG & LPG	Priority 5					N/P						N/R
176	Clause 4.19(1)	NG	Priority 2	A							2			
		LPG	Priority 4											
177	Clause 4.19(2) & (6)	NG & LPG	Priority 4					N/P	1					

No	Obligation reference	NG or LPG	Audit Priority	Controls rating					Compliance rating					
				A	B	C	D	N/P	1	2	3	4	N/R	
178	Clause 4.19(3)	NG & LPG	Priority 4					N/P	1					
179	Clause 4.19(4)	NG & LPG	Priority 5					N/P	1					
180	Clause 4.19(5)	NG & LPG	Priority 5					N/P	1					
180A	Clause 4.19(7)	NG & LPG	Priority 4					N/P						N/R
Part 5 Payment														
181	Clause 5.1	NG	Priority 2	A							2			
		LPG	Priority 4											
182	Clause 5.2	NG & LPG	Priority 4					N/P	1					
183	Clause 5.3	NG	Priority 2	A							2			
		LPG	Priority 4											
184	Clause 5.4	NG & LPG	Priority 4					N/P	1					
185	Clause 5.5	NG & LPG	Priority 4					N/P						N/R
186	Clause 5.6(1)	NG & LPG	Priority 4					N/P	1					
186A	Clause 5.6(2)	NG & LPG	Priority 4					N/P	1					
187	Clause 5.6(3)	NG & LPG	Priority 4					N/P	1					
188	Clause 5.6(4)	NG & LPG	Priority 4					N/P	1					
189	Clause 5.6(5)	NG & LPG	Priority 4					N/P	1					
190	Clause 5.7(1)	NG	Priority 2	A							2			
		LPG	Priority 4											
191	Clause 5.7(2)	NG & LPG	Priority 4					N/P	1					
193	Clause 5.7(4)	NG & LPG	Priority 4					N/P	1					
195	Clause 5.8(1)	NG & LPG	Priority 4					N/P	1					
196	Clause 5.8(2)	NG & LPG	Priority 4					N/P	1					
196A	Clause 5.8(3)	NG & LPG	Priority 4					N/P						N/R
197	Clause 5.10	NG & LPG	Priority 4					N/P						N/R
Part 6 Payment Difficulties and Financial Hardship														
198	Clause 6.1(1)	NG & LPG	Priority 2	A							2			
199	Clause 6.1(3)	NG & LPG	Priority 5					N/P	1					
200	Clause 6.1(4)	NG & LPG	Priority 4					N/P						N/R
200A	Clause 6.2(1)	NG & LPG	Priority 4					N/P						N/R
201	Clause 6.2(2)	NG & LPG	Priority 4					N/P	1					
202	Clause 6.2(3)	NG & LPG	Priority 2	A					1					
203	Clause 6.2(4)	NG & LPG	Priority 5					N/P	1					
204	Clause 6.3(1)	NG & LPG	Priority 4					N/P	1					
205	Clause 6.4(1)	NG & LPG	Priority 4					N/P	1					
206	Clause 6.4(2)	NG & LPG	Priority 2	A							2			
206A	Clause 6.4(3)	NG & LPG	Priority 2	A							2			
208	Clause 6.6(1)	NG & LPG	Priority 5					N/P	1					
209	Clause 6.6(2)	NG & LPG	Priority 4					N/P	1					
210	Clause 6.7	NG & LPG	Priority 5					N/P	1					
211	Clause 6.8	NG & LPG	Priority 2		B						2			

No	Obligation reference	NG or LPG	Audit Priority	Controls rating					Compliance rating					
				A	B	C	D	N/P	1	2	3	4	N/R	
212	Clause 6.9(1)	NG & LPG	Priority 4					N/P						N/R
214	Clause 6.10(1)	NG & LPG	Priority 4					N/P	1					
215	Clause 6.10(2)	NG & LPG	Priority 2	A						2				
215A	Clause 6.10(3)	NG & LPG	Priority 4					N/P	1					
216	Clause 6.10(4)	NG & LPG	Priority 4					N/P	1					
219	Clause 6.10(6)	NG & LPG	Priority 4					N/P						N/R
220	Clause 6.10(7)	NG & LPG	Priority 2	A						2				
220A	Clause 6.10(8)	NG & LPG	Priority 4					N/P						N/R
221	Clause 6.11	NG & LPG	Priority 4					N/P	1					
Part 7 Disconnection & Interruption														
222	Clause 7.1	NG & LPG	Priority 2	A						2				
223	Clause 7.2(1)	NG & LPG	Priority 2	A					1					
224	Clause 7.3	NG & LPG	Priority 4					N/P						N/R
225	Clause 7.4	NG	Priority 4					N/P						N/R
227	Clause 7.6	NG & LPG	Priority 2	A					1					
Part 8 Reconnection														
228	Clause 8.1(1)	NG	Priority 2	A						2				
		LPG	Priority 4											
229	Clause 8.1(2)	NG	Priority 2	A						2				
Part 10 Information and Communication														
231	Clause 10.1(1)	NG & LPG	Priority 4					N/P	1					
232	Clause 10.1(2)	NG & LPG	Priority 5					N/P	1					
233	Clause 10.1(3)	NG & LPG	Priority 4					N/P						N/R
234	Clause 10.2(1)	NG & LPG	Priority 4					N/P	1					
235	Clause 10.2(2)	NG & LPG	Priority 4					N/P	1					
236	Clause 10.2(3)	NG & LPG	Priority 4					N/P	1					
237	Clause 10.2(4)	NG & LPG	Priority 4					N/P	1					
238	Clause 10.3	NG & LPG	Priority 4					N/P	1					
239	Clause 10.4	NG & LPG	Priority 4					N/P	1					
240	Clause 10.5	NG	Priority 4					N/P	1					
245	Clause 10.9	NG & LPG	Priority 5					N/P	1					
246	Clause 10.10(1)	NG & LPG	Priority 4					N/P	1					
249	Clause 10.11(1)	NG & LPG	Priority 4					N/P	1					
250	Clause 10.11(2)	NG & LPG	Priority 4					N/P	1					
Part 12 Complaints and Dispute Resolution														
251	Clause 12.1(1)	NG & LPG	Priority 4					N/P	1					
252	Clause 12.1(2)	NG & LPG	Priority 4					N/P	1					
254	Clause 12.1(3)(a)	NG & LPG	Priority 4					N/P	1					
255	Clause 12.1(3)(b)	NG & LPG	Priority 4					N/P	1					
255A	Clause 12.1(4)	NG & LPG	Priority 4					N/P	1					

No	Obligation reference	NG or LPG	Audit Priority	Controls rating					Compliance rating				
				A	B	C	D	N/P	1	2	3	4	N/R
256	Clause 12.2	NG & LPG	Priority 4					N/P	1				
257	Clause 12.3	NG & LPG	Priority 4					N/P	1				
258	Clause 12.4	NG & LPG	Priority 4					N/P	1				
Part 13 Record Keeping and Reporting													
281	Clause 13.1	NG & LPG	Priority 4					N/P	1				
282	Clause 13.2	NG & LPG	Priority 4					N/P	1				
283	Clause 13.3	NG & LPG	Priority 4					N/P	1				

*Applicable to 30 June 2022 only

**Applicable to 2 January 2023 only

Ψ Applicable from 3 January 2023 only

4. Detailed findings, recommendations and action plans

This section has been structured in subsections for the relevant Codes and Regulations against which we assessed Kleenheat's compliance. The sections are:

- 4.1 Energy Coordination Act 1994
- 4.2 Energy Coordination (Gas Tariffs) Regulations 2000
- 4.3 Energy Coordination (Customer Contracts) Regulations 2004
- 4.4 Licence Conditions
- 4.5 Gas Marketing Code of Conduct
- 4.6 Compendium of Gas Customer Licence Obligations

Each section contains:

- **Assessment of compliance and control adequacy** – the conclusions from our audit procedures and our assessment of Kleenheat's compliance with the applicable obligations
- **Findings** – the auditor's understanding of the process and any issues that have been identified during the audit
- **Recommendations (if any)** – for improvement or enhancement of the process or control.

The compliance and control adequacy ratings have been summarised below for each sub-section.

Controls adequacy rating						Compliance rating					
A	B	C	D	N/P	Total	1	2	3	4	N/R	Total
4.1 Energy Coordination Act 1994											
				19	19	10				9	19
4.2 Energy Coordination (Gas Tariffs) Regulations 2000											
				2	2	2					2
4.3 Energy Coordination (Customer Contracts) Regulations 2004											
				59	59	53				6	59
4.4 Licence Conditions											
1				15	16	12				4	16
4.4 Gas Marketing Code of Conduct											
4	1			10	15	8	4			3	15
4.4 Compendium of Gas Customer Licence Obligations											
23	2			95	120	76	20			24	120

4.1 Energy Coordination Act

No	Obligation under Condition	Findings	
1	A licensee must pay the applicable fees in accordance with the Economic Regulation Authority (Licensing Funding) Regulations 2014 clauses 6 & 7. <i>Energy Coordination Act Section 11Q(1-2)</i>	<p>We sighted evidence of payment of Kleenheat's:</p> <ul style="list-style-type: none"> Annual licence fees for the years 2021,2022 and 2023, and Standing charges for Q3 and Q4 2020/21, Q1-4 2021/22 and Q1-3 2022/23. <p>All payments were made in accordance with the requirements of the Regulations (i.e. paid by the due date).</p>	
	Priority 4	Controls rating: N/P	Compliance rating: 1
2	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. <i>Energy Coordination Act Section 11WG(1)</i>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and examination of Kleenheat's customer account set up procedures, we determined that during the audit period:</p> <ul style="list-style-type: none"> Kleenheat continued to maintain the following arrangements: <ul style="list-style-type: none"> Small use residential customers are supplied through a standard form contract, or through non-standard contracts when on a discounted plan; Small use business customers are supplied through non-standard contracts in most instances but may opt for a standard form contract. Kleenheat revised its standard form contract as part of the GTL10 licence renewal process in July 2021 and again in January 2023. Those revised contracts were approved by the ERA and respective copies are on the ERA's website; The non-standard contract on which Kleenheat supplied gas to small use business customers and residential customers is aligned with the requirements of the Energy Coordination Act 1994. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1
3	A licensee must comply with a direction given to the licensee under section 11WI. <i>Energy Coordination Act Section11WG(2)</i>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity we determined that during the audit period:</p> <ul style="list-style-type: none"> Kleenheat continued to maintain processes to ensure any directions given by the ERA are complied with. All directions come through to the commercial team and the regulatory manager to action as per the requirements; The most recent standard form contract amendment was initiated by Kleenheat to align the standard form contract with the amendments made to the Energy Coordination (Customer Contracts) Regulations 2004, which took effect on 1 January 2023. <p>The Regulatory Manager, Natural Gas & Electricity confirmed (supported by the ERA website) that Kleenheat did not receive any direction under Section 11WI to amend its standard from contract during the audit period.</p> <p>Therefore, this obligation was not relevant to Kleenheat during the audit period.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: N/R

No	Obligation under Condition	Findings		
4*	<p>Gas is deemed to be supplied under the standard form contract if a customer commences to take a supply of gas at premises without entering into a contract with the holder of a trading licence.</p> <p><i>Energy Coordination Act Section 11WK(1-2)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and consideration of Kleenheat's connection procedures, we determined that, for the period 1 September 2020 to 30 June 2022, Kleenheat continued to maintain the following processes:</p> <ul style="list-style-type: none"> • A usage letter is triggered through Kleenheat's billing system and is sent to the address of the metering point informing the customer that they are set up on a standard form contract • The customer is considered to be under a Standard Form Contract with Kleenheat until the customer contacts Kleenheat regarding their account. 		
Priority 5	Controls rating: N/P	Compliance rating: 1		
5*	<p>A standard form contract continues in force until it is terminated or supply becomes subject to a non-standard contract with the supplier.</p> <p><i>Energy Coordination Act Section 11WK(3)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and examination of Kleenheat's connection and disconnection procedures, we determined that for the period 1 September 2020 to 30 June 2022:</p> <ul style="list-style-type: none"> • There were occasions during the audit period where a customer switched from a standard form contract to a non-standard contract; • Kleenheat continued to maintain the practice where a standard form contract continued to be in force until; <ul style="list-style-type: none"> ○ The supply becomes subject to a non-standard contract ○ The customer requested to be disconnected or transferred to another retailer ○ Kleenheat had proceeded with a disconnection due to non-payment of a bill. 		
Priority 5	Controls rating: N/P	Compliance rating: 1		
10	<p>A licensee must provide the ERA with a performance audit by an independent expert acceptable to the ERA within 24 months of commencement and every 24 months thereafter (or longer if the ERA allows).</p> <p><i>Energy Coordination Act Section 11ZA(1)</i></p>	<p>With the ERA's approval, Kleenheat appointed PwC as the independent auditor to undertake Kleenheat's GTL10 performance audit for the period 1 September 2018 to 31 August 2020. The final performance audit report was issued in November 2020.</p>		
Priority 4	Controls rating: N/P	Compliance rating: 1		
11	<p>A licensee must submit a draft last resort supply plan to the ERA within 3 months (or longer if the ERA allows) of being designated with that role.</p> <p><i>Energy Coordination Act Section 11ZAF(a)</i></p>	<p><i>For obligations 11-16</i></p> <p>The Regulatory Manager, Natural Gas & Electricity confirmed that Kleenheat has not been designated as a supplier of last resort.</p> <p>Therefore, these obligations were not relevant to Kleenheat during the audit period.</p>		
Priority 5	Controls rating: N/P			Compliance rating: N/R
12	<p>A licensee must consult with the ERA with a view to obtaining approval of its draft last resort supply plan.</p> <p><i>Energy Coordination Act Section 11ZAF(b)</i></p>			
Priority 5	Controls rating: N/P	Compliance rating: N/R		
13	<p>A licensee must carry out the arrangements and other provisions in the approved last resort supply plan if it comes into operation.</p> <p><i>Energy Coordination Act Section 11ZAF(c)</i></p>			
Priority 4	Controls rating: N/P	Compliance rating: N/R		

No	Obligation under Condition	Findings	
14	A licensee must submit any proposed amendment to its last resort supply plan to the ERA for approval. <i>Energy Coordination Act Section 11ZAH(2)</i>		
	Priority 5	Controls rating: N/P	Compliance rating: N/R
15	A licensee, who is designated as a supplier of last resort, must perform the functions of the supplier of last resort and carry out the arrangements and provisions of the last resort supply plan if it comes into operation. <i>Energy Coordination Act Section 11ZAJ</i>		
	Priority 4	Controls rating: N/P	Compliance rating: N/R
16	A licensee (supplier of last resort) must supply a transferred customer for at least 3 months after the date of transfer unless the transferred customer terminates the contract. <i>Energy Coordination Act Section 11ZAJ Energy Coordination (Customer Contracts) Reg 38A(4)</i>		
	Priority 5	Controls rating: N/P	Compliance rating: N/R
17*	A licensee must pay the costs and expenses incurred in the taking of an interest or easement in respect of land held by a public authority. <i>Energy Coordination Act Section 11ZK(3)</i>		The Regulatory Manager, Natural Gas & Electricity confirmed that for the purpose of operating under the Licence, Kleenheat has not taken in interest or easement in respect of land held by a public authority during the period 1 September 2020 to 30 June 2022.
	Priority 5	Controls rating: N/P	Compliance rating: N/R
19*	A licensee that sells gas that is transported through a distribution system must be a member of an approved retail market scheme if a scheme is in force. <i>Energy Coordination Act Section 11ZOC(1)(b)</i>		From examination of the AEMO website and discussion with the Regulatory Manager, Natural Gas & Electricity, we confirmed that Kleenheat was a member of an approved retail market scheme (and was represented in the Gas Retail Consultative Forum) during the period 1 September 2020 to 30 June 2022.
	Priority 4	Controls rating: N/P	Compliance rating: 1
20*	A licensee must not engage in prohibited conduct relating to the operation of a retail market scheme. <i>Energy Coordination Act Section 11ZOV(1)</i>		<i>Obligations 20 & 21</i> Prohibited conduct is defined by the Energy Coordination Act s.11ZOV as preventing or hindering the operation of the retail market scheme.
	Priority 4	Controls rating: N/P	Compliance rating: 1
21*	A licensee must not assist another party to engage in prohibited conduct relating to the operation of a retail market scheme. <i>Energy Coordination Act Section 11ZOV(2)</i>		The Regulatory Manager, Natural Gas & Electricity confirmed that Kleenheat is not aware of any instances during the period 1 September 2020 to 30 June 2022 where Kleenheat:
	Priority 4	Controls rating: N/P	Compliance rating: 1
22*	A licensee, as a member of a retail scheme, must comply with a direction given to it by the ERA to amend the scheme, and to do so within a specified time. <i>Energy Coordination Act Section 11ZOZ(3)</i>		The Regulatory Manager, Natural Gas & Electricity confirmed that the ERA did not provide any direction to amend the scheme during the period 1 September 2020 to 30 June 2022.
	Priority 4	Controls rating: N/P	Compliance rating: N/R

No	Obligation under Condition	Findings	
24	<p>The licensee must not supply gas to customers unless the licensee is a member of an approved Gas Industry Ombudsman Scheme.</p> <p><i>Energy Coordination Act Section 11ZQH(a)</i></p>	<p><i>Obligations 24 & 24A</i></p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and examination of the Energy and Water Ombudsman (WA) Annual Reports 2020/21 and 2021/22, we determined that during the period 1 September 2020 to 30 June 2022, Kleenheat:</p> <ul style="list-style-type: none"> • Was a member of Energy and Water Ombudsman Western Australia Gas Industry scheme, and • Remained compliant with any decision or direction of the WA Energy and Water Ombudsman. 	
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>		
24A	<p>The licensee must not supply gas to customers unless the licensee is bound by, and compliant with, any decision or direction of the gas industry ombudsman.</p> <p><i>Energy Coordination Act Section 11ZQH(b)</i></p>		
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>		

*Applicable to 30 June 2022 only

4.2 Energy Coordination (Gas Tariffs) Regulations 2000

No	Obligation under Condition	Findings			
29	<p>A licensee supplying gas in an area referred to in Regulation 3(a), (b), or (c) is required to have at least one capped tariff for any supply of gas in that area.</p> <p><i>Energy Coordination (Gas Tariffs) Regulation 5(1)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and examination of Kleenheat's published contract pricing and terms and conditions, we determined that during the audit period:</p> <ul style="list-style-type: none"> • Kleenheat supplied gas under the regulated tariff for NG to the mid-west/south-west area. All gas was supplied under a single capped tariff; • Regulated gas tariffs did not apply to the reticulated LPG network operated by Kleenheat in Margaret River, Leinster and Oyster Harbour, or to bottled gas and therefore were not applicable to Kleenheat under LPG contracts; • Kleenheat's standard gas prices for NG did not exceed the tariff caps regulated by the Energy Coordination (Gas Tariff) Regulations 2000. 			
	<table border="1"> <tr> <td data-bbox="271 592 544 592">Priority 4</td> <td data-bbox="544 592 815 592">Controls rating: N/P</td> <td data-bbox="815 592 1084 592">Compliance rating: 1</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: 1	
Priority 4	Controls rating: N/P	Compliance rating: 1			
31	<p>When offering to supply gas to a new customer under a standard form contract, a licensee is to offer to supply gas at a capped tariff.</p> <p><i>Energy Coordination (Gas Tariffs) Regulation 6(4)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and examination of Kleenheat's published contract pricing and terms and conditions, price adjustment calculations and acknowledgement from the Minister, we determined that during the audit period:</p> <ul style="list-style-type: none"> • Kleenheat's standard form contracts continue to be supplied under a capped tariff which is displayed on Kleenheat's website and aligns with the regulated retail gas tariff caps (as acknowledged by the Minister). The price increases effective from 1 July 2023 were appropriately calculated based on CPI movements in accordance with Schedule 1 of the Energy Coordination (Gas Tariffs) Regulations 2000 • within Kleenheat's billing system applies those standard rates to a standard form contract • Any new customers who entered into a standard form contract were attached to the standard capped pricing. 			
	<table border="1"> <tr> <td data-bbox="271 968 544 968">Priority 4</td> <td data-bbox="544 968 815 968">Controls rating: N/P</td> <td data-bbox="815 968 1084 968">Compliance rating: 1</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: 1	
Priority 4	Controls rating: N/P	Compliance rating: 1			

4.3 Energy Coordination (Customer Contracts) Regulations 2004

No	Obligation under Condition	Findings
32	<p>Except in prescribed circumstances, a non-standard contract must prohibit the licensee from disconnecting supply or causing disconnection to occur if:</p> <p>a) a customer has provided to the licensee a written statement from a medical practitioner to the effect that supply is necessary in order to protect the health of a person who lives at the customer's supply address; and</p> <p>b) the customer has entered into arrangements acceptable to the licensee in relation to payment for gas supplied.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(2)</i></p>	<p>Through examination of the non-standard contract terms and conditions (January 2023) clause 23.9 <i>When We will not Disconnect</i> and non-standard contract terms and conditions (July 2020) clause 21.9 <i>When We will not Disconnect</i>, we determined that Kleenheat's non-standard form contract clearly states that except in circumstances where disconnection is required under the Gas Standards Act 1972 (WA), Kleenheat will not disconnect the supply of gas to a customer if:</p> <ul style="list-style-type: none"> The customer has provided Kleenheat with a written statement from a medical practitioner to the effect that supply is necessary in order to protect the health of a person who lives at the customer's supply address; and The customer has entered into arrangements acceptable to Kleenheat in relation to the payment of gas supplied.
	<p>Priority 5</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
33	<p>A non-standard contract must require the licensee, before disconnecting supply for non-payment of a bill, to give a written reminder notice to a customer not less than 14 business days after the day on which a bill was issued advising the customer that payment is overdue and requiring payment to be made on or before the day specified in the reminder notice (being a day not less than 20 business days after the billing day).</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(4)(a)</i></p>	<p>Through examination of the non-standard contract terms and conditions (January 2023) clause 23.2 <i>Disconnection for Unpaid Bills</i> and non-standard contract terms and conditions (July 2020) clause 21.2 <i>Disconnection for Unpaid Bills</i> we determined that Kleenheat's non-standard form contract clearly states that before disconnecting supply for non-payment of a bill, Kleenheat must:</p> <ul style="list-style-type: none"> Give the customer a reminder notice no earlier than 14 business days after the date the bill was issued; Give the customer a disconnection warning notice 22 business days after the date the bill was issued if payment is not made by the reminder notice due date; and Proceed with the disconnection no earlier than 10 business days from the disconnection warning notice being received if the payment remains outstanding.
	<p>Priority 5</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
34	<p>A non-standard contract must require the licensee, before disconnecting supply for non-payment of a bill, to give a disconnection warning to a customer not less than 22 business days after the billing day advising the customer that disconnection will occur unless payment is made on or before the day specified in the disconnection warning (being a day not less than 10 business days after the day on which the disconnection warning is given).</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(4)(b)</i></p>	
	<p>Priority 5</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
35	<p>A non-standard contract must require the licensee to reconnect supply to a customer within 10 business days after disconnection for non-payment of a bill if the customer pays the overdue amount or makes an arrangement for its payment and the customer has paid any applicable reconnection fee.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(5)(a)</i></p>	<p><i>Obligations 35 to 39</i></p> <p>Through examination of the non-standard contract terms and conditions (January 2023) clause 24.1 <i>Reconnection Circumstances</i> and non-standard contract terms and conditions (July 2020) clause 22.1 <i>Reconnection Circumstances</i>, we determined that Kleenheat's non-standard form contract clearly states that subject to the provisions of any law or relevant codes, arrange for the reconnection of supply:</p>
	<p>Priority 5</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	

No	Obligation under Condition	Findings			
36	<p>A non-standard contract must require the licensee to reconnect supply to a customer within 10 business days after disconnection for denial of access to a meter, if the customer provides access to the meter and the customer has paid any applicable reconnection fee.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(5)(b)</i></p> <table border="1" data-bbox="271 328 1084 376"> <tr> <td data-bbox="271 328 546 376">Priority 5</td> <td data-bbox="546 328 815 376">Controls rating: N/P</td> <td data-bbox="815 328 1084 376">Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	<ul style="list-style-type: none"> • Within 10 business days after disconnection: <ul style="list-style-type: none"> ○ For non-payment of a bill if the customer pays the overdue amount or makes an arrangement for its payment, including applicable reconnection fee ○ For denial of access to the meter equipment, if the customer provides access to the meter equipment ○ for unlawful consumption of gas, the customer pays for the gas consumed ○ For refusal to pay a refundable advance/security deposit, if the customer pays the security deposit and the customer has paid any applicable reconnection fee ○ Within 20 business days after disconnection in an emergency situation or for health, safety or maintenance reasons, if the situation or problem giving rise to the need for disconnection has been rectified, and the customer has paid any applicable reconnection fee. <p>The terms and conditions clearly state that a fee may be charged for disconnection, however it is noted that a fee is not charged where the disconnection occurs as a result of Emergencies, Health and Safety reasons, Planned Maintenance or by law.</p>
Priority 5	Controls rating: N/P	Compliance rating: 1			
37	<p>A non-standard contract must require the licensee to reconnect supply to a customer within 10 business days after disconnection for unlawful consumption of gas, if the customer pays for the gas consumed and the customer has paid any applicable reconnection fee.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(5)(c)</i></p> <table border="1" data-bbox="271 552 1084 600"> <tr> <td data-bbox="271 552 546 600">Priority 5</td> <td data-bbox="546 552 815 600">Controls rating: N/P</td> <td data-bbox="815 552 1084 600">Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	
Priority 5	Controls rating: N/P	Compliance rating: 1			
38	<p>A non-standard contract must require the licensee to reconnect supply to a customer within 10 business days after disconnection for refusal to pay a security deposit, if the customer pays the security deposit and the customer has paid any applicable reconnection fee.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(5)(d)</i></p> <table border="1" data-bbox="271 775 1084 823"> <tr> <td data-bbox="271 775 546 823">Priority 5</td> <td data-bbox="546 775 815 823">Controls rating: N/P</td> <td data-bbox="815 775 1084 823">Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	
Priority 5	Controls rating: N/P	Compliance rating: 1			
39	<p>A non-standard contract must require the licensee to reconnect supply to a customer within 20 business days after disconnection in an emergency situation or for health, safety or maintenance reasons, if the situation or problem giving rise to the need for disconnection has been rectified, and if the customer has paid any applicable reconnection fee.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(5)(e)</i></p> <table border="1" data-bbox="271 1023 1084 1070"> <tr> <td data-bbox="271 1023 546 1070">Priority 5</td> <td data-bbox="546 1023 815 1070">Controls rating: N/P</td> <td data-bbox="815 1023 1084 1070">Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	
Priority 5	Controls rating: N/P	Compliance rating: 1			
40**	<p>A non-standard contract must include provisions that ensure that the licensee will not disconnect supply to a customer who is unable to pay until: alternative payment options have been offered to the customer; the customer is given information on government funded concessions; it has used its best endeavours to contact the customer; and it has provided the customer a written notice of its intention to disconnect at least 5 business days prior to the disconnection date, and the customer has refused to accept the alternative payment option or failed to make payments under it.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(6)</i> <i>AGA Code clause 5.1.1.2</i></p> <table border="1" data-bbox="271 1394 1084 1442"> <tr> <td data-bbox="271 1394 546 1442">Priority 5</td> <td data-bbox="546 1394 815 1442">Controls rating: N/P</td> <td data-bbox="815 1394 1084 1442">Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	<p><i>Obligations 40 to 42</i></p> <p>Through examination of the non-standard contract terms and conditions (July 2020) clause 21.2 <i>Disconnection for Unpaid Bills</i>, we determined that Kleenheat's non-standard form contract clearly states that Kleenheat would not disconnect supply to:</p> <ul style="list-style-type: none"> • A customer who is unable to pay until Kleenheat had: <ul style="list-style-type: none"> ○ Offered alternative payment options; ○ Provided information on government funded concessions; ○ Used best endeavours to contact the customer by mail, email or telephone; and
Priority 5	Controls rating: N/P	Compliance rating: 1			

No	Obligation under Condition	Findings
41**	<p>A non-standard contract must include provisions that ensure that the licensee will not disconnect supply to a business customer until: it has used its best endeavours to contact the customer; it has offered the customer an extension of time to pay the bill; and it has provided the customer a written notice of its intention to disconnect at least 5 business days' notice prior to the disconnection date, and the customer has refused to accept the alternative payment option or failed to make payments under it.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(6)</i> <i>AGA Code clause 5.1.1.3</i></p>	<ul style="list-style-type: none"> o Provided a disconnection warning notice informing the customer of Kleenheat's intention to disconnect their supply at least 5 business days prior to the disconnection date, if the customer has not paid, or did not adhere to the terms of an agreed payment arrangement • A business customer until Kleenheat had: <ul style="list-style-type: none"> o Offered additional time to pay a bill; o Used best endeavours to contact the customer by mail, email or telephone; and o Given the customer at least 5 business days' notice of Kleenheat's intention to disconnect or cease supplying gas and the customer has refused to accept alternative option or failed to make payments under it • A customer who denies access to a meter until: <ul style="list-style-type: none"> o The customer has refused access on at least 3 consecutive billing cycles; o The customer is given the option to offer alternative access arrangements; o The customer is provided written advice on each occasion access was denied; o It has used its best endeavours to contact the customer; and o It has provided the customer a written notice of its intention to disconnect at least 5 business days prior to the disconnection date.
42**	<p>A non-standard contract must include provisions that ensure that the licensee will not disconnect supply to a customer who denies access to a meter until: the customer has refused access on at least 3 concurrent billing cycles, the customer is given the option to offer alternative access arrangements; the customer is provided written advice on each occasion access was denied; it has used its best endeavours to contact the customer; and it has provided the customer a written notice of its intention to disconnect at least 5 business days prior to the disconnection date.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(6)</i> <i>AGA Code clause 5.1.2.1 and 5.1.2.2</i></p>	
43**	<p>A non-standard contract must include provisions that ensure that the licensee or distributor may disconnect or interrupt supply to a customer in the event of an emergency, and if so, the licensee or distributor will provide a 24 hour information service, estimate the time when gas supply will be restored and use best endeavours to restore supply when the emergency is over.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(6)</i> <i>AGA Code clause 5.1.3.1 and 5.1.3.2</i></p>	<p><i>Obligations 43 to 45</i></p> <p>Through examination of the non-standard contract terms and conditions (July 2020) clause 21.4 <i>Disconnection for Emergencies</i>, clause 21.5 <i>Disconnection for Health and Safety Reasons</i> and clause 21.6 <i>Disconnection for Planned Maintenance</i> we determined that Kleenheat's non-standard form contract clearly states that Kleenheat may:</p> <ul style="list-style-type: none"> • Disconnect or interrupt supply to a customer in the event of an emergency, and if so, the Kleenheat would provide a 24 hour information service, estimate the time when gas supply will be restored and use best endeavours to restore supply when the emergency is over • Disconnect supply for health and safety reasons provide written notice, allow the customer 5 business days to remove the reason where the 5 business days is counted from receipt of the notice, and on expiry of the 5 business days, give the customer at least an additional 5 business days' notice prior to the disconnection date • Disconnect supply for planned maintenance but will not do so unless the licensee or distributor has provided the customer 4 days' notice; and will use best endeavours to minimise disruption and restore supply.
44**	<p>A licensee who disconnects supply for health and safety reasons must provide the customer written notice of the reason; allow the customer 5 business days to remove the reason where the customer is able to; and after the 5 business days issued a notice to the customer of its intention to disconnect supply at least 5 business days' notice prior to the disconnection date.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(6)</i> <i>AGA Code clause 5.1.4.1 and 5.1.4.2</i></p>	

No	Obligation under Condition	Findings			
45**	<p>A non-standard contract must include provisions that ensure that the licensee or distributor may disconnect supply for planned maintenance but will not do so unless the licensee or distributor has provided the customer 4 days' notice; and will use best endeavours to minimise disruption and restore supply.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(6)</i> <i>AGA Code clause 5.1.5.1, 5.1.5.2 and 5.1.5.3</i></p>				
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: N/P</td> <td>Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	
Priority 5	Controls rating: N/P	Compliance rating: 1			
46**	<p>A non-standard contract must include provisions that ensure that the licensee will not disconnect supply for failure by a customer to pay a refundable advance without giving a written notice to the customer of its intention to disconnect at least 5 business days prior to the disconnection date.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(6)</i> <i>AGA Code clause 5.1.7.2</i></p>	<p>Through examination of the non-standard contract terms and conditions (July 2020) clause 21.8 <i>Disconnection for Refusal to Pay Refundable Advance</i>, we determined that Kleenheat's non-standard form contract clearly states that Kleenheat would not disconnect supply for failure by a customer to pay a refundable advance without giving a written notice to the customer of its intention to disconnect at least 5 business days prior to the disconnection date.</p>			
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: N/P</td> <td>Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	
Priority 5	Controls rating: N/P	Compliance rating: 1			
47**	<p>A non-standard contract must include provisions that ensure that the licensee will not disconnect supply where the bill owing is less than the average bill over the past 12 months and the customer has agreed to pay.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(6)</i> <i>AGA Code clause 5.1.8.1(a)</i></p>	<p><i>Obligations 47 to 51</i></p> <p>Through examination of the non-standard contract terms and conditions (July 2020) clause 21.9 <i>When We will not Disconnect</i>, we determined that Kleenheat's non-standard form contract clearly states that Kleenheat would not disconnect supply:</p> <ul style="list-style-type: none"> • Where the bill owing is less than the average bill over the past 12 months and the customer has agreed to pay • Where the issue is the subject of complaint by the customer and is being reviewed externally and is not resolved • Where an application for a government concession has not been decided • Where a customer has failed to pay a debt that is not a direct service charge. • After 3pm on a weekday; and not on a Friday, weekend or public holiday or on the day before a public holiday unless it is a planned interruption. 			
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: N/P</td> <td>Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	
Priority 5	Controls rating: N/P	Compliance rating: 1			
48**	<p>A non-standard contract must include provisions that ensure that the licensee will not disconnect supply where the issue is the subject of complaint by the customer and is being reviewed externally and is not resolved.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(6)</i> <i>AGA Code clause 5.1.8.1(b)</i></p>				
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: N/P</td> <td>Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	
Priority 5	Controls rating: N/P	Compliance rating: 1			
49**	<p>A non-standard contract must include provisions that ensure that the licensee will not disconnect supply where an application for a government concession has not been decided.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(6)</i> <i>AGA Code clause 5.1.8.1(c)</i></p>				
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: N/P</td> <td>Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	
Priority 5	Controls rating: N/P	Compliance rating: 1			

No	Obligation under Condition	Findings			
50**	<p>A non-standard contract must include provisions that ensure that the licensee will not disconnect supply where a customer has failed to pay a debt that is not a direct service charge.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(6)</i> <i>AGA Code clause 5.1.8.1(d)</i></p>				
	<table border="1"> <tr> <td data-bbox="271 384 546 384">Priority 5</td> <td data-bbox="546 384 815 384">Controls rating: N/P</td> <td data-bbox="815 384 1084 384">Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	
Priority 5	Controls rating: N/P	Compliance rating: 1			
51**	<p>A non-standard contract must include provisions that ensure that the licensee will not disconnect supply after 3pm on a weekday; and not on a Friday, weekend or public holiday or on the day before a public holiday unless it is a planned interruption.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(6)</i> <i>AGA Code clause 5.1.8.1(e) and (f)</i></p>				
	<table border="1"> <tr> <td data-bbox="271 632 546 632">Priority 5</td> <td data-bbox="546 632 815 632">Controls rating: N/P</td> <td data-bbox="815 632 1084 632">Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	
Priority 5	Controls rating: N/P	Compliance rating: 1			
52**	<p>A non-standard contract must include provisions that ensure that if a licensee is under an obligation to reconnect supply and the customer makes a request for reconnection after 3pm on a business day, the licensee shall use best endeavours to reconnect the customer as soon as possible on the next business day.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 12(6)</i> <i>AGA Code clause 5.2.2.2</i></p>	<p>Through examination of the non-standard contract terms and conditions (July 2020) clause 22.2 <i>Timing</i> we determined that Kleenheat's non-standard form contract clearly states that if a customer requested reconnection after 3pm on a business day, Kleenheat must use best endeavours to reconnect the customer as soon as possible on the next business day.</p>			
	<table border="1"> <tr> <td data-bbox="271 922 546 922">Priority 5</td> <td data-bbox="546 922 815 922">Controls rating: N/P</td> <td data-bbox="815 922 1084 922">Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	
Priority 5	Controls rating: N/P	Compliance rating: 1			
53	<p><u>Applicable to 2 January 2023 only</u></p> <p>A non-standard contract must include provisions that ensure that if a licensee uses a refundable advance to offset an amount owed, it must provide to the customer an account of its use and pay any balance within 10 business days to the customer</p> <p><u>Applicable from 3 January 2023 only</u></p> <p>A non-standard contract which includes a benefit change must include provisions that require the licensee to inform the customer not more than 40 business days and not less than 20 business days before the date of the benefit change of the benefit change; the options for supply available to the customer after the date of the benefit change and the manner in which this information is required to be given to the customer</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 13(1)</i></p>	<p><u>Applicable to 2 January 2023 only</u></p> <p>Through examination of the non-standard contract terms and conditions (July 2020) clause 11. <i>Security</i>, we determined that Kleenheat's non-standard form contract clearly states that if Kleenheat used a customer's refundable advance to offset an amount owed, they would provide the customer with an account of its use and pay the balance including interest within 10 Business Days.</p> <p><u>Applicable from 3 January 2023 only</u></p> <p>Through examination of the non-standard contract terms and conditions (January 2023) clause 5 <i>Benefit Changes</i>, we determined that Kleenheat's non-standard form contract clearly states that where there is a change to or expiry of a benefit, Kleenheat will inform the customer not more than 40 business days and not less than 20 business days before the date of the benefit change of the Benefit Change, the options for supply after the date of the Benefit Change, and the manner in which this information is required to be given to the customer.</p>			
	<table border="1"> <tr> <td data-bbox="271 1401 546 1401">Priority 5</td> <td data-bbox="546 1401 815 1401">Controls rating: N/P</td> <td data-bbox="815 1401 1084 1401">Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	
Priority 5	Controls rating: N/P	Compliance rating: 1			

No	Obligation under Condition	Findings	
54**	<p>A non-standard contract must require the licensee to place refundable advances in separate trust accounts and separately identify the amounts in its accounting records.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 13(3)</i></p>	<p><i>Obligations 54 and 55</i></p> <p>Through examination of the non-standard contract terms and conditions (July 2020) clause 11. <i>Security</i>, we determined that Kleenheat's non-standard form contract clearly states that:</p> <ul style="list-style-type: none"> • Refundable advances would be kept in a separate trust account and separately identified in Kleenheat's accounting records • Interest earned on refundable advances accounts would be returned to customers. 	
Priority 5	Controls rating: N/P		
55**	<p>A non-standard contract must require the licensee to return interest earned on refundable advances accounts to customers.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 13(4)</i></p>		
Priority 5	Controls rating: N/P	Compliance rating: 1	
55A Ψ	<p>A non-standard contract entered into by a residential customer must not state that the residential customer is required to pay a security deposit to the licensee.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 44(A)</i></p>	<p>Through examination of the non-standard contract terms and conditions (January 2023), we determined that Kleenheat's non-standard form contract does not state that the residential customer is required to pay a security deposit to Kleenheat.</p> <p>Note that clause 12.1 <i>Security may be required</i> states that "Security may only be required where You are not eligible to pay the <u>residential Price</u>" i.e. that clause also excludes residential customers</p>	
Priority 5	Controls rating: N/P	Compliance rating: 1	
55B Ψ	<p>A non-standard contract must state whether or not the customer is required to pay a security deposit to the licensee. If the customer is required to pay a security deposit, the non-standard contract must state:</p> <ul style="list-style-type: none"> • the method used to calculate the amount of any security deposit; • the maximum amount that the licensee may require the customer to pay as a security deposit; • the circumstances in which the license may apply the security deposit towards amounts owed by the customer; and <p>the circumstances in which the licensee must repay the security deposit to the customer.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 44B(1)-(3)</i></p>	<p>Regulation 44B Security deposits may be required from certain customers sub regulation (1) states "In this regulation — customer does not include a residential customer".</p> <p>Through examination of the non-standard contract terms and conditions (January 2023) clause 12 <i>Security</i>, we determined that Kleenheat's non-standard form contract clearly states:</p> <ul style="list-style-type: none"> • The circumstances in which customers are required to pay a security deposit • If a customer is required to pay such deposit then: <ul style="list-style-type: none"> o The method used to calculate the amount of any security deposit o The maximum amount that the licensee may have required the customer to pay as a security deposit o The circumstances in which the license may have applied the security deposit towards amounts owed by the customer o The circumstances in which Kleenheat must have repaid the security deposit to the customer. 	
Priority 5	Controls rating: N/P	Compliance rating: 1	
55C Ψ	<p>For the purposes of this regulation, regulations 38D(2),(3),(4) and (5), 38F, 38I and 38J apply as if any reference in those provisions to a standard form contract include a reference to a non-standard contract.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 44B(4)</i></p>	<p>Through examination of the non-standard contract terms and conditions (January 2023) clause 12 <i>Security</i>, we determined that Kleenheat's non-standard form contract complies with Reg 44B(4) in relation to security deposits, treatment of security deposits, failure to pay a security deposit and permission for retailer to carry out credit checks.</p>	
Priority 5	Controls rating: N/P	Compliance rating: 1	

No	Obligation under Condition	Findings
56	<p>Subject to Regulation 14(3), a non-standard contract must require the customer to pay a charge for gas supplied; inform the customer that the supply charge is either for residential or non-residential supply; inform the customer that the supply charge includes a specified fixed component and specified usage component require the customer to pay the non-residential charge unless the customer qualifies to pay the residential charge; and describe the circumstances in which a customer qualifies for the residential charge.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 14(2)</i></p>	<p>Through examination of the non-standard contract terms and conditions (January 2023) clause 4 <i>Price and Fees</i>, we determined that Kleenheat's non-standard form contract clearly states that:</p> <ul style="list-style-type: none"> The customer is required to pay a charge for gas supplied The supply charge is either for residential or non-residential supply The supply charge includes a specified fixed component and specified usage component The customer is to pay the non-residential charge unless the customer qualifies to pay the residential charge; and describes the circumstances in which a customer qualifies for the residential charge.
	<p>Priority 5</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
57	<p><u>Applicable to 2 January 2023 only</u></p> <p>A non-standard contract must include provisions that ensure that a licensee give notice of the tariffs charged and provide these notices to customers without charge upon request.</p> <p><u>Applicable from 3 January 2023 only</u></p> <p>A non-standard contract must describe the way in which the licensee publishes its supply charges and gives notice of variations to its supply charges.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 14(3) to Jan 2023</i></p> <p><i>Reg 14(4) from Jan 2023</i></p>	<p><u>Applicable to 2 January 2023 only</u></p> <p>Through examination of the non-standard contract terms and conditions (July 2020) clause 4.1. <i>Price</i>, we determined that Kleenheat's non-standard form contract clearly states that Kleenheat will publish the standard Price, a full list of Fees is available on the website and if requested Kleenheat will send a copy of the standard Prices and Fees.</p> <p><u>Applicable from 3 January 2023 only</u></p> <p>Through examination of the non-standard contract terms and conditions clause 4.2 <i>Fees</i> and clause 4.3 <i>Changing the Price and the Fees</i>, we determined that Kleenheat's non-standard form contract clearly states that:</p> <ul style="list-style-type: none"> A full list of Fees is available on the website Variations to price or fees will be published and outlines how customers will be notified.
	<p>Priority 5</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
58**	<p>A non-standard contract must include provisions that ensure that a licensee give notice of a variation in tariffs charged and provide these notices to customers affected by the change no later than the next bill.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 14</i></p>	<p>Through examination of the non-standard contract terms and conditions (July 2020) clause 4.3 <i>Changing the Price and the Fees</i>, we determined that Kleenheat's non-standard form contract clearly states that Kleenheat will give notice of tariff variations and provide these notices to affected customers no later than the next bill.</p>
	<p>Priority 5</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
59	<p><u>Applicable to 2 January 2023 only</u></p> <p>A non-standard contract must include provisions that ensure that a licensee issue a bill to a customer at least once every 3 months, unless agreed otherwise.</p> <p><u>Applicable from 3 January 2023 only</u></p> <p>A non-standard contract must include the procedures to be followed by the licensee in relation to the preparation, issue and review of customer's bills.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 15(1) AGA Code clause 4.2.1 to Jan 2023</i></p> <p><i>Reg 15 from Jan 2023</i></p>	<p><u>Applicable to 2 January 2023 only</u></p> <p>Through examination of the non-standard contract terms and conditions (July 2020) clause 6.1 <i>Billing</i>, we determined that Kleenheat's non-standard form contract clearly states the requirement to issue a bill to a customer at least once every three months, unless agreed otherwise.</p> <p><u>Applicable from 3 January 2023 only</u></p> <p>Through examination of the non-standard contract terms and conditions (January 2023) clause 7 <i>Bills</i>, we determined that Kleenheat's non-standard form contract clearly outlines the procedures for Kleenheat in the preparation, issue and review of customer bills.</p>
	<p>Priority 5</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	

No	Obligation under Condition	Findings	
60**	<p>A non-standard contract must include provisions that ensure that a licensee prepare a bill in accordance with the terms specified in the AGA Code, including the inclusion of any refundable advance.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 15(1)</i> <i>AGA Code clause 4.2.3.1, 4.2.3.2 and 4.2.3.3</i></p>	<p>Through examination of the non-standard contract terms and conditions (July 2020) clause 10. <i>Methods of Payment</i>, we determined that Kleenheat's non-standard form contract clearly requires Kleenheat to:</p> <ul style="list-style-type: none"> • Prepare a bill in accordance with the AGA Code; and • Apply payments received from a customer as directed by the customer. 	
Priority 5	Controls rating: N/P	Compliance rating: 1	
61**	<p>A non-standard contract must include provisions that ensure that a licensee apply payments received from a customer as directed by the customers (if the bill includes charges for other goods and services).</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 15(1)</i> <i>AGA Code clause 4.2.3.2</i></p>		
Priority 5	Controls rating: N/P	Compliance rating: 1	
62**	<p>A non-standard contract must specify that if a customer does not direct how a payment is to be allocated, a licensee must apply the payment:</p> <ol style="list-style-type: none"> i. to charges for the supply of gas before applying any portion of it to such goods or services; or ii. if such goods or services include electricity, to the charges for gas and the charges for electricity in equal proportion before applying any portion of it to any other such goods or services. <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 15(1) and (2)</i></p>	<p>Through examination of the non-standard contract terms and conditions (July 2020) clause 6.2 <i>Other Goods and Services</i>, we determined that Kleenheat's non-standard form contract clearly specifies that:</p> <ul style="list-style-type: none"> • If a customer does not direct how a payment is to be allocated, Kleenheat must apply the payment: <ol style="list-style-type: none"> i. To charges for the supply of gas before applying any portion of it to such goods or services; or ii. If such goods or services include electricity, to the charges for gas and the charges for electricity in equal proportion before applying any portion of it to any other such goods or services. 	
Priority 5	Controls rating: N/P	Compliance rating: 1	
63A**	<p>A non-standard contract must include provisions that ensure that where a customer requests it and the data is available, a licensee shall provide to the customer free of charge the customer's historical billing data for the previous two years.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 15(1)</i> <i>AGA Code clause 4.2.3.4</i></p>	<p>Through examination of the non-standard contract terms and conditions (July 2020) clause 6.7 <i>Billing Data</i>, we determined that Kleenheat's non-standard form contract clearly states that:</p> <ul style="list-style-type: none"> • Where a customer requests and the data is available, Kleenheat would provide the historical billing for the previous two years at no charge. 	
Priority 5	Controls rating: N/P	Compliance rating: 1	
64**	<p>A non-standard contract must include provisions that ensure that a licensee base a customer's bill on a meter reading and meters must be read at least once per year.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 15(1)</i> <i>AGA Code clause 4.2.4.1</i></p>	<p><i>Obligations 64 to 67</i></p> <p>Through examination of the non-standard contract terms and conditions (July 2020) clause 7 <i>Basis of a Bill</i> and clause 8 <i>Estimated Accounts</i>, we determined that Kleenheat's non-standard form contract clearly states that:</p> <ul style="list-style-type: none"> • Kleenheat bases a customer's bill on a meter reading and requires meters to be read at least once per year 	
Priority 5	Controls rating: N/P	Compliance rating: 1	

No	Obligation under Condition	Findings			
65**	<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><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 15(1)</i> <i>AGA Code clause 4.2.4.2</i></p>	<ul style="list-style-type: none"> • If Kleenheat accepts a customer's meter reading, it would not make any subsequent adjustment to the bill in the event of a subsequent error being found in the customer's favour • If Kleenheat provides a customer with an estimated bill and is subsequently able to read the meter, Kleenheat shall adjust the estimated bill in accordance with the meter reading • Kleenheat shall read a customer's meter upon request with a possible reasonable charge. 			
Priority 5	Controls rating: N/P			Compliance rating: 1	
66**	<p>A non-standard contract must include provisions that ensure that if the licensee provides a customer with an estimated bill and is subsequently able to read the meter, the licensee must adjust the estimated bill in accordance with the meter reading.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 15(1)</i> <i>AGA Code clause 4.2.4.4</i></p>				
Priority 5	Controls rating: N/P			Compliance rating: 1	
67**	<p>A non-standard contract must include provisions that ensure that a licensee read a customer's meter upon request and may impose a fee for doing so.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 15(1)</i> <i>AGA Code clause 4.2.4.5</i></p>				
Priority 5	Controls rating: N/P	Compliance rating: 1			
68**	<p>A non-standard contract must include provisions that ensure that a licensee offer payment in person and payment by mail.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 15(1)</i> <i>AGA Code clause 4.3.2.1</i></p>	<p><i>Obligations 68 and 69</i></p> <p>Through examination of the non-standard contract terms and conditions (July 2020) clause 10 Methods of Payment, we determined that Kleenheat's non-standard form contract clearly states that:</p> <ul style="list-style-type: none"> • Kleenheat offers payment in person and payment by mail • Kleenheat offers customers who may be absent for a long period, payment in advance and the option to redirect a bill. 			
Priority 5	Controls rating: N/P			Compliance rating: 1	
69**	<p>A non-standard contract must include provisions that ensure that a licensee offer customers who are absent for a long period, payment in advance facilities and the option of redirecting the bill.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 15(1)</i> <i>AGA Code clause 4.3.2.2</i></p>				
Priority 5	Controls rating: N/P	Compliance rating: 1			

No	Obligation under Condition	Findings	
70	<p>A non-standard contract must not authorise a licensee to terminate a contract if a customer commits a breach of the contract (other than a substantial breach) unless: the licensee has a right to disconnect supply under the contract, a written law or a relevant code; and the licensee has disconnected supply at all supply addresses of the customer covered by the contract.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 16(3)</i></p>	<p>Applicable to 2 January 2023 only</p> <p>Through examination of the non-standard contract terms and conditions (January 2023) clause 25.3 <i>Our Termination Rights</i> and the non-standard contract terms and conditions (July 2020) clause 23.3 <i>Our Termination Rights</i>, we determined that Kleenheat's non-standard form contract clearly states that Kleenheat may terminate the contract if a customer commits a breach other than a substantial breach by giving a 10 business days written notice if Kleenheat has:</p> <ul style="list-style-type: none"> • A right to disconnect supply under the contract, a written law or a relevant code; and • Disconnected supply at all supply addresses of the customer. 	
Priority 5	Controls rating: N/P	Compliance rating: 1	
71	<p>A non-standard contract must require a licensee to make the following information available to the customer if the customer requests it:</p> <ol style="list-style-type: none"> a. a copy of their customer service charter (Applicable to 2 January 2023 only) b. copies of regulations or any relevant code c. information about fees and charges payable under the contract d. with information on energy efficiency e. billing data; and f. contact details for obtaining information about Government Assistance Programs or Financial Counselling Services. <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 19</i></p>	<p>Applicable to 2 January 2023 only</p> <p>Through examination of the non-standard contract terms and conditions (January 2023) clause 34. <i>Access to Information</i> and the non-standard contract terms and conditions (July 2020) clause 31. <i>Access to Information</i>, we determined that Kleenheat's non-standard form contract clearly states that Kleenheat will make the following information detailed in Regulation 19 available to a customer should they request it:</p> <ul style="list-style-type: none"> • A copy of the customer service charter (applicable to 2 January 2023 only) • A copy of any relevant regulation or code • Information about fees and charges payable under the contract • Information on energy efficiency • Billing data • Contact details for obtaining information about Government Assistance Programs or Financial Counselling Services. 	
Priority 5	Controls rating: N/P	Compliance rating: 1	
72	<p><u>Applicable to 2 January 2023 only</u></p> <p>A non-standard contract must include provisions that ensure that a licensee must offer a customer who indicates to the licensee that they are experiencing payment difficulties: instalment plan options; right to have bill redirected to third person; information about or referral to government assistance programs; and information on independent financial counselling services.</p> <p><u>Applicable from 3 January 2023 only</u></p> <p>A non-standard contract must include the procedure to be followed by the licensee and the customer if the customer has difficulty paying a bill.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 20 (2)</i></p> <p><i>AGA Code clause 4.3.5.1 to Jan 2023, Reg 20 (1) from Jan 2023</i></p>	<p>Applicable to 2 January 2023 only</p> <p>Through examination of the non-standard contract terms and conditions (July 2020) clause 6.5 <i>Difficulties in Paying</i>, we determined that Kleenheat's non-standard form contract clearly states that Kleenheat will offer the following options to a customer that is experiencing payment difficulties:</p> <ul style="list-style-type: none"> • Instalment plan options • The right to have a bill redirected to a third person if the third consent provides their verifiable consent • Information about, and referral to, government assistance programs • Information on independent financial counselling services. <p><u>Applicable from 3 January 2023 only</u></p> <p>Through examination of the non-standard contract terms and conditions (January 2023) clause 7.5 <i>Difficulties in Paying</i>, we determined that Kleenheat's non-standard form confirms the procedure to be followed by Kleenheat and the customer if the customer has difficulty paying a bill.</p>	
Priority 5	Controls rating: N/P	Compliance rating: 1	

No	Obligation under Condition			Findings
72A	A non-standard contract must set out the procedures to be followed in relation to debt collection. <i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 20 (3)</i>			Through examination of the non-standard contract terms and conditions (January 2023) clause 7.6 <i>Debt Collection</i> and non-standard contract terms and conditions (July 2020) clause 6.6 <i>Debt Collection</i> , we determined that Kleenheat's non-standard form contract clearly sets out: <ul style="list-style-type: none"> Kleenheat's procedures in relation to debt collection.
	Priority 5	Controls rating: N/P	Compliance rating: 1	
72AA Ψ	A non-standard contract must describe the procedures to be followed by the licensee in responding to a complaint made by the customer. <i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 21</i>			Through examination of the non-standard contract terms and conditions (January 2023) clause 31. <i>Complaints and Disputes</i> , we determined that Kleenheat's non-standard form contract clearly describes: <ul style="list-style-type: none"> Kleenheat's procedures for responding to customer complaints
	Priority 5	Controls rating: N/P	Compliance rating: 1	
72B	A non-standard contract must specify that the licensee has a privacy policy that sets out the steps taken to ensure that customer information is dealt with in a confidential manner and the way in which a copy of the privacy policy can be obtained by the customer without charge. <i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 22</i>			Through examination of the non-standard contract terms and conditions (January 2023) clause 35. <i>Confidentiality and Privacy</i> and non-standard contract terms and conditions (July 2020) clause 32. <i>Confidentiality and Privacy</i> , we determined that: <ul style="list-style-type: none"> Kleenheat's non-standard form contract clearly outlines that Kleenheat has a privacy policy that sets out the steps taken to ensure that customer information is dealt with in a confidential manner and the way in which a copy of the privacy policy can be obtained by the customer without charge.
	Priority 5	Controls rating: N/P	Compliance rating: 1	
73	A non-standard contract must prohibit the supply of gas to the customer under a door to door contract during the cooling-off period unless the customer requests supply. <i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 40(3)</i>			Through examination of the non-standard contract terms and conditions (January 2023) clause 25.6 <i>Cooling-off Period</i> and non-standard contract terms and conditions (July 2020) clause 23.6 <i>Cooling-off Period</i> , we determined that Kleenheat's non-standard form contract clearly states: <ul style="list-style-type: none"> That Kleenheat it prohibits the supply to of gas via door-to-door contract during the cooling off period unless the customer requested supply.
	Priority 5	Controls rating: N/P	Compliance rating: 1	
74A	A licensee must not commence legal proceedings for the recovery of a customer debt if the customer has entered into a payment arrangement and is complying with the terms of that arrangement. <i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 48</i>			Through discussion with the Regulatory Manager, Natural Gas & Electricity and Consumer Credit Team Leader, and consideration of Kleenheat's collection activities, we determined that during the audit period Kleenheat did not commence any legal proceedings for the recovery of a customer debt. Therefore, this obligation was not relevant to Kleenheat's activities during the audit period. Our examination of the customer complaints tracker did not identify complaints in relation to Kleenheat's debt collection activities during the audit period.
	Priority 5	Controls rating: N/P	Compliance rating: N/R	
75A	A licensee may only provide a credit reporting agency with default information if it relates to a bill issued by the licensee. <i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 49(2)</i>			Through discussion with the Regulatory Manager, Natural Gas & Electricity and the Consumer Credit Team Leader, and consideration of Kleenheat's collection activities, we determined that during the audit period Kleenheat did not register any default information with a credit reporting agency. Therefore, this obligation was not relevant to Kleenheat's activities during the audit period.
	Priority 5	Controls rating: N/P	Compliance rating: N/R	
76	A licensee must notify a credit reporting agency immediately if a customer has cleared their debt. <i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 49(3)</i>			<i>Obligations 76 to 78</i> Through discussion with the Regulatory Manager, Natural Gas & Electricity and the Consumer Credit Team Leader, and consideration of Kleenheat's collection activities, we determined that during the
	Priority 5	Controls rating: N/P	Compliance rating: N/R	

No	Obligation under Condition			Findings
77	<p>If a customer remedies a default and demonstrates extenuating circumstances, a licensee must request the credit reporting agency to remove the default record.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 49(4)</i></p>			<p>audit period Kleenheat had not default listed any customer (this has been the case since July 2018) and all default listings had been cleared prior to the commencement of the audit period. Therefore, these obligations were not relevant to Kleenheat's activities during the audit period.</p>
78	<p>A licensee must not refer a default to a credit reporting agency that is the subject of a complaint or matter of review.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 49(5)</i></p>			
79	<p>A licensee must include information about its complaint handling process and contact details of the energy ombudsman on any disconnection warning given to a customer.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 50</i></p>			<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and the Consumer Credit Team Leader and examination of a sample of Kleenheat's disconnection warning notices, we determined that Kleenheat's disconnection warning notices include information on how customers can lodge a complaint to a Supervisor, Manager or Kleenheat's Customer Advocate, as well as information on how to contact the WA Energy and Water Ombudsman.</p>
80	<p>Subject to regulation (4), a fixed term non-standard contract must require that when a non-standard contract is due to expire, a licensee must issue a notice in writing to a customer not more than 40 business days and not less than 20 business days before the day on which the contract is due to expire (or at the commencement of the contract if the contract is less than 1 month) with information about: the expiry date; alternative supply options, and the terms and conditions for continued supply post contract expiry.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 44</i></p>			<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, consideration of Kleenheat's Customer (Business) Renewal Process and examination of Kleenheat's non-standard customer contract, we determined that:</p> <ul style="list-style-type: none"> • Kleenheat's residential customer contracts do not have terms or expiry dates and as such, this requirement is not applicable to residential customers • For Kleenheat's small-use business (SME) customers who are on contracts with expiry dates: <ul style="list-style-type: none"> ○ Monthly renewal reports are used by NG business sales team to identify SME customers due for renewals within two months, with an assigned Business Sales Consultant required to make contact with the customer and present new plan details no longer than two months from current end date and no less than one month from the current end date ○ The customer is provided with information such as the expiry date of their current contract, alternative supply options and terms and conditions for continued supply post contract ○ Kleenheat has not identified any instance where its contract renewal procedures have not been complied with.
83	<p>Upon request, a licensee must provide a customer with a copy of the Energy Coordination (Customer Contracts) Regulations 2004 or a relevant code.</p> <p><i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 46(1)</i></p>			<p>Kleenheat's Non-Standard Form Contract Terms and Conditions, clause 34 provides for customers to request from Kleenheat a copy of the Energy Coordination (Customer Contracts) Regulations 2004 or any relevant code.</p> <p>Through discussion with the Customer Contact Team Leader, we determined that during the audit period there were no such requests from customers.</p>

No	Obligation under Condition	Findings	
84	A licensee must ensure that a copy of the Energy Coordination (Customer Contracts) Regulations 2004 or a relevant code is available for inspection at its offices at no charge. <i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 46 (4)</i>	Through discussion with the Customer Contact Team Leader, we determined that Kleenheat has continued to make available a copy of the Energy Coordination (Customer Contract) Regulations 2004 and other relevant codes at its Murdoch premises, which can be inspected by customers free of charge.	
	Priority 5	Controls rating: N/P	Compliance rating: 1
84A	A licensee must provide available bill data to customers upon request free of charge subject to clause 47(2) and (4) of the Energy Coordination (Customer Contracts) Regulations 2004. <i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 47 (2) & (4)</i>	<p>Kleenheat's Non-Standard Form Contract Terms and Conditions, clause 7.7 provides for historical bill data for the previous 2 years to be provided to customers upon request free of charge, subject to the provisions of Regulation 47(2) and (4).</p> <p>Regulation 47(2) provides for Kleenheat to impose a charge for the provision of billing data spanning more than two years or if the customer has already made a request for billing data within the previous 12 months. Regulation 47(4) prohibits a charge if the request from the customer relates to a complaint made by the customer.</p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, consideration of Kleenheat's arrangements for making billing data available to customers free of charge via its website, consideration of Kleenheat's arrangements for imposing fees and examination of fees charged for the provision of bills, we determined that during the audit period, Kleenheat has:</p> <ul style="list-style-type: none"> • Made billing data available to all customers on request and free of charge; and • Not charged customers for the provision of that data. 	
	Priority 5	Controls rating: N/P	Compliance rating: 1
91	A non-standard contract must require the licensee to notify the customer of any amendment to a non-standard contract. <i>Energy Coordination (Customer Contracts) Regulations 2004 Reg 42</i>	Through examination of the Non-Standard Form Contract Terms and Conditions, clause 32 we determined that Kleenheat's non-standard form contract requires Kleenheat to notify the customer of any amendment to the contract.	
	Priority 5	Controls rating: N/P	Compliance rating: 1

**Applicable to 2 January 2023 only

Ψ Applicable from 3 January 2023 only

4.4 Licence Conditions (Energy Coordination Act s11M)

No	Obligation under Condition	Findings	
96	A licensee must comply and require its expert to comply with the ERA's standard guidelines dealing with the performance audit. <i>Trading Licence clause 5.1.2</i>	The November 2020 report prepared by PwC on Kleenheat's GTL10 performance audit for the period 1 September 2018 to 31 August 2020 demonstrated that the performance audit was performed in accordance with the ERA's Audit and Review Guidelines applicable to performance audits.	
	Priority 4	Controls rating: N/P	Compliance rating: 1
97	A licensee's independent auditor must be approved by the ERA prior to the audit. <i>Trading Licence clause 5.1.3</i>	In August 2020, the ERA approved Kleenheat's appointment of PwC as the independent auditor to undertake Kleenheat's GTL10 performance audit for the period 1 September 2018 to 31 August 2020. The final performance audit report was issued in November 2020. In August 2023, the ERA approved Kleenheat's appointment of Assurance Advisory Group as the independent auditor to undertake the current performance audit for the period 1 September 2020 to 31 August 2023.	
	Priority 5	Controls rating: N/P	Compliance rating: 1
98	Applicable to 30 June 2022 only: A licensee may be subject to individual performance standards. Applicable from 1 July 2022 only: A licensee must comply with any individual performance standards prescribed by the ERA. <i>Trading Licence clause 4.6.4</i>	The Regulatory Manager, Natural Gas & Electricity confirmed that during the audit period Kleenheat was not subject to individual performance standards issued by the ERA. Therefore, this obligation was not relevant to Kleenheat during the audit period.	
	Priority 4	Controls rating: N/P	Compliance rating: N/R
99	Unless otherwise specified, all notices must be in writing and will be regarded as having been sent and received in accordance with defined parameters. <i>Trading Licence clause 3.7.1</i>	Through discussion with the Regulatory Manager, Natural Gas & Electricity and examination of Kleenheat's email and letter communications, we determined that during the audit period: <ul style="list-style-type: none"> Kleenheat's formal communications with the ERA were made in writing and sent via post or email Kleenheat maintained all records electronically, any hard copy communications were scanned and saved in electronic version. 	
	Priority 5	Controls rating: N/P	Compliance rating: 1
100	A licensee and any related body corporate must maintain accounting records that comply with the Australian Accounting Standards Board or equivalent International Accounting Standards. <i>Trading Licence clause 4.3.1</i>	Through discussion with the Financial Accounting Manager, WesCEF and examination of Wesfarmers Limited's audited financial statements for the 2020/21, 2021/22 and 2022/23 financial years, we determined that: <ul style="list-style-type: none"> Kleenheat remained a wholly owned subsidiary of Wesfarmers Limited during the audit period 1 September 2020 to 31 August 2023; Wesfarmers Limited's audited financial statements were prepared in accordance with the requirements of the Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board; and For the current financial year (to cover the period of this audit to 31 August 2023), there were no significant accounting transactions and/or items thought to jeopardise Kleenheat's on-going compliance with Australian Accounting Standards. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings	
101	A licensee must report to the ERA if the licensee is under external administration or experiences a significant change in its corporate, financial or technical circumstances that may affect the licensee's ability to meet its obligations under this licence within 2 business days of the change occurring. <i>Trading Licence clause 4.4.1(a)</i>	The Financial Accounting Manager, WesCEF confirmed that during the audit period 1 September 2020 to 31 August 2023, Kleenheat or Wesfarmers had not: <ul style="list-style-type: none"> • Been under external administration; • Undergone any significant change in its corporate, financial or technical circumstances that may affect its ability to meet its obligations under this licence; or • Changed its name, ABN or address. 	
	Priority 4	Controls rating: N/P	Compliance rating: N/R
102	A licensee must provide to the ERA any information that the ERA may require in connection with its functions under the Energy Coordination Act 1994 in the time, manner and form specified by the ERA. <i>Trading Licence clause 4.5.1</i>	Through discussion with the Regulatory Manager, Natural Gas & Electricity, examination of Kleenheat's 2020/21, 2021/22 and 2022/23 annual compliance reports and datasheets submitted to the ERA, and examination of Kleenheat's reporting processes and procedures we determined that: <ul style="list-style-type: none"> • Kleenheat's reporting processes are well documented with calendar reminders in place to ensure timely reporting • The required annual compliance reports and datasheets were submitted to the ERA by the due dates* and contained the information specified. The Regulatory Manager, Natural Gas & Electricity confirmed that other than annual compliance reports and datasheets, Kleenheat was not requested to provide additional information to the ERA in relation to its functions under the Energy Co-ordination Act during the audit period. *Note: 2022/23 datasheets due date was outside the audit period.	
	Priority 2	Controls rating: A	Compliance rating: 1
103	A licensee must publish any information it is directed by the ERA to publish, within the timeframes specified. <i>Trading Licence clause 3.8.1</i>	We sighted evidence that Kleenheat published the 2020/21 and 2021/22 annual Performance Reports on its website within the 7 calendar days of instruction. The Regulatory Manager, Natural Gas & Electricity confirmed that during the audit period Kleenheat was not directed by the ERA to publish any additional information.	
	Priority 4	Controls rating: N/P	Compliance rating: 1
106	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 by the ERA. <i>Trading Licence clause 6.4.2</i>	<i>Obligations 106 to 108</i> Through discussions with the Regulatory Manager, Natural Gas & Electricity, review of the <i>ERA Decision to renew gas distribution licence GTL10 and approve amended standard form contract – Wesfarmers Kleenheat Gas Pty Ltd</i> , and consideration of Kleenheat's standard form contract (SFC) we determined that:	
	Priority 5	Controls rating: N/P	Compliance rating: 1
107	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. <i>Trading Licence clause 6.4.3</i>	<ul style="list-style-type: none"> • Kleenheat was required to review its SFC as part of the GTL10 renewal process. On 1 June 2021 Kleenheat applied to the ERA to renew GTL10 and submitted an amended SFC. The ERA approved both the licence renewal and the amended SFC on 9 July 2021; • Kleenheat amended its SFC on 1 January 2023 to align with the amendments made to the Energy Coordination (Customer Contracts) Regulations 2004; and 	
	Priority 5	Controls rating: N/P	Compliance rating: 1
108	A licensee must only amend the standard form contract in accordance with the Energy Coordination Act 1994 and Regulations. <i>Trading Licence clause 6.5.1</i>	<ul style="list-style-type: none"> • The ERA approved any amendments to the SFC. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings	
109	<p>A licensee must maintain supply to a customer if it supplies, or within the last 12 months supplied, gas to that customer's premises unless another supplier starts supplying the customer.</p> <p><i>Trading Licence clauses 6.8.1 and 6.8.2</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and examination of Kleenheat's customer transfer documentation and exception reporting, we determined that Kleenheat:</p> <ul style="list-style-type: none"> • Maintains supply to all customers until either: <ul style="list-style-type: none"> ○ The customer breaches the terms and conditions such as for failure to pay, in which case, Kleenheat follows its disconnection procedures, or ○ A transfer process is initiated through the distributor, which is detailed in Kleenheat's disconnection procedures • Has renewal procedures specifically for small SME customers on a non-standard form contract and will continue to supply gas until transfer or disconnection is requested by the customer. <p>Examination of Kleenheat's complaints tracker for the audit period did not identify any complaints attributed to Kleenheat not continuing to maintain supply in breach of its obligations.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: 1
110	<p>A licensee must provide the ERA within 3 business days of a request by the ERA with reasons for refusing to commence supply to a customer.</p> <p><i>Trading Licence Schedule 1 clause 2.5</i></p>	<p>The Regulatory Manager, Natural Gas & Electricity confirmed that during the audit period the ERA had made no request from Kleenheat for information relating to the refusal of supply to a customer. Therefore, this obligation was not relevant to Kleenheat's activities during the audit period.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: N/R
111	<p>A licensee must comply with a direction from the ERA to supply a customer, subject to specified conditions.</p> <p><i>Trading Licence Schedule 1 clause 2.7</i></p>	<p>The Regulatory Manager, Natural Gas & Electricity confirmed that the ERA had not made a direction to Kleenheat to supply a customer during the audit period. Therefore, this obligation was not relevant to Kleenheat's activities during the audit period.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: N/R

No	Obligation under Condition			Findings
112	<p>Subject to clause 3.2, a licensee must provide reasonable information relating to its activities under the licence as requested by the holder of a distribution licence to enable for the safe and efficient operation of the relevant distribution system.</p> <p><i>Trading Licence Schedule 1 clauses 3.1 and 3.2</i></p>			<p>NG</p> <p>Through discussion with the Consumer Credit Team Leader and examination of a sample of meeting minutes with ATCO, we determined that during the audit period, Kleenheat continued to meet with ATCO on a quarterly basis. These meetings:</p> <ul style="list-style-type: none"> • Are designed to discuss any issues relevant to the business relationship between Kleenheat as a retailer and ATCO as a distributor Kleenheat • Were attended by appropriate Kleenheat representatives, such as the Senior Commercial Analyst, Consumer Credit Team Leader and the NG Billing Team Leader • Facilitated Kleenheat’s provision of any reasonable information that was requested by ATCO in relation to the safe and efficient operation of ATCO’s distribution system. <p>The Regulatory Manager, Natural Gas & Electricity, confirmed that ATCO did not make any complaints regarding Kleenheat during the audit period.</p> <p>LPG</p> <p>As Kleenheat acts as both the retailer and distributor in relation to the LPG retic network, its internal communication processes enable all information required by the distribution network team in relation to the safe and efficient operation of the system to be made available on request.</p>
	Priority 4	Controls rating: N/P	Compliance rating: 1	
113	<p>A licensee must notify the Minister at least one month before a change to any price, price structure, fee or interest rate under the standard form contract is to come into effect.</p> <p><i>Trading Licence Schedule 1 clause 4.1</i></p>			<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity we determined that there were 7 instances of natural gas price and/or fee increases and one instance of LPG tariff increase during the audit period.</p> <p>We sighted evidence of correspondence advising the Minister of each of these changes at least one month before the changes took place.</p>
	Priority 4	Controls rating: N/P	Compliance rating: 1	

4.5 Gas Marketing Code of Conduct

No	Obligation under Condition	Findings	
116	<p>A retailer must ensure that its gas marketing agents comply with Part 2 of the Code of Conduct.</p> <p><i>Clause 4</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and consideration of Kleenheat's marketing and sign-up arrangements, we determined that Kleenheat did not engage any third party gas marketing agents during the audit period.</p> <p>As we interpret the definition of Gas Marketing Agent to mean contracted, third party agents, not Kleenheat employees, this obligation was not relevant to Kleenheat's activities during the audit period.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: N/R
117	<p>A retailer or gas marketing agent must ensure that standard form contracts that are not unsolicited consumer agreements are entered into in the manner and satisfying the conditions specified.</p> <p><i>Clause 5(1)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, Business Analyst – Sales and Customer Contact Team Leader, and examination of Kleenheat's sales training modules and customer welcome pack, we determined that Kleenheat has maintained the following procedures when entering into a standard form contract that is not an unsolicited consumer agreement:</p> <ul style="list-style-type: none"> • The date a solicited form contract is entered into is recorded by the responsible Kleenheat officer, and • A copy of the standard form contract is provided to the customer in the prescribed time, which is (i) at the time the standard form contract is entered into, if the standard form contract was not entered into over the telephone; or (ii) as soon as possible (usually the same day), but always within 5 business days after the standard form contract was entered into, if the standard form contract was entered into over the telephone. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1
118	<p>If a customer enters into a standard form contract that is not an unsolicited consumer agreement, the retailer or gas marketing agent must give the customer the information specified in clause 5(2) before or at the time of giving the customer's first bill, unless the retailer or gas marketing agent has provided the information to the customer in the preceding 12 months or informed the customer how the information may be obtained (unless the customer has requested to receive the information).</p> <p><i>Clauses 5(2) and 5(3)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and Customer Contact Team Leader, and examination of Kleenheat's Customer Service Team Gas Marketing Code of Conduct Training Modules, the customer welcome pack and sample bills, we determined that</p> <ul style="list-style-type: none"> • Staff are trained to provide customers the following information no later than the first bill being issued (in compliance with the requirements of subsection 5(2) and (3) of the Code): <ul style="list-style-type: none"> ○ How the customer may obtain copy of the Compendium and details on all relevant tariffs, fees, charges, alternative tariffs and service levels that may apply to the customer ○ The scope of the Code and the obligation of Kleenheat and its agents to comply with the Code ○ How Kleenheat may assist customers experiencing financial difficulty ○ A statement for residential customers that the customer may be eligible to receive concessions and a link to more information ○ How to make an enquiry or a complaint • Kleenheat's bills include: <ul style="list-style-type: none"> ○ ATCO's 24 hour emergency number ○ The telephone number for interpreter services and the National Interpreter Symbol ○ The telephone number for TTY services. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings
119	<p>When a customer enters into a non-standard contract that is not an unsolicited consumer agreement, a retailer or gas marketing agent must obtain and make a record of the customer's verifiable consent to entering into the non-standard contract.</p> <p><i>Clause 6(1)(a)</i></p>	<p>NG</p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, Business Analyst – Sales and Customer Contact Team Leader, consideration of Kleenheat's customer sign-up processes and customer service training arrangements, and testing of a sample of new residential and business customer sign-ups, we determined that during the audit period, Kleenheat:</p> <ul style="list-style-type: none"> Maintained appropriate procedures for obtaining and making a record of the customer's verifiable consent to entering into a non-standard contract Ensured its staff were appropriately trained in the requirement to obtain and record customers' verifiable consent Applied appropriate quality assurance practices to monitor staff compliance with the requirement to obtain and record customers' verifiable consent. <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and Customer Contact Team Leader; and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> On eight occasions during the audit period, Kleenheat did not obtain or did not make a record of the customer's verifiable consent to enter into a non-standard contract The breaches were identified as part of Kleenheat's internal review processes, were self-reported by Kleenheat and were attributed to human error, with customer service agents not following the established procedures Kleenheat contacted all affected customers to obtain or record consent retrospectively Each breach was discussed with the relevant customer service agent, and additional, focussed training was provided. This action is considered to be appropriate to address the isolated nature of the breaches. <p>Our examination of Kleenheat's customer complaints tracker did not identify any complaints during the audit period attributed to Kleenheat entering into a contract without the customer's consent.</p> <p>LPG</p> <p>Kleenheat does not offer non-standard contracts to LPG customers.</p>
119A	<p>When a customer enters into a non-standard contract that is not an unsolicited consumer agreement, a retailer or gas marketing agent must give, or make available to the customer at no charge, a copy of the non-standard contract at the times specified in clause 2.3(1)(b)(i).</p> <p><i>Clause 6(1)(b)</i></p>	<p>NG</p> <p>Through discussion with the Business Analyst – Sales and Customer Contact Team Leader, and consideration of Kleenheat's customer sign-up processes and customer service training arrangements, we determined that during the audit period, Kleenheat maintained appropriate procedures to ensure that, when entering into a non-standard contract that is not an unsolicited consumer agreement, a copy of the non-standard contract is provided to the customer in the prescribed time, being:</p> <ul style="list-style-type: none"> At the time the non-standard contract is entered into, if the non-standard contract was not entered into over the telephone; or As soon as possible (usually the same day), but always within 5 business days after the non-standard contract was entered into, if the non-standard contract was entered into over the telephone. <p>LPG</p> <p>Kleenheat does not offer non-standard contracts to LPG customers.</p>

No	Obligation under Condition	Findings
120A	<p>A retailer or gas marketing agent must ensure that the information specified is provided to the customer before entering into a non-standard contract.</p> <p><i>Clause 6(2)</i></p>	<p><i>* Audit Priority 2 rating relates to NG operations. LPG operations rated as Audit Priority 4</i></p> <p>NG</p> <p>Through discussion with the Business Analyst – Sales and Customer Contact Team Leader, consideration of Kleenheat’s customer sign-up processes and customer service training arrangements, and testing of a sample of new residential and business customer sign-ups, we determined that during the audit period, Kleenheat:</p> <ul style="list-style-type: none"> • Maintained appropriate procedures and ensured its staff were appropriately trained in those procedures for making the customer aware of: <ul style="list-style-type: none"> ○ Their ability to choose the standard form contract; ○ The difference between the standard and non-standard form contract; and ○ Their ability to rescind the non-standard contract during the cool-off period and any applicable charges for rescinding the non-standard contract. • Applied appropriate quality assurance practices to monitor staff compliance with the requirement for providing such information to customers. <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and Customer Contact Team Leader; and examination of Kleenheat’s compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> • In one instance affecting one customer in July 2022, a customer service agent failed to advise the customer that they could choose a standard form contract (SFC) and the differences between the SFC and the non-standard contract • The breach was identified during Kleenheat’s monthly review of sign-up calls • Kleenheat contacted the customer to provide the required information retrospectively • The CST Team Leader discussed the breach with the agent and referred to relevant training modules. This action is considered to be appropriate to address the isolated nature of the breach. <p>Our examination of Kleenheat’s customer complaints tracker did not identify any complaints during the audit period relating to Kleenheat’s provision of information to a customer when entering into a contract.</p> <p>LPG</p> <p>Kleenheat does not offer non-standard contracts to LPG customers.</p>
Priority 2*	Controls rating: A	Compliance rating: 2

No	Obligation under Condition	Findings		
120B	<p>Subject to clause 6(4), if entering into a non-standard contract, a retailer or gas marketing agent must give the customer the information specified in clauses (a)-(g) before or at the time of giving the customer's first bill.</p> <p><i>Clause 6(3)</i></p>	<p>NG</p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, Business Analyst – Sales and Customer Contact Team Leader, and examination of Kleenheat's Customer Service Team Gas Marketing Code of Conduct Training Modules, the customer welcome pack and sample bills, we determined that</p> <ul style="list-style-type: none"> • Staff are trained to provide customers the following information no later than the first bill being issued (in compliance with the requirements of subsection 6(3) of the Code): <ul style="list-style-type: none"> ○ A copy of the Compendium and details on all relevant tariffs, fees, charges, alternative tariffs and service levels that may apply to the customer ○ The scope of the Code and the obligation of Kleenheat and its agents to comply with the Code ○ How Kleenheat may assist customers experiencing financial difficulty ○ A statement for residential customers that the customer may be eligible to receive concessions and a link to more information ○ How to make an enquiry or a complaint • Kleenheat's bills include: <ul style="list-style-type: none"> ○ ATCO's 24 hour emergency number ○ The telephone number for interpreter services and the National Interpreter Symbol ○ The telephone number for TTY services. <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, Business Analyst – Sales and Customer Contact Team Leader; and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> • On 77 occasions during the audit period, Kleenheat did not give a customer the information specified in clause 6(3) before or at the time of giving the customer's first bill • The breaches were caused by an error in the billing system resulting in the misclassification of small use businesses as large use businesses and vice versa. The classification error resulted in customers not receiving information required under Clause 6(3). We note that the misclassification did not have an impact on the validity of tariffs or charges applied i.e. the customers were billed for the correct amount • A data fix was deployed to correct the billing system error and all affected customers were communicated with to ensure they understood any changes to their future invoicing. <p>Our examination of Kleenheat's customer complaints tracker did not identify any complaints during the audit period relating to Kleenheat's provision of information to a customer when entering into a contract.</p>		
	Priority 2	Controls rating: A	Compliance rating: 2	Kleenheat does not offer non-standard contracts to LPG customers.

No	Obligation under Condition	Findings	
121A	<p>A retailer or gas marketing agent must obtain a customer's verifiable confirmation that the information specified in clause 2.3(2) has been given.</p> <p><i>Clause 6(5)</i></p>	<p>NG</p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, Business Analyst – Sales and Customer Contact Team Leader, consideration of Kleenheat's customer sign-up processes and customer service training arrangements, and testing of a sample of new residential and business customer sign-ups, we determined that during the audit period, Kleenheat maintained appropriate procedures for:</p> <ul style="list-style-type: none"> • Ensuring that before entering a non-standard contract, the customer is made aware of: <ul style="list-style-type: none"> ○ Their ability to choose the standard form contract; ○ The difference between the standard and non-standard form contract; and ○ Their ability to rescind the non-standard contract during the cool-off period and any applicable charges for rescinding the non-standard contract • Obtaining and making a record of the customer's verifiable confirmation that this information has been given • Ensured its staff were appropriately trained in the requirement to obtain and record customers' verifiable confirmation • Applied appropriate quality assurance practices to monitor staff compliance with the requirement to obtain and record customers' verifiable confirmation. <p>In relation to business customers, we noted one instance (August 2021) in our test sample of four where the quality of the customer contract retained on file was poor. Although we are satisfied that Kleenheat obtained the customer's confirmation of receipt of the required information, this instance highlighted a control weakness. The Business Analyst – Sales advised that Kleenheat's contract sales process has since been improved to require contracts to be signed via DocuSign or digitally via Outlook (as an Adobe attachment) and for contracts to have two peer reviews before being formally accepted. This audit makes no further recommendation for improvement.</p> <p>LPG</p> <p>Kleenheat does not offer non-standard contracts to LPG customers.</p>	
122	<p>A retailer or gas marketing agent must ensure that the inclusion of concessions is made clear to residential customers and any prices that exclude concessions are disclosed.</p> <p><i>Clause 7(1)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, Business Analyst – Sales and Customer Contact Team Leader, consideration of Kleenheat's customer sign-up processes and customer service training arrangements, and examination of Kleenheat's website, we determined that during the audit period, Kleenheat maintained appropriate processes and procedures for ensuring that:</p> <ul style="list-style-type: none"> • Sales agents are trained to explain the difference between available plans (the standard form contract, the monthly smart saver plan and the monthly energiser plan) and related price, detailing the inclusion and exclusion of concessions • A detailed fee schedule for every plan is disclosed on Kleenheat's website • Hard copies of the available plans fee schedules are available upon customer request. 	
	Priority 4	Controls rating: B	Compliance rating: 1
	Priority 4	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition			Findings
123	<p>A retailer or gas marketing agent must ensure that a customer is able to contact the retailer or gas marketing agent on the retailer's or gas marketing agent's telephone number during the normal business hours of the retailer or gas marketing agent for the purposes of enquiries, verifications and complaints.</p> <p><i>Clause 7(2)C</i></p>			<p>Through discussion with the Customer Contact Supervisor and examination of Kleenheat's website, the customer welcome pack and sample bills, we determined that during the audit period:</p> <ul style="list-style-type: none"> Sales Agents were trained to provide customers with information about how to contact Kleenheat for the purpose of general enquiries, verification and complaints during business hours Information about how to contact Kleenheat via telephone for the purpose of general enquiries, verification and complaints was disclosed on Kleenheat's website, customer invoices and the customer's welcome pack The Customer Contact Call Centre phone lines were open during normal business hours from Monday to Friday (8.00am to 5.00pm).
	Priority 4	Controls rating: N/P	Compliance rating: 1	
124	<p>A retailer or gas marketing agent who contacts a customer for the purposes of marketing must, on request, provide the customer with the retailer's complaints telephone number, the gas ombudsman's telephone number and, for contact by a gas marketing agent, the gas marketing agent's marketing identification number.</p> <p><i>Clause 8(1)</i></p>			<p>Through discussion with the Customer Contact Supervisor and Customer Advocate and examination of Kleenheat's website, the customer welcome pack and sample bills, we determined that during the audit period Kleenheat applied appropriate processes which require staff to provide the customer with the necessary information (including relevant telephone numbers and identification numbers) to enable the customer to:</p> <ul style="list-style-type: none"> Lodge a complaint Escalate a complaint Contact the Customer Advocate for unresolved complaints Contact the WA Energy & Water Ombudsman.
	Priority 4	Controls rating: N/P	Compliance rating: 1	
125	<p>A retailer or gas marketing agent who meets with a customer face to face for the purposes of marketing must:</p> <ul style="list-style-type: none"> wear a clearly visible and legible identity card showing the information specified; and as soon as practicable provide the customer, in writing, the information specified. <p><i>Clause 8(2)</i></p>			<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and Customer Contact Team Leader, we determined that during the audit period:</p> <ul style="list-style-type: none"> Kleenheat did not apply any marketing strategies (including use of kiosks or door-to-door campaigns) that involved face to face meetings with potential or existing customers In the occasional circumstances where a customer sought a face to face meeting, Kleenheat agents were trained to: <ul style="list-style-type: none"> Wear a clearly visible and legible identity card showing their first name, photograph, marketing identification number and Kleenheat's name at all times while engaging with customers face to face Upon request, provide in writing to customers their first name, marketing identification number, Kleenheat's name, Kleenheat's complaint telephone number, Kleenheat's address, Kleenheat's ABN, and the Gas Ombudsman's telephone number. <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and Customer Contact Team Leader; and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> On one occasion during the audit period, two Kleenheat business sales agents did not wear or display identity cards while meeting with prospective customers during a corporate event The breach was reported by the customer service agents that same day Further feedback was provided to customer service agents regarding the requirement to wear identity cards at all events. This action is considered to be appropriate to address the isolated nature of the breach.
	Priority 2	Controls rating: A	Compliance rating: 2	

No	Obligation under Condition	Findings	
126	<p>A retailer or gas marketing agent who visits a person's premises for the purposes of marketing, must comply with any clearly visible signs at the premises indicating that canvassing is not permitted or no advertising material is to be left at the premises.</p> <p><i>Clause 9</i></p>	<p>The Regulatory Manager, Natural Gas & Electricity confirmed that Kleenheat has not conducted door-to-door marketing during the audit period.</p> <p>Therefore, this obligation was not relevant to Kleenheat during the audit period.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: N/R
128	<p>A gas marketing agent must:</p> <ul style="list-style-type: none"> keep a record of each complaint made by a customer, or person contacted for the purposes of marketing, about the marketing carried out by or on behalf of the gas marketing agent; and on request by the gas ombudsman in relation to a particular complaint, give to the gas ombudsman all information that the gas marketing agent has relating to the complaint within 28 days of receiving the request. <p><i>Clause 12</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, Customer Contact Team Leader and Customer Advocate and consideration of Kleenheat's customer service training arrangements, we determined that during the audit period, Kleenheat maintained appropriate processes and procedures for ensuring that:</p> <ul style="list-style-type: none"> Agents were trained to immediately record any complaint from a customer into Kleenheat's Oracle system All complaints were reviewed by the Customer Advocate to ensure the appropriate action was taken to acknowledge and respond to the complaint A complaint form was available to the customer via the Kleenheat website Upon request and within 28 days, Kleenheat was able to provide the Energy and Water Ombudsman with records of diary notes in relation to a complaint recorded by a marketing agent. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1
129	<p>Any record that a gas marketing agent is required to keep by the Code of Conduct, must be kept for at least 2 years after the last time the person to whom the information relates was contacted by or on behalf of the gas marketing agent.</p> <p><i>Clause 13</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, Customer Contact Team Leader, Customer Service Team Admin Team Leader and Customer Advocate, and consideration of Kleenheat's customer management systems, we determined that during the audit period, Kleenheat maintained appropriate processes and procedures which ensured that customer contact records established or in existence during the audit period were:</p> <ul style="list-style-type: none"> Stored within the Oracle system with appropriate traceable information (e.g. account details, date and commentary/diary notes) Not deleted or transferred, which met the requirement to be kept for at least 2 years for each instance where a person is contacted for the purposes of marketing. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1

4.6 Compendium of Gas customer Licence Obligations

No	Obligation under Condition	Findings	
Part 3 Connection			
134	<p>If a retailer agrees to sell gas to a customer or arrange for the connection of the customer's supply address, the retailer must forward the customer's request for the connection to the relevant distributor.</p> <p><i>Compendium clause 3.1(1)</i></p>	<p><i>Obligations 134 & 135</i></p> <p>NG</p> <p>Through discussion with the NG Administration Team Leader, consideration of Kleenheat's new connection processes and customer service training arrangements, and testing of a sample of new residential and business customer connections, we determined that during the audit period, Kleenheat maintained the following processes and activities for receiving Request for Gas forms via email and logging new connection service requests within Oracle:</p> <ul style="list-style-type: none"> • New connection requests are received via email on a designated NG new connections inbox • Customer Service Officers lodge the request for a new connection to ATCO in Kleenheat's billing system • Customer Service Officers are trained to check the status of service requests in the Flowtalk system to ensure connection requests have been received by ATCO • A daily exception report is generated before 3pm and used by the NG Admin Team to identify exceptions in forwarding connection request in a timely manner. <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and NG Administration Team Leader; and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> • On 32 occasions Kleenheat did not forward a customer's request for connection to the relevant distributor in the required time (obligation 135, Compendium Clause 3.1(2)). The breaches were due to a system error causing market request to fail • The system error had a minor impact on customers as late connection requests were submitted within four days • A manual process was initially implemented to ensure failed market requests were identified and addressed in a timely manner. A system fix was then deployed in February 2023. <p>Our examination of Kleenheat's customer complaints tracker did not identify any complaints during the audit period relating to Kleenheat's role in connecting a customer.</p> <p>LPG</p> <p>As Kleenheat acts as both the retailer and distributor in relation to the LPG retic network, obligation 134 (and therefore 135) is not applicable to the LPG Retic business as both steps are performed by the same legal entity.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: 1
135	<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><i>Compendium clause 3.1(2)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and NG Administration Team Leader; and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> • On 32 occasions Kleenheat did not forward a customer's request for connection to the relevant distributor in the required time (obligation 135, Compendium Clause 3.1(2)). The breaches were due to a system error causing market request to fail • The system error had a minor impact on customers as late connection requests were submitted within four days • A manual process was initially implemented to ensure failed market requests were identified and addressed in a timely manner. A system fix was then deployed in February 2023. <p>Our examination of Kleenheat's customer complaints tracker did not identify any complaints during the audit period relating to Kleenheat's role in connecting a customer.</p> <p>LPG</p> <p>As Kleenheat acts as both the retailer and distributor in relation to the LPG retic network, obligation 134 (and therefore 135) is not applicable to the LPG Retic business as both steps are performed by the same legal entity.</p>	
	Priority 2	Controls rating: A	Compliance rating: 2

No	Obligation under Condition	Findings	
Part 4 Billing			
136	<p>A retailer must issue a bill no more than once a month unless the conditions specified in clause 4.1(a)(i)-(iv) apply.</p> <p><i>Compendium clause 4.1(a)</i></p>	<p>NG</p> <p>Through discussion with the NG Administration Team Leader, consideration of Kleenheat’s NG billing process and examination of a sample of Basic Meter Read Exception Reports, we determined that Kleenheat maintained the following practices and processes during the audit period:</p> <ul style="list-style-type: none"> • Kleenheat’s billing process relies on meter reads provided by ATCO • Kleenheat’s billing system is designed to prevent customer accounts being billed more than once/month, except for the purpose of issuing a final bill, or when Kleenheat has obtained the customer’s verifiable consent if requested to send more than one bill within the same month, or for other rarely used exceptions provided under clause 4.2 of the Compendium • Kleenheat’s billing system identifies and compiles exceptions in a daily Basic Meter Read Exception Report (such as meter reads received outside of the scheduled period, same file received in the same period), which are resolved by the NG Admin Team on a daily basis • Any billing adjustments required (e.g. from the issue of a replacement read) are processed for inclusion on the following scheduled bill. <p>LPG</p> <p>Through discussion with the LPG Administration Team Leader, consideration of Kleenheat’s LPG billing process and examination of a sample of daily Commissioned Metre exception reports, we determined that Kleenheat continued to maintain the following practices and processes during the audit period:</p> <ul style="list-style-type: none"> • Kleenheat’s LPG retic billing process relies on meter reads obtained by Kleenheat’s contract meter readers • Reticulated gas schedules are sent to contractors ahead of meter reads on a monthly basis • Reminder notices are forwarded to the customer where a read was unable to be performed • Business customers are billed monthly and residential customers are billed bimonthly • A Commissioned Metre exception report is generated and actioned by the LPG Administration Team on a daily basis to ensure customers are not billed more than once a month. <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and the LPG Administration Team Leader; and examination of Kleenheat’s compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> • On one occasion during the audit period, Kleenheat did not comply with Compendium clause 4.1(a) when an LPG customer received two bills in the same month without their consent • The breach was due to the billing team not receiving the appropriate Notice of Completion form in time to commission a new meter and issue the first bill to the customer in a timely manner, resulting in two meter reads and two resulting bills being issued in the same month • To prevent recurrence of this breach Kleenheat further enhanced its LPG administration procedures to escalate the receipt of the Notice of Completion form if it is delayed or to otherwise seek the customer’s consent prior to issuing more than one bill a month. <p>Sample testing of daily exception reports generated and actioned during the audit period did not indicate any additional non-compliances.</p> <p>Our examination of Kleenheat’s customer complaints tracker did not identify any complaints during the audit period relating to Kleenheat’s issuing bills too frequently.</p>	
	Priority 2	Controls rating: A	Compliance rating: 2

No	Obligation under Condition	Findings
137	<p>A retailer must issue a bill at least every 105 days unless the conditions specified are met.</p> <p><i>Compendium clause 4.1(b)</i></p>	<p><i>* Audit Priority 2 rating relates to NG operations. LPG operations rated as Audit Priority 4</i></p> <p>NG</p> <p>Through discussion with the NG Administration Team Leader, consideration of Kleenheat's NG billing processes and walkthrough of billing system and process controls and improvements we determined that Kleenheat maintained the following practices and processes during the audit period:</p> <ul style="list-style-type: none"> • Kleenheat's billing process continues to rely on meter reads provided by ATCO • Kleenheat's billing engine continues to generate invoice entries, based on ATCO's estimated read, when ATCO fails to provide an actual meter read for a period of 3 months • The NG Admin Team uses daily exception reports (presented as PowerBi reports) that identify accounts which have not been billed for 95 days or more, to enable appropriate action to be taken in time for meters to be read and/or bills to be issued within the 105 day requirement. <p>LPG</p> <p>Through discussion with the LPG Administration Team Leader, consideration of Kleenheat's LPG billing process and examination of a sample of Retic days since last read exception reports, we determined that Kleenheat continued to maintain the following practices and processes during the audit period:</p> <ul style="list-style-type: none"> • Kleenheat's LPG retic billing process relies on meter reads obtained by Kleenheat's contract meter readers • Reticulated gas schedules are sent to contractors ahead of meter reads on a monthly basis • Reminder notices are forwarded to the customer where a read was unable to be performed • Business customers are billed monthly and residential customers are billed bimonthly • Meter reads are recorded on the reticulated gas schedule and uploaded to Kleenheat's billing system by the LPG Retic CST Team and sample reads are tested to ensure accuracy of data entry on Kleenheat's billing system • A retic days since last read report is generated and actioned by the LPG Administration Team on a daily basis to ensure customers are not billed more than once a month. <i>We discussed an improvement opportunity with Kleenheat for revising this report to capture days since last bill rather than days since last read.</i>

No	Obligation under Condition	Findings	
	<p>137 (cont.)</p>	<p>NG & LPG</p> <p>Through discussion with the NG Administration Team Leader and the LPG Administration Team Leader, and examination of Kleenheat’s compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023 we determined that:</p> <ul style="list-style-type: none"> • On 16,313 occasions Kleenheat did not issue a bill to a customer within the required time. There were several different causes of those breaches, being: <ul style="list-style-type: none"> ○ Kleenheat receiving an unprecedented amount of reads from ATCO that were subsequently followed by replacement reads, placing a strain on Kleenheat’s existing exception process. To avoid confusion for customers, Kleenheat placed a hold on billing for estimated reads in anticipation of actual reads, resulting in bills being issued beyond the 105 day condition (16,300 breaches) ○ A billing system error in processing the market transaction file from AEMO, where the read was not matched to a MIRN record (2 breaches) ○ Reads received from ATCO not being recognised due to accounts with ‘connection pending’ status not being updated to ‘connected’ (3 breaches) ○ LPG meter reads being disabled while an investigation into a high read enquiry was completed (2 breaches) ○ Human error, with the billing officer failing to action an exception and manually process the bill in a timely manner, and/or to seek consent from the customer to bill longer than 105 days (3 breaches) ○ A process gap, where an LPG move-in template was misplaced, resulting in three billing periods passing before actioning the move-in. With the customer's consent, three bills were issued on the same day to accommodate the three billing periods (1 breach) ○ The LPG billing team not receiving the appropriate Notice of Completion form in time to commission a new meter and issue the first bill to the customer in a timely manner (2 breaches). • Kleenheat resolved these matters by: <ul style="list-style-type: none"> ○ Working with ATCO to understand the implications of the high volume of estimate reads and to revise billing exception processes to ensure bills were no longer delayed on account of Kleenheat placing a hold on billing for estimated reads ○ Further revising its LPG and NG billing exception reports used to manage bills approaching the 105 day timeframe. <i>Note that this audit observed opportunities for Kleenheat to further improve its LPG exception reporting arrangements</i> ○ Performing reconciliations and investigations to address one-off breaches and implement process improvements, including further escalation arrangements ○ Providing feedback to relevant billing officers. This action is considered to be appropriate to address the isolated nature of the breaches. <p>Sample testing of exception reports generated and actioned during the audit period did not indicate any additional non-compliances.</p> <p>Our examination of Kleenheat’s customer complaints tracker did not identify any complaints during the audit period relating to Kleenheat’s issuing bills too infrequently.</p>	
	<p>Priority 2*</p>	<p>Controls rating: B</p>	<p>Compliance rating: 2</p>

No	Obligation under Condition	Findings				
138	<p>Prior to placing the customer on a shortened billing cycle, a retailer is considered to have given a customer notice if the retailer has advised the customer of the information specified in clauses 4.2(1)(a)-(d). <i>Compendium clause 4.2(1)</i></p> <table border="1" data-bbox="271 284 1084 323"> <tr> <td data-bbox="271 284 544 323">Priority 4</td> <td data-bbox="544 284 817 323">Controls rating: N/P</td> <td data-bbox="817 284 1084 323">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	<p><i>Obligations 138 to 143</i></p> <p>The Regulatory Manager, Natural Gas & Electricity confirmed that during the audit period, Kleenheat did not place any customer on a shortened billing cycle as described by clause 4.2 of the Compendium. Therefore, these obligations were not relevant to Kleenheat during the audit period.</p>	
Priority 4	Controls rating: N/P	Compliance rating: N/R				
139	<p>Notwithstanding clause 4.1(a)(ii), a retailer must not place a residential customer on a shortened billing cycle without the customer's verifiable consent in circumstances specified in clauses 4.2(2)(a)-(b). <i>Compendium clause 4.2(2)</i></p> <table border="1" data-bbox="271 453 1084 493"> <tr> <td data-bbox="271 453 544 493">Priority 4</td> <td data-bbox="544 453 817 493">Controls rating: N/P</td> <td data-bbox="817 453 1084 493">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R		
Priority 4	Controls rating: N/P	Compliance rating: N/R				
140	<p>A retailer must give the customer written notice of a decision to shorten the customer's billing cycle within 10 business days of making the decision. <i>Compendium clause 4.2(3)</i></p> <table border="1" data-bbox="271 592 1084 632"> <tr> <td data-bbox="271 592 544 632">Priority 4</td> <td data-bbox="544 592 817 632">Controls rating: N/P</td> <td data-bbox="817 592 1084 632">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R		
Priority 4	Controls rating: N/P	Compliance rating: N/R				
141	<p>A retailer must ensure that a shortened billing cycle is for a period of at least 10 business days. <i>Compendium clause 4.2(4)</i></p> <table border="1" data-bbox="271 730 1084 770"> <tr> <td data-bbox="271 730 544 770">Priority 4</td> <td data-bbox="544 730 817 770">Controls rating: N/P</td> <td data-bbox="817 730 1084 770">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R		
Priority 4	Controls rating: N/P	Compliance rating: N/R				
142	<p>Upon request, a retailer must return a customer who is subject to a shortened billing cycle and has paid 3 consecutive bills by the due date, to the billing cycle that previously applied to the customer. <i>Compendium clause 4.2(5)</i></p> <table border="1" data-bbox="271 901 1084 941"> <tr> <td data-bbox="271 901 544 941">Priority 4</td> <td data-bbox="544 901 817 941">Controls rating: N/P</td> <td data-bbox="817 901 1084 941">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R		
Priority 4	Controls rating: N/P	Compliance rating: N/R				
143	<p>At least once every 3 months, a retailer must inform a customer who is subject to a shortened billing cycle of the conditions upon which a customer can be returned to the customer's previous billing cycle. <i>Compendium clause 4.2(6)</i></p> <table border="1" data-bbox="271 1072 1084 1112"> <tr> <td data-bbox="271 1072 544 1112">Priority 4</td> <td data-bbox="544 1072 817 1112">Controls rating: N/P</td> <td data-bbox="817 1072 1084 1112">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R		
Priority 4	Controls rating: N/P	Compliance rating: N/R				
144	<p>In respect of any 12-month period, on receipt of a request by a customer, a retailer may provide the customer with estimated bills under a bill smoothing arrangement. <i>Compendium clause 4.3(1)</i></p> <table border="1" data-bbox="271 1243 1084 1283"> <tr> <td data-bbox="271 1243 544 1283">Priority 4</td> <td data-bbox="544 1243 817 1283">Controls rating: N/P</td> <td data-bbox="817 1243 1084 1283">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	<p><i>Obligations 144 and 145</i></p> <p>The Regulatory Manager, Natural Gas & Electricity confirmed that during the audit period, Kleenheat did not offer bill smoothing arrangements as described by clause 4.3 of the Compendium. Therefore, these obligations were not relevant to Kleenheat during the audit period.</p>	
Priority 4	Controls rating: N/P	Compliance rating: N/R				
145	<p>If a retailer provides a customer with a bill under a bill-smoothing arrangement pursuant to clause 4.3(1), the retailer must ensure that the conditions specified in clauses 4.3(2)(a)-(f) are met. <i>Compendium clause 4.3(1)</i></p> <table border="1" data-bbox="271 1402 1084 1439"> <tr> <td data-bbox="271 1402 544 1439">Priority 4</td> <td data-bbox="544 1402 817 1439">Controls rating: N/P</td> <td data-bbox="817 1402 1084 1439">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R		
Priority 4	Controls rating: N/P	Compliance rating: N/R				

No	Obligation under Condition	Findings
146	<p>A retailer must issue a bill to a customer at the address nominated by the customer, which may be an email address.</p> <p><i>Compendium clause 4.4</i></p>	<p>Through discussion with the NG Administration Team Leader and LPG Administration Team Leader, and consideration of Kleenheat's billing arrangements, we determined that during the audit period Kleenheat's billing procedures provided for the following:</p> <ul style="list-style-type: none"> • Customer details, including nominated billing address are stored in Kleenheat's billing system • Customers who chose the standard form contract have the option to nominate a digital (email) billing address, or a postal address, whereas customers who chose a non-standard contract are issued with bills to their nominated email billing address only • During the billing process, billing details such as the nominated address are sourced from the customer's account on Kleenheat's billing system.
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
147	<p>Unless the customer agrees otherwise, a retailer must include the minimum prescribed information in clauses 4.5(1)(a)-(cc) on the customer's bill.</p> <p><i>Compendium clause 4.5(1)</i></p>	<p><i>* Audit Priority 2 rating relates to NG operations. LPG operations rated as Audit Priority 4</i></p> <p>NG</p> <p>Through discussion with the NG Administration Team Leader and examination of sample bills for a range of plans and bill types, we determined that during the audit period:</p> <ul style="list-style-type: none"> • Customer bills were automatically generated through Kleenheat's billing system • Bill templates were designed to contain the minimum prescribed information as outlined in clauses 4.5(1)(a)-(cc). <p>LPG</p> <p>Through discussion with the LPG Administration Team Leader and examination of LPG customer bills, we determined that Kleenheat's LPG bills are designed to contain the minimum prescribed information in clauses 4.5(1)(a)-(cc) of the Compendium.</p> <p>NG & LPG</p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, NG Administration Team Leader and the LPG Administration Team Leader and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023 we determined that:</p> <ul style="list-style-type: none"> • On 854 occasions during the audit period, Kleenheat did not include the minimum prescribed information on the customer's bill • 7 breaches were due to a billing system fault that arose when customised price lists were copied, creating a line in the price list with a blank start date. A billing system improvement to ensure price lists cannot contain blank start dates was successfully deployed in September 2021 • 361 breaches (affecting 83 SME customers) were due to a SME classification error (see obligation breach 120B) resulting in those SME customers not receiving the prescribed information. In May 2021, a data fix was successfully deployed to transition affected customers to the correct account classification to ensure they receive the correct invoice template. No further breaches have been detected since • 486 breaches (affecting 243 LPG retic customers) were caused by a template failure in the billing system resulting in invoices missing required information. In January 2021, changes were successfully deployed in the billing system to prevent future reoccurrences of these breaches. <p>Our examination of Kleenheat's customer complaints tracker did not identify any complaints during the audit period relating to information included on Kleenheat's bills.</p>
	<p>Priority 2*</p> <p>Controls rating: A</p> <p>Compliance rating: 2</p>	

No	Obligation under Condition	Findings				
149	<p>If a retailer identifies and wishes to bill a customer for an 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.</p> <p><i>Compendium clause 4.5(3)</i></p>	<p>The Consumer Credit Team Leader confirmed that Kleenheat's system is not configured to transfer debt from an existing account to a new account, and instances of historical debt being billed to customers did not occur during the audit period.</p> <p>Therefore, this obligation was not relevant to Kleenheat's activities during the audit period.</p>				
<table border="1"> <tr> <td data-bbox="271 300 544 344">Priority 4</td> <td data-bbox="544 300 815 344">Controls rating: N/P</td> <td data-bbox="815 300 1084 344">Compliance rating: N/R</td> </tr> </table>		Priority 4	Controls rating: N/P	Compliance rating: N/R		
Priority 4	Controls rating: N/P	Compliance rating: N/R				
150	<p>A retailer must base a customer's bill on the distributor's or metering agent's reading of the meter at the customer's supply address, or the customer's reading of the meter provided the retailer and the customer agreed that the customer will read the meter.</p> <p><i>Compendium clause 4.6</i></p>	<p>NG</p> <p>Through discussion with the NG Administration Team Leader and consideration of Kleenheat's billing arrangements, we determined that during the audit period Kleenheat maintained the following processes to ensure compliance with the requirements of clause 4.6 of the Compendium:</p> <ul style="list-style-type: none"> • Readings in relation to customer supply addresses are provided from ATCO through an overnight meter data file upload onto Kleenheat's billing system • From this data, Kleenheat's billing system generates invoice lines that are compiled in a flat file then uploaded to a print house, which generates individual customer bills • Customers can provide their own reading, which needs to be approved by ATCO prior to billing amendments. <p>LPG</p> <p>Through discussion with the LPG Administration Team Leader and consideration of Kleenheat's billing arrangements, we determined that during the audit period Kleenheat maintained the following processes to ensure compliance with the requirements of clause 4.6 of the Compendium:</p> <ul style="list-style-type: none"> • Kleenheat sends reticulated gas schedules to its contracted meter readers on a monthly basis, with processes in place in place to send reminder notices should a read not be performed • Meter reads received from Kleenheat's contracted meter readers are uploaded to Oracle by the LPG Admin team <p>Customer bills are automatically generated via Oracle based on meter reading data and the validation processes built into the system billing process.</p>				
<table border="1"> <tr> <td data-bbox="271 983 544 1031">Priority 4</td> <td data-bbox="544 983 815 1031">Controls rating: N/P</td> <td data-bbox="815 983 1084 1031">Compliance rating: 1</td> </tr> </table>		Priority 4	Controls rating: N/P	Compliance rating: 1		
Priority 4	Controls rating: N/P	Compliance rating: 1				
152	<p>A retailer must use its best endeavours to ensure that metering reading data is obtained as frequently as is required to prepare its bills.</p> <p><i>Compendium clause 4.7(1)</i></p>	<p><i>Obligations 152 and 153</i></p> <p>NG</p> <p>Through discussion with the NG Administration Team Leader and consideration of Kleenheat's billing arrangements, we determined that during the audit period Kleenheat maintained the following</p>				
<table border="1"> <tr> <td data-bbox="271 1142 544 1190">Priority 5</td> <td data-bbox="544 1142 815 1190">Controls rating: N/P</td> <td data-bbox="815 1142 1084 1190">Compliance rating: 1</td> </tr> </table>		Priority 5	Controls rating: N/P	Compliance rating: 1		
Priority 5	Controls rating: N/P	Compliance rating: 1				

No	Obligation under Condition	Findings	
153	<p>Subject to subclause 4.7(3), a retailer must ensure that at least once every 12 months it obtains metering data in accordance with clause 4.6(a).</p> <p><i>Compendium clause 4.7(2)</i></p>	<p>processes to ensure that metering reading data is obtained as frequently as is required to prepare its bills and at least once every 12 months, in accordance with clause 4.7 of the Compendium:</p> <ul style="list-style-type: none"> • ATCO continues to provide meter readings for a specific metering point quarterly, which is in line with Kleenheat's billing cycle • Estimate readings are provided by ATCO if meters are inaccessible • From this data, Kleenheat's billing system generates invoice lines that are compiled in a flat file then uploaded to a print house, which generates individual customer bills • Customers can provide their own reading, which needs to be approved by ATCO prior to billing amendments • Although the responsibility of conducting a minimum of one meter read every 12 months lies with ATCO, after the third estimated read, Kleenheat continues to uses its best endeavours to arrange an actual read by including a communication addressed to the customer in the bill prompting them to contact Kleenheat to arrange a reading. <p>LPG</p> <p>Through discussion with the LPG Administration Team Leader and consideration of Kleenheat's billing arrangements, we determined that during the audit period Kleenheat maintained the following processes to ensure that metering reading data is obtained as frequently as is required to prepare its bills and at least once every 12 months, in accordance with clause 4.7 of the Compendium:</p> <ul style="list-style-type: none"> • Kleenheat sends reticulated gas schedules to its contracted meter readers on a monthly basis, with processes in place in place to send reminder notices should a read not be performed • Meter reads received from Kleenheat's contracted meter readers are uploaded to Oracle by the LPG Admin team • Customer bills are automatically generated on a monthly or bi-monthly basis, using meter reading data and the validation processes built into the system billing process. 	
	Priority 5	Controls rating: N/P	Compliance rating: 1
154	<p>A retailer must give the customer an estimated bill in the manner specified, if the retailer is unable to reasonably base a bill on a reading of the meter.</p> <p><i>Compendium clause 4.8(1)</i></p>	<p>Through discussion with the NG Administration Team Leader and LPG Administration Team Leader, and consideration of Kleenheat's billing arrangements and terms of contract with customers, we determined that during the audit period, in the event where Kleenheat (LPG Retic) or ATCO (NG) is unable to perform a meter read, Kleenheat will issue an estimated bill based on either of:</p> <ul style="list-style-type: none"> • For NG, the customer's self-read, which needs to be approved by ATCO • The customer's prior billing history, or • Where no prior billing history is available, ATCO's RMP estimation methodology, or for LPG, Kleenheat's bill estimation methodology which incorporates the average usage of gas at the relevant price, the average usage for the type of gas installation or the average usage at the supply address. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings	
155	<p>Where the customer's bill is estimated, a retailer must clearly specify on the customer's bill the information prescribed in clauses 4.8(2)(a)-(c). <i>Compendium clause 4.8(2)</i></p>	<p><i>* Audit Priority 2 rating relates to LPG operations. NG operations rated as Audit Priority 4</i></p> <p>Through discussion with the NG Administration Team Leader and LPG Administration Team Leader, consideration of Kleenheat's billing arrangements, and examination of sample bills for NG and LPG customers, we determined that Kleenheat's estimated bills are designed to meet the requirements of clause 4.8(2) of the Compendium by:</p> <ul style="list-style-type: none"> Clearly stipulating the bill is based on an estimation, including any final bills for LPG customers that are based on an estimate (per a system improvement in response to a breach reported in the previous audit period). We note that NG customer final bills are always based on an actual read Informing the customer on how to contact Kleenheat should they wish to request details on the basis of and reason for the estimation, obtain a verification of that estimation, or schedule a meter reading. <p>Our examination of Kleenheat's customer complaints tracker did not identify any complaints during the audit period relating to information included on Kleenheat's bills.</p>	
Priority 2*	Controls rating: A	Compliance rating: 1	
156	<p>Upon request, a retailer must inform a customer of the basis and the reason for the estimation. <i>Compendium clause 4.8(3)</i></p>	<p>Through discussion with the NG Administration Team Leader and LPG Administration Team Leader and consideration of Kleenheat's billing arrangements and customer service training arrangements, we determined that:</p> <ul style="list-style-type: none"> For NG, the reason and basis for the estimation is provided by ATCO and automatically uploaded against the customer account during the daily metering data transfer into Kleenheat's billing system For LPG, the reason for a failed meter reading is provided by the contracted meter reader and uploaded against the relevant customer account on Kleenheat's billing system CSOs are trained to retrieve the basis and reason for an estimation from the customer profile in the billing system and to provide that information to the customer upon request. 	
Priority 4	Controls rating: N/P	Compliance rating: 1	
157	<p>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. <i>Compendium clause 4.9</i></p>	<p><i>* Audit Priority 2 rating relates to LPG operations. NG operations rated as Audit Priority 4</i></p> <p>Through discussion with the NG Administration Team Leader and LPG Administration Team Leader, consideration of Kleenheat's billing arrangements and customer service training arrangements, and examination of a sample of estimated bills, we determined that:</p> <ul style="list-style-type: none"> Kleenheat has maintained appropriate processes, which require adjustments, if any, to the estimated bill to be made on the next bill in accordance with the meter reading data if the adjustment is made to reflect an actual read (except in the case of a final read and bill) No exceptions were noted in our testing of adjustments made to estimated bills . <p>Our examination of Kleenheat's customer complaints tracker did not identify any complaints during the audit period relating to information included on Kleenheat's bills.</p>	
Priority 2*	Controls rating: A	Compliance rating: 1	
158	<p>If a retailer has based a bill upon an estimation because the customer failed to provide access to the meter, and the customer subsequently requests the retailer to provide a bill based on a reading of the meter and provides access to the meter, and pays the retailer's reasonable charge for reading the meter (if any), the retailer must do so. <i>Compendium clause 4.10</i></p>	<p><i>Obligations 158 to 160</i></p> <p>Through discussion with the NG Administration Team Leader and LPG Administration Team Leader, consideration of Kleenheat's meter data verification and meter testing arrangements, and examination of Kleenheat's customer contract terms and conditions, we determined that Kleenheat maintained the following processes during the audit period:</p> <ul style="list-style-type: none"> Customers are able to request a special meter read or a meter test at a reasonable charge Kleenheat submits a service request to ATCO to complete NG customer requests 	
Priority 5	Controls rating: N/P	Compliance rating: 1	

No	Obligation under Condition	Findings	
159	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. <i>Compendium clause 4.11(1)</i>	<ul style="list-style-type: none"> Kleenheat arranges a contractor to conduct a meter test for LPG Retic customers In the case a meter is reported faulty, Kleenheat is to refund the meter test fee paid by the customer. <p>The NG Administration Team Leader and LPG Administration Team Leader confirmed that there were no instances of a faulty meter being reported and subsequent refund occurring during the audit period.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: 1
160	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. <i>Compendium clause 4.11(2)</i>		
	Priority 4	Controls rating: N/P	Compliance rating: N/R
161	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. The effective date of change is set out in clause 4.12(2). <i>Compendium clause 4.12(1)</i>	<p>Through discussion with the NG Administration Team Leader, consideration of Kleenheat's change of plan procedures and Customer service training modules, we determined that Kleenheat applied the following processes and procedures during the audit period:</p> <ul style="list-style-type: none"> Customers are able to submit change of plan request to Kleenheat via phone or email and benefit from a 10 days cooling off period as soon as Kleenheat accepts their request Tariff changes automatically take effect from the moment a request is processed by a CSO into Kleenheat's billing system, which complies with the 10 business days requirement under subclause 4.12(2) of the Compendium Kleenheat has exception reporting processes in place designed to identify changes in customer payment amounts. <p>Tariff changes do not apply to LPG Retic customers as they are only offered the standard form contract</p> <p>An examination of a sample customer complaint records did not identify any complaints in relation to incorrect tariff application.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: 1
163	If a customer's gas 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. <i>Compendium clause 4.13</i>	<p>The NG Administration Team Leader and LPG Administration Team Leader confirmed that there were no instances during the audit period where Kleenheat had changed a customer to an alternate tariff.</p> <p>Therefore, this obligation was not relevant to Kleenheat's activities during the audit period.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: N/R
164	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. <i>Compendium clause 4.14(1)</i>	<p>Through discussion with the NG Administration Team Leader and LPG Administration Team Leader and consideration of Kleenheat's final billing arrangements, we determined that during the audit period, Kleenheat maintained the following processes for it to use its best endeavours to arrange for a final bill in accordance with customer requests:</p> <ul style="list-style-type: none"> For NG customer final bill requests, a final read request is submitted to ATCO, from which a final bill will be generated For LPG customers, Kleenheat will schedule a contractor to perform a final read, from which a final bill will be generated, If the contractor is unable to perform the read and the customer cannot be contacted, a final estimated bill will be issued to the customer. 	
	Priority 5	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings
165	<p>If the customer's account is in credit at the time of account closure, the retailer must, subject to clause 4.14(3), at the time of the final bill ask the customer for instructions on where to transfer the amount of credit (based on clauses 4.14(2)(a) or (b)), and pay the credit in accordance with the customer's instructions within 12 business days or another time agreed with the customer.</p> <p><i>Compendium clause 4.14(2)</i></p>	<p><i>* Audit Priority 2 rating relates to NG operations. LPG operations rated as Audit Priority 4</i></p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, the NG Administration Team Leader and LPG Administration Team Leader, and examination of a sample of accounts in credit at the time of account closure, we determined that Kleenheat maintained the following processes and procedures during the audit period:</p> <p>NG</p> <ul style="list-style-type: none"> • Kleenheat's final bill template includes instructions for the customer to contact Kleenheat to arrange a refund should the account be in credit • Billing exception reports are used to identify known scenarios where a bill is the last bill to be issued that was not automatically flagged as final (e.g. instances where a final read has not been received in time) • In the case a final bill fails to be issued, a letter is sent to request the customer to request them to contact Kleenheat • Customer Service Officers are trained to transfer the credit to another nominated account or raise a refund system request as soon as customer instructions are received to comply with the prescribed 12 day period • Refunds can be made via credit card, cheque or electronic transfer to a nominated bank account • An unclaimed monies process is in place to monitor unapplied credits. <p>LPG</p> <ul style="list-style-type: none"> • Notice is provided on final bills for the customer to contact Kleenheat to arrange for settlement of the account if there is a credit balance • A refund is provided to customers with credit balances on their closed accounts in accordance with the prescribed 12 day period • A monthly Unapplied Payment Report is used to monitor unclaimed monies and unapplied credits. <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023 we determined that:</p> <ul style="list-style-type: none"> • On 247 occasions during the audit period, Kleenheat did not, at the time of the final bill, ask customers for instructions on where to transfer credit, or pay the credit in accordance with the customer's instructions within 12 business days. These breaches were due to: <ul style="list-style-type: none"> ○ A systemic issue causing final bills not to be issued under the final bill template, which asks the customer to contact Kleenheat to arrange a refund should the account be in credit (222 breaches) ○ During COVID 19 precautions when staff were working from home and the turnaround time between teams was prolonged, Kleenheat failed to issue refund cheques within the required 12 days (2 breaches) ○ A manual processing error (2 breaches)

No	Obligation under Condition	Findings
	<p>165 (cont)</p>	<ul style="list-style-type: none"> ○ Human error, where the credit officer did not follow the established refund procedure to attach the customer’s bank account details for EFT processing, or submit a service request (8 breaches) ○ Human error, where the accounts payable officer did not appropriately tag processed refunds for payment (13 breaches). <p>Kleenheat resolved these matters by:</p> <ul style="list-style-type: none"> • In relation to the systemic issue causing final bills not to be issued under the final bill template, Kleenheat has investigated potential fixes, implemented modifications to the billing engine where possible and determined that it is currently unable to prevent all possible instances where the final bill is not issued under the final bill template. Kleenheat has continued to monitor compliance with this obligation through the use of existing exception reports • In November 2020, in accordance with action plan 2/2020 resulting from the 2020 performance audit, Kleenheat had completed its investigation of all related faults and implemented final modifications to the billing engine to enable exception reporting to pick up all known human errors for monitoring and action • Feedback and further training was provided to relevant credit officers and accounts payable officers. This action is considered to be appropriate to address the isolated nature of the breaches. <p>Our examination of Kleenheat’s customer complaints tracker did not identify any further complaints during the audit period relating to Kleenheat’s communication of options available to customers for settling accounts.</p>
	<p>Priority 2</p>	<p>Controls rating: A</p>
		<p>Compliance rating: 2</p>
<p>165A</p>	<p>If the customer’s account is in credit at the time of account closure and the customer owes a debt to the retailer, the retailer may, with written notice to the customer, use that credit to set off the debt.</p> <p>If after the set off, there remains an amount of credit, the retailer must ask the customer for instructions in accordance with clause 4.14(2).</p> <p><i>Compendium clause 4.14(3)</i></p>	<p><i>* Audit Priority 2 rating relates to NG operations. LPG operations rated as Audit Priority 4</i></p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and the Consumer Credit Team Leader we determined that, during the audit period Kleenheat did not operate a debt offsetting process.</p> <p>However, through discussion with the Regulatory Manager, Natural Gas & Electricity and the Consumer Credit Team Leader and examination of Kleenheat’s compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> • On one occasion during the audit period, Kleenheat did not notify a customer as required before using the customer’s credit to offset their debt • This breach was attributed to an isolated human error, where the staff member operated outside Kleenheat processes • Kleenheat resolved this breach by: <ul style="list-style-type: none"> ○ Reversing the transfer of funds ○ Providing further coaching to the Credit team, including confirmation of Kleenheat’s position that debt offsetting is not to be undertaken. This action is considered to be appropriate to address the isolated nature of the breach.
	<p>Priority 2</p>	<p>Controls rating: A</p>
		<p>Compliance rating: 2</p>

No	Obligation under Condition	Findings			
166	<p>A retailer must review the customer's bill on request by the customer, subject to the customer paying the lesser of the portion of the bill agreed to not be in dispute or an amount equal to the average of the customer's bill over the previous 12 months, and paying any future bills that are properly due.</p> <p><i>Compendium clause 4.15</i></p>	<p><i>Obligations 166 to 170</i></p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and the Consumer Credit Team Leader, and consideration of Kleenheat's customer service training arrangements, we determined that during the audit period, Kleenheat maintained the following practices:</p> <ul style="list-style-type: none"> Account reviews are available to customers upon request Customer Services Officers are adequately trained to conduct billing reviews, and offer customers the option of a meter test should their explanations be perceived as unsatisfactory All customers interactions in relation to a review are captured in diary notes against the customer's account Customers are updated on the outcome of the review on the spot and on the status of investigation of their query upon request CSOs are trained to differentiate between a request and a complaint and initiate the complaint handling process as required, and escalate a complaint to the relevant team if they cannot solve it on the spot Where the bill is correct, CSOs are trained to initiate the complaint handling process should a customer be dissatisfied by the outcome of review Where the bill is incorrect, a credit is applied to the customer's account or a refund is processed upon request If a bill review cannot be resolved on the spot, the matter will be escalated to the relevant team, which will inform the customer of the outcome within the prescribed 20 business day period or otherwise provide a status update Kleenheat's billing template includes information on how to contact Kleenheat to request for a bill review or make a complaint, and also provides the Ombudsman contact details should the customer wish to escalate their concern. <p>Our examination of the customer complaints register did not identify complaints in relation to Kleenheat's response (and the timing of the response) to a request to review a customer account.</p>			
Priority 4	Controls rating: N/P			Compliance rating: 1	
167	<p>If a retailer is satisfied after conducting a review of a bill that the bill is correct, the retailer: may require a customer to pay the unpaid amount; must advise the customer that the customer may request the retailer to arrange a meter test in accordance with applicable law; and must advise the customer of the existence and operation of the retailer's internal complaints handling processes and details of any applicable external complaints handling processes.</p> <p><i>Compendium clause 4.16(1)(a)</i></p>				
Priority 4	Controls rating: N/P			Compliance rating: 1	
168	<p>If a retailer is satisfied after conducting a review of a bill that the bill is incorrect, the retailer must adjust the bill in accordance with clauses 4.17 and 4.18.</p> <p><i>Compendium clause 4.16(1)(b)</i></p>				
Priority 4	Controls rating: N/P	Compliance rating: 1			
169	<p>The retailer must inform a customer of the outcome of the review (of the bill) as soon as practicable.</p> <p><i>Compendium clause 4.16(2)</i></p>				
Priority 4	Controls rating: N/P	Compliance rating: 1			
170	<p>If the retailer has not informed a customer of the outcome of the review within 20 business days from the date of receipt of the request for review under clause 4.15, the retailer must provide the customer with notification of the status of the review as soon as practicable.</p> <p><i>Compendium clause 4.16(3)</i></p>				
Priority 4	Controls rating: N/P	Compliance rating: 1			

No	Obligation under Condition	Findings
171	<p>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), the retailer must follow the procedure specified in clauses 4.17(2)(a)-(e).</p> <p><i>Compendium clause 4.17(2)</i></p>	<p><i>* Audit Priority 2 rating relates to NG operations. LPG operations rated as Audit Priority 4</i></p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, NG Administration Team Leader and LPG Administration Team Leader, consideration of Kleenheat’s billing arrangements and examination of a sample of undercharges recovered from a customer, we determined that during the audit period:</p> <ul style="list-style-type: none"> • Kleenheat did recover amounts undercharged, which were for reasons other than adjustments resulting from corrected meter reads (addressed at clause 4.19, obligation 176) • Kleenheat applied the following procedures to recover undercharged amounts from the customer: <ul style="list-style-type: none"> ○ The customer is contacted no later than the next bill to advise them of the undercharge amount and the reason for the undercharge ○ The incorrect invoice is credited and a new invoice created to reflect the correct tariff or usage figures ○ The customer is offered extra time to pay for any amount owing. The amount of time given relates directly to the period of time the amount is being backdated ○ The customer is offered the opportunity to enter into an instalment plan. <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and LPG Administration Team Leader and examination of Kleenheat’s compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> • On one occasion during the audit period Kleenheat did not follow the procedures specified and issued three bills for the previous three billing periods without an accompanying undercharge letter • The breach was attributed to human error when a move in template was misplaced and three billing periods passed before the move in was actioned • Kleenheat resolved this breach by: <ul style="list-style-type: none"> ○ Immediately sending the undercharge letter to the customer offering the customer time to pay ○ Providing feedback to the billing officer and further training to the billing team. This action is considered to be appropriate to address the isolated nature of the breach. <p>Our examination of Kleenheat’s customer complaints tracker did not identify any further complaints during the audit period relating to Kleenheat’s communication of undercharges.</p>
Priority 2	Controls rating: A	Compliance rating: 2

No	Obligation under Condition	Findings			
172	<p>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 use its best endeavours to inform the customer accordingly within 10 business days of the retailer becoming aware of the error, defect or default and, subject to clauses 4.18(6) and (7) ask the customer for instructions as to whether the amount should be credited to the customer's account; or repaid to the customer. No interest shall accrue to a credit or refund referred to in this clause.</p> <p><i>Compendium clause 4.18(2) and 4.18(5)</i></p>	<p><i>Obligations 172 to 175</i></p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, LPG Administration Team Leader and NG Administration Team Leader, and consideration of Kleenheat's customer service training arrangements, we determined that during the audit period, Kleenheat maintained the following practices in the event of an overstated read:</p> <ul style="list-style-type: none"> • Kleenheat's billing engine flags exceptions for the billing team to action on the following business day, an overcharge correction is then credited against the relevant customer account, and: <ul style="list-style-type: none"> ○ If the overcharged amount is below \$100, it will automatically appear as a credit on the following bill along with a communication prompting the customer to contact Kleenheat if they wish to get the amount refunded instead ○ If the overcharged amount is above \$100, a letter will be automatically sent to the customer advising them of the overcharge and to contact Kleenheat if they wish to organise a refund ○ An overcharged amount will only be refunded if the entire amount of the overcharged invoice was paid by the customer • Kleenheat's LPG billing processes also provide for overcharge corrections to be recognised and addresses in the same manner as described above • Refunds are conducted under the customer's preferred method of repayment (cheque, credit card or bank transfer) and under 12 business days. <p>Our examination of the customer complaints register did not identify complaints in relation to Kleenheat's improper management of overcharges during the audit period.</p>			
Priority 4	Controls rating: N/P				Compliance rating: 1
173	<p>If a retailer receives instructions under clause 4.18(2), the retailer must pay the amount in accordance with the customer's instructions within 12 business days of receiving the instructions.</p> <p><i>Compendium clause 4.18(3)</i></p>				
Priority 4	Controls rating: N/P				Compliance rating: 1
174	<p>If a retailer does not receive instructions under clause 4.18(2) within 5 business days of making the request, the retailer must use reasonable endeavours to credit the amount overcharged to the customer's account.</p> <p><i>Compendium clause 4.18(4)</i></p>				
Priority 5	Controls rating: N/P	Compliance rating: 1			
175	<p>If the overcharged amount is less than \$100, the retailer may notify a customer of the overcharge by no later than the next bill after the retailer became aware of the error, and ask the customer for instructions under clause 4.18(2), or credit the amount to the customer's next bill.</p> <p><i>Compendium clause 4.18(6)</i></p>				
Priority 5	Controls rating: N/P	Compliance rating: 1			
175A	<p>If a customer has been overcharged by the retailer, and the customer owes a debt to the retailer, then provided the customer is not a residential customer experiencing payment difficulties or financial hardship, the retailer may, with written notice to the customer, use the amount of the overcharge to set off the debt owed to the retailer. If, after the set off, there remains an amount of credit, the retailer must deal with that amount of credit in accordance with clause 4.18(2); or 4.18(6) where the amount is less than \$100.</p> <p><i>Compendium clause 4.18(7)</i></p>	<p>The Regulatory Manager, Natural Gas & Electricity confirmed that Kleenheat did not use an overcharge to offset a previous debt during the audit period.</p> <p>Therefore, this obligation was not relevant to Kleenheat's activities during the audit period.</p>			
Priority 5	Controls rating: N/P	Compliance rating: N/R			

No	Obligation under Condition	Findings	
176	<p>If a retailer proposes to recover an amount of an adjustment which does not arise due to any act or omission of the customer, the retailer must follow the procedure specified in clauses 4.19(1)(a)-(d).</p> <p><i>Compendium clause 4.19(1)</i></p>	<p>Through discussion with the NG Administration Team Leader and LPG Administration Team Leader, consideration of Kleenheat's billing procedures and testing of a sample of undercharges recovered, we determined that during the audit period:</p> <ul style="list-style-type: none"> • There were instances billing adjustments were required due to an adjustment in a meter read • Kleenheat applied the following processes to manage billing adjustments in relation to undercharges: <ul style="list-style-type: none"> ○ If the adjustment did not arise due to an act or omission of a customer (such as a customer denying access to the meter), calculation of the undercharge is to be limited to the 12 months prior to the date of notification of the undercharge to the customer ○ The customer is to be advised of the adjustment amount and the reason for the adjustment no later than via the next bill ○ No late fee is payable for the amount owing as a result of the undercharge ○ The customer is to be offered an agreed payment arrangement or additional time to pay based on the same length of time over which the undercharge occurred. <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and NG Administration Team Leader, and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> • On one occasion Kleenheat did not follow the procedure specified in clause 4.19(1)(a) and issued a bill including an adjustment for a period greater than 12 months • The breach was due to a process gap where a bill included an adjustment for the period between actual reads, which was more than 12 months. The breach was discovered after the customer escalated a high bill complaint. The bill was reversed and re-issued in line with the requirement to limit the adjustment to the relevant 12 month period • Kleenheat implemented a new process to ensure bill adjustments are limited to 12 months when an actual read is received more than 12 months after the last actual read • Kleenheat's investigation of the matter indicated this breach was an isolated incidence, with no indication of other bill adjustments of more than 12 months. <p>Our examination of Kleenheat's complaints tracker did not identify any further complaints in relation to Kleenheat's improper management of billing adjustments during the audit period</p>	
	Priority 2	Controls rating: A	Compliance rating: 2
177	<p>If after the meter reading a retailer becomes aware of an amount owing to the customer, the retailer must use its best endeavours to inform the customer accordingly within 10 business days of the retailer becoming aware of the adjustment and, subject to clauses 4.19(5) and 4.19(7), ask the customer for instructions as to whether the amount should be</p> <ul style="list-style-type: none"> • credited to the customer's account; • repaid to the customer; or • included as a part of the new bill smoothing arrangement if the adjustment arises under clauses 4.3(2)(a)-(b). <p>No interest shall accrue to a credit or refund referred to in this clause.</p> <p><i>Compendium clause 4.19(2) and 4.19(6)</i></p>	<p><i>Obligations 177 to 180</i></p> <p>Through discussion with the NG Administration Team Leader and LPG Administration Team Leader, consideration of Kleenheat's billing procedures and testing of a sample of adjustments to customer billing as a result of revised meter reads, we determined that during the audit period, Kleenheat maintained the following practices in the event it became aware of an amount owing to the customer after a meter read:</p> <ul style="list-style-type: none"> • Kleenheat's billing engine flags exceptions for the billing team to action on the following business day, an adjustment of the amount owed is then credited against the relevant customer account, and: <ul style="list-style-type: none"> ○ In accordance with the provisions of clauses 4.19(5), if the amount owed to the customer is below \$100, it will automatically appear as a credit on the following bill along with a 	
	Priority 4	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings				
178	<p>If a retailer received instructions under clause 4.19(2), the retailer must pay the amount in accordance with the customer's instructions within 12 business days of receiving the instructions.</p> <p><i>Compendium clause 4.19(3)</i></p> <table border="1" data-bbox="271 300 1084 344"> <tr> <td data-bbox="271 300 544 344">Priority 4</td> <td data-bbox="544 300 815 344">Controls rating: N/P</td> <td data-bbox="815 300 1084 344">Compliance rating: 1</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: 1	<p>communication prompting the customer to contact Kleenheat if they have any further questions or concerns</p> <ul style="list-style-type: none"> ○ If the amount owed to the customer is above \$100, a letter will be automatically sent to the customer advising them of the overcharge and to contact Kleenheat if they wish to organise a refund instead of the proposed credit. This process meets the obligation to inform the customer within 10 days of Kleenheat becoming aware of the adjustment 	
Priority 4	Controls rating: N/P	Compliance rating: 1				
179	<p>If a retailer does not receive instructions under clause 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.</p> <p><i>Compendium clause 4.19(4)</i></p> <table border="1" data-bbox="271 491 1084 536"> <tr> <td data-bbox="271 491 544 536">Priority 5</td> <td data-bbox="544 491 815 536">Controls rating: N/P</td> <td data-bbox="815 491 1084 536">Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1	<ul style="list-style-type: none"> • Refunds are issued under the customer's preferred method of repayment (cheque, credit card or bank transfer) and within 12 business days. Kleenheat monitors the timing of any refunds to ensure the 12 business day timeframe is met. 	
Priority 5	Controls rating: N/P	Compliance rating: 1				
180	<p>If the adjustment amount owing to the customer is less than \$100, the retailer may notify the customer of the adjustment by no later than the next bill after the meter is read, and ask the customer for instructions under clause 4.19(2); or credit the amount to the customer's next bill.</p> <p><i>Compendium clause 4.19(5)</i></p> <table border="1" data-bbox="271 707 1084 751"> <tr> <td data-bbox="271 707 544 751">Priority 5</td> <td data-bbox="544 707 815 751">Controls rating: N/P</td> <td data-bbox="815 707 1084 751">Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1		
Priority 5	Controls rating: N/P	Compliance rating: 1				
180A	<p>If the amount of the adjustment is an amount owing to the customer, and the customer owes a debt to the retailer, then provided the customer is not a residential customer experiencing payment difficulties or financial hardship, the retailer may, with written notice to the customer, use the amount of the adjustment to set off the debt owed to the retailer. If, after the set off, there remains an amount of credit, the retailer must deal with that amount of credit in accordance with clause 4.19(2); or 4.19(5) where the amount is less than \$100.</p> <p><i>Compendium clause 4.19(7)</i></p> <table border="1" data-bbox="271 1013 1084 1058"> <tr> <td data-bbox="271 1013 544 1058">Priority 4</td> <td data-bbox="544 1013 815 1058">Controls rating: N/P</td> <td data-bbox="815 1013 1084 1058">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	<p>The NG Administration Team Leader and LPG Administration Team Leader confirmed that during the audit period, Kleenheat did not use an overcharge to offset a previous debt.</p>	
Priority 4	Controls rating: N/P	Compliance rating: N/R				

No	Obligation under Condition	Findings			
Part 5 Payment					
181	<p>The due date on the bill must be at least 12 business days from the date of that bill, unless otherwise agreed with the customer. The date of the dispatch is the date of the bill, unless the retailer specifies a later date.</p> <p><i>Compendium clause 5.1</i></p>	<p><i>* Audit Priority 2 rating relates to NG operations. LPG operations rated as Audit Priority 4</i></p> <p>Through discussion with the NG Administration Team Leader and LPG Administration Team Leader, consideration of Kleenheat’s billing procedures and testing of a sample of NG and LPG bills, we determined that during the audit period, Kleenheat applied the following arrangements to manage the payment cycle of customer bills:</p> <ul style="list-style-type: none"> • The bill due date is calculated automatically by Kleenheat’s billing system, with the due date being 21 calendar days from the date of the bill as one of the pre-set conditions, accounting for the maximum number of possible non-business days to ensure the 12 business day requirement is met • Existing Credit management policies and procedures acknowledge the timeframes specified in the Compendium. <p>We examined a sample of NG bill and LPG bill and confirmed the due date was at least 12 business days from the date of the bill.</p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and NG Administration Team Leader, and examination of Kleenheat’s compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> • On 361 occasions during the audit period, Kleenheat issued bills with a due date that did not satisfy clause 5.1 • The breaches affected 83 SME customers and were due to a classification error where SME customers received bills with a 14 day due date (per the payment terms of large use customers) rather than the correct 21 day term. • Kleenheat deployed a data fix to transition the affected customers to the right account classification and correct invoice template. Customers were contacted to ensure they understood changes to future invoicing. <p>Our examination of Kleenheat’s customer complaints tracker did not identify complaints in relation to Kleenheat imposing improper due dates during the audit period.</p>			
<table border="1"> <tr> <td data-bbox="271 1043 544 1094">Priority 2</td> <td data-bbox="544 1043 815 1094">Controls rating: A</td> <td data-bbox="815 1043 1081 1094">Compliance rating: 2</td> </tr> </table>		Priority 2	Controls rating: A	Compliance rating: 2	
Priority 2	Controls rating: A	Compliance rating: 2			
182	<p>Unless otherwise agreed with a customer, a retailer must offer the customer at least the following payment methods:</p> <ul style="list-style-type: none"> • in person at 1 or more payment outlets located within the Local Government District of the customer’s supply address; • by mail; • for residential customers, by Centrepay; • electronically by means of BPay or credit card; and <p>by telephone by means of credit card or debit card.</p> <p><i>Compendium clause 5.2</i></p>	<p>Through discussion with the NG Administration Team Leader, consideration of Kleenheat’s billing procedures and testing of a sample of NG and LPG bills, we determined that during the audit period, Kleenheat offered each of the payment methods prescribed in s.5.2(1) of the Compendium.</p>			
<table border="1"> <tr> <td data-bbox="271 1430 544 1471">Priority 4</td> <td data-bbox="544 1430 815 1471">Controls rating: N/P</td> <td data-bbox="815 1430 1081 1471">Compliance rating: 1</td> </tr> </table>		Priority 4	Controls rating: N/P	Compliance rating: 1	
Priority 4	Controls rating: N/P	Compliance rating: 1			

No	Obligation under Condition	Findings
183	<p>Prior to a direct debit facility commencing, a retailer must obtain the customer's verifiable consent and agree with the customer the date of commencement of the direct debit facility and the frequency of the direct debits.</p> <p><i>Compendium clause 5.3</i></p>	<p><i>* Audit Priority 2 rating relates to NG operations. LPG operations rated as Audit Priority 4</i></p> <p>Through discussion with the Business Analyst – Sales and Customer Contact Team Leader, consideration of Kleenheat's customer sign-up processes and customer service training arrangements, and testing of a sample of new residential and business customer sign-ups, we determined that during the audit period, Kleenheat:</p> <ul style="list-style-type: none"> Maintained appropriate procedures for obtaining and making a record of the customer's verifiable consent to entering into direct debit arrangement Ensured its staff were appropriately trained in the requirement to obtain and record customers' verifiable consent Applied appropriate quality assurance practices to monitor staff compliance with the requirement to obtain and record customers' verifiable consent. <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and Customer Contact Team Leader, and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> On two occasions during the audit period, Kleenheat did not record a customer's verifiable consent prior to a direct debit facility commencing One breach occurred due to the call recording of a direct debit facility arrangement consent failing, which was determined to be an isolated incident The other breach was attributed to human error when an agent failed to read the correct direct debit consent script as part of the sign-up process. This breach was identified by Kleenheat's programmed audit process Kleenheat resolved these matters by obtaining retrospective consent from the customers and providing feedback to the relevant agent. This action is considered to be appropriate to address the isolated nature of the breaches. <p>Our examination of Kleenheat's customer complaints tracker did not identify any complaints attributed to Kleenheat improperly commencing a direct debit facility during the audit period.</p>
	<p>Priority 2</p>	<p>Controls rating: A</p>
		<p>Compliance rating: 2</p>
184	<p>A retailer must accept payment in advance from a customer on request. The minimum amount a retailer will accept an advance payment is \$20, unless otherwise agreed with a customer. Note: the summary wording of this obligation has not changed, but one of the changes to the Compendium (which came into effect on 1 January 2020) was the creation of additional subclauses to 5.4 which provide additional information and create an exception to complying with 5.4(1).</p> <p><i>Compendium clause 5.4</i></p>	<p>Through discussion with the Consumer Credit Team Leader and consideration of Kleenheat's account payment arrangements, we determined that during the audit period, Kleenheat offered and accepted advance payments, with no limit placed on the amount that can be accepted in advance.</p>
	<p>Priority 4</p>	<p>Controls rating: N/P</p>
		<p>Compliance rating: 1</p>

No	Obligation under Condition	Findings	
185	<p>If a customer is unable to pay by way of the methods described in clause 5.2, due to illness or absence, a retailer must offer a residential customer a redirection of the customer's bill to a third person, at no charge.</p> <p><i>Compendium clause 5.5</i></p>	<p>Through discussion with the Consumer Credit Team Leader, and walkthrough of Kleenheat's payment processes we determined that:</p> <ul style="list-style-type: none"> • Kleenheat's processes continued to provide customers the opportunity of redirecting the bill to a third person • Charges are not levied on the customer as a result of changes made to the billing address. <p>Our examination of Kleenheat's complaints tracker did not identify any complaints during the audit period attributed to Kleenheat refusing to redirect a bill in the circumstances described in Clause 5.5, or charging for that redirection.</p>	
	Priority 4	Controls rating: N/P	Compliance N/R
186	<p>A retailer must not charge a residential customer a late payment fee in the circumstances specified in clauses 5.6(1)(b)-(d).</p> <p><i>Compendium clause 5.6(1)</i></p>	<p><i>Obligations 186 to 189</i></p> <p>Through discussion with the Consumer Credit Team Leader and LPG Administration Team Leader, and consideration of Kleenheat's billing, payment, credit and financial hardship procedures and arrangements, we determined that during the audit period, Kleenheat applied the following process and procedure to manage late payment fee charges:</p>	
	Priority 4	Controls rating: N/P	Compliance rating: 1
186A	<p>If a retailer has charged a late payment fee in the circumstances set out in clause 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.</p> <p><i>Compendium clause 5.6(2)</i></p>	<p>NG</p> <ul style="list-style-type: none"> • If a payment extension has been granted to a customer, Kleenheat's billing system is configured to not apply late payment fees until the new dates have been updated • If a customer has entered and abiding by a payment arrangement, if the customer account has been flagged as experiencing financial hardship, or if the customer account has been flagged as being subject to an open complaint relating to non-payment of a bill, Kleenheat's billing system prevents any further collection activities including charging late payment fees • Kleenheat's billing system applies an automated process for generating late payment fees based on scheduled reminder and disconnection notices, which are issued in timeframes not earlier than five business days. No manual interventions are allowed • Kleenheat's billing system applies system enforced controls to ensure no more than 3 late payment fees are generated for the same bill and no more than 12 during the year • For residential customers who are assessed as being in financial hardship, any late payment fee is reversed. The process of reversing unbilled late fees that apply to the most recent bill was automated in late 2020 	
	Priority 4	Controls rating: N/P	Compliance rating: 1
187	<p>If a retailer has charged a residential customer a late fee, 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.</p> <p><i>Compendium clause 5.6(3)</i></p>	<p>NG</p> <ul style="list-style-type: none"> • If a payment extension has been granted to a customer, Kleenheat's billing system is configured to not apply late payment fees until the new dates have been updated • If a customer has entered and abiding by a payment arrangement, if the customer account has been flagged as experiencing financial hardship, or if the customer account has been flagged as being subject to an open complaint relating to non-payment of a bill, Kleenheat's billing system prevents any further collection activities including charging late payment fees • Kleenheat's billing system applies an automated process for generating late payment fees based on scheduled reminder and disconnection notices, which are issued in timeframes not earlier than five business days. No manual interventions are allowed • Kleenheat's billing system applies system enforced controls to ensure no more than 3 late payment fees are generated for the same bill and no more than 12 during the year • For residential customers who are assessed as being in financial hardship, any late payment fee is reversed. The process of reversing unbilled late fees that apply to the most recent bill was automated in late 2020 	
	Priority 4	Controls rating: N/P	Compliance rating: 1
188	<p>A retailer must not charge a residential customer more than 3 late payment fees in relation to the same bill, or more than 12 late payment fees in a year.</p> <p><i>Compendium clause 5.6(4)</i></p>	<p>NG</p> <ul style="list-style-type: none"> • If a payment extension has been granted to a customer, Kleenheat's billing system is configured to not apply late payment fees until the new dates have been updated • If a customer has entered and abiding by a payment arrangement, if the customer account has been flagged as experiencing financial hardship, or if the customer account has been flagged as being subject to an open complaint relating to non-payment of a bill, Kleenheat's billing system prevents any further collection activities including charging late payment fees • Kleenheat's billing system applies an automated process for generating late payment fees based on scheduled reminder and disconnection notices, which are issued in timeframes not earlier than five business days. No manual interventions are allowed • Kleenheat's billing system applies system enforced controls to ensure no more than 3 late payment fees are generated for the same bill and no more than 12 during the year • For residential customers who are assessed as being in financial hardship, any late payment fee is reversed. The process of reversing unbilled late fees that apply to the most recent bill was automated in late 2020 	
	Priority 4	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings			
189	<p>If a residential customer has been assessed as being in financial hardship, a retailer must retrospectively waive any late payment fee charged to the residential customer's last bill prior to the assessment being made.</p> <p><i>Compendium clause 5.6(5)</i></p>	<ul style="list-style-type: none"> A manual report is generated on a daily basis to check financial hardship customers where late payment fee revision is required Kleenheat's billing system includes a pop-up alert to highlight customers in such circumstances <p>Our test of a sample of customers who were flagged as being in financial hardship during the audit period (including some from before the process was automated) determined that all late payment fees charged to the customer's last bill prior to being assessed were waived.</p> <p>LPG</p> <ul style="list-style-type: none"> As LPG billing is manual, late payment fees are generated as part of a manual process. The LPG Administration team is trained to check for all relevant conditions that impact on Kleenheat's ability to charge late payment fees As late payment fees are generated once a month, Kleenheat complies with the requirements of clause 5.6(3) and 5.6(4) for not raising more than 12 late payment fees within a year, nor within a five day period. <p>NG and LPG</p> <ul style="list-style-type: none"> In the event that a late fee has been charged to a customer who has made a complaint relating to non-payment of a bill, that fee will be refunded as soon as Kleenheat becomes aware that complaint. The Customer Advocate's monitoring of actions that should be taken once a complaint has been received includes treatment of late payment fees. <p>Our examination of Kleenheat's complaints tracker did not identify any complaints in relation to Kleenheat's improper management of late payment fees during the audit period.</p>			
	<table border="1"> <tr> <td data-bbox="271 775 544 823">Priority 4</td> <td data-bbox="544 775 815 823">Controls rating: N/P</td> <td data-bbox="815 775 1084 823">Compliance rating: 1</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: 1	
Priority 4	Controls rating: N/P	Compliance rating: 1			
190	<p>A retailer must not require a customer who has vacated a supply address, and who has given the retailer notice, to pay for gas consumed at the customer's supply address in the circumstances specified in clause 5.7(1), unless the retailer and the customer have agreed to an alternative date.</p> <p><i>Compendium clause 5.7(1)</i></p>	<p><i>* Audit Priority 2 rating relates to NG operations. LPG operations rated as Audit Priority 4</i></p> <p><i>Obligations 190 to 193</i></p> <p>Through discussion with the NG Administration Team Leader and LPG Administration Team Leader, consideration of Kleenheat's billing procedures, move-out arrangements and customer service training arrangements, we determined that during the audit period, Kleenheat:</p> <ul style="list-style-type: none"> Maintained the following processes and procedures to facilitate customer move outs and customer account closure: <ul style="list-style-type: none"> Kleenheat's contract terms outline the customer's obligation to provide at least 5 days' notice to Kleenheat to finalise their account. If a customer provides less than 5 days' notice, the customer will be liable for payment for any consumption In the event of the customer's eviction, the customer's liability for any consumption is limited to the point at which the customer notifies Kleenheat they have been evicted from their supply address Move out (including notice of eviction) requests are accepted via all channels including phone, email and webchat A special meter read is obtained to issue the final bill for the supply address The move out date is updated in Kleenheat's billing system, prohibiting the system from generating any further bills 			
	<table border="1"> <tr> <td data-bbox="271 1415 544 1463">Priority 2</td> <td data-bbox="544 1415 815 1463">Controls rating: A</td> <td data-bbox="815 1415 1084 1463">Compliance rating: 2</td> </tr> </table>	Priority 2	Controls rating: A	Compliance rating: 2	
Priority 2	Controls rating: A	Compliance rating: 2			

No	Obligation under Condition	Findings				
191	<p>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 a customer to pay for gas consumed at the customer's supply address from the date the customer gave the retailer notice.</p> <p><i>Compendium clause 5.7(2)</i></p>	<ul style="list-style-type: none"> ○ Customer consent is obtained for situations where two bills may be issued in the same month as a result of generating the final bill ● Ensured its staff were appropriately trained in the requirement to obtain and record customers' verifiable consent ● Applied appropriate training and quality assurance practices to monitor staff compliance with move out requirements. 				
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">Priority 4</td> <td style="width: 50%; text-align: center;">Controls rating: N/P</td> <td style="width: 25%; text-align: center;">Compliance rating: 1</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: 1		
Priority 4	Controls rating: N/P	Compliance rating: 1				
193	<p>Notwithstanding clauses 5.7(1) and 5.7(2), a retailer must not require a customer to pay for gas consumed at the customer's supply address in the circumstances specified in clauses 5.7(4)(a)-(c).</p> <p><i>Compendium clause 5.7(4)</i></p>	<p><u>Obligation 190</u></p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and NG Administration Team Leader, and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> ● On four occasions during the audit period, Kleenheat issued bills to customers who had advised that they had vacated the premises. Those breaches were due to: <ul style="list-style-type: none"> ○ Kleenheat's third-party collection agency (engaged on a three-month trial) failing to notify Kleenheat that customers had advised that they had vacated the premises (2 breaches) ○ Human error, where customer service agents did not follow the move-out procedure (recognised when the customers contacted Kleenheat after receiving subsequent bills) (2 breaches). ● In all cases, the affected customers were contacted and the bills comprising gas consumed after the customer gave notice were reversed. Kleenheat also: <ul style="list-style-type: none"> ○ Fully reviewed the trial of the third party collection agency and determined that the trial should cease ○ Provided feedback and further training to the customer service agents. This action is considered to be appropriate to address the isolated nature of the breaches. <p>Our examination of Kleenheat's complaints tracker did not identify any further complaints in relation to Kleenheat's improper management of move out requests during the audit period.</p>				
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">Priority 4</td> <td style="width: 50%; text-align: center;">Controls rating: N/P</td> <td style="width: 25%; text-align: center;">Compliance rating: 1</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: 1		
Priority 4	Controls rating: N/P	Compliance rating: 1				

No	Obligation under Condition	Findings	
195	<p>A retailer must not commence proceedings for recovery of a debt from a residential customer who has informed a retailer that the customer is experiencing payment difficulties or financial hardship; and while a residential customer continues to make payments under an alternative payment arrangement.</p> <p><i>Compendium clause 5.8(1)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and Consumer Credit Team Leader, and examination of Kleenheat's collection strategy and Training Modules, we determined that during the audit period Kleenheat applied the following processes, which are designed to ensure that it does not commence proceedings for recovery of a debt from a residential customer who has informed Kleenheat that they are experiencing payment difficulties or financial hardship; or while a residential customer continues to make payments under an alternative payment arrangement. Those processes require:</p> <ul style="list-style-type: none"> • Kleenheat's best endeavours to contact the customer prior to referring the collection to an external agency • Offering access to customers who have been assessed as experiencing payment difficulties to alternative interest-free and fee-free payment arrangements, such as: <ul style="list-style-type: none"> ○ Additional time to pay ○ An instalment payment plan; and/or ○ Other arrangements • Updating customer status in the diary notes in Oracle once successful payment arrangements have been agreed with the customer • Customers who have entered and maintained a payment arrangement with Kleenheat being shielded from legal action, additional recovery costs and restriction of supply. <p>Our examination of Kleenheat's customer complaints tracker did not identify complaints in relation to Kleenheat's debt collection activities during the audit period.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: 1
196	<p>A retailer must not recover or attempt to recover a debt relating to a supply address from a person other than the customer with whom the retailer has or had entered into a contract for the supply of gas to that supply address.</p> <p><i>Compendium clause 5.8(2)</i></p>	<p>Through discussion with the Consumer Credit Team Leader and examination of the standard form contract clause 20.3, we determined that, during the audit period:</p> <ul style="list-style-type: none"> • Kleenheat's standard terms and conditions provided that if a customer leaves the supply address and another customer enters into a contract with Kleenheat for the supply address, the customer who vacated the premises is not required to pay for any gas supplied at the supply address after the time when the new customer's obligations to pay for gas supplied under the new contract takes effect • Kleenheat did not recover or attempt to recover any debt relating to a supply address from a person other than the customer with whom Kleenheat has or had entered into a contact for the supply of gas to that supply address. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1
196A	<p>If a customer with a debt owing to a retailer requests the retailer to transfer the debt to another customer, the retailer may transfer the debt to the other customer provided that the retailer obtains the other customer's verifiable consent to the transfer.</p> <p><i>Compendium clause 5.8(3)</i></p>	<p>The Consumer Credit Team Leader confirmed that, during the audit period Kleenheat's billing system did not facilitate debt of one customer to be transferred to another customer. Accordingly, debt owed by a customer can only be recovered from that customer</p>	
	Priority 4	Controls rating: N/P	Compliance rating: N/R

No	Obligation under Condition	Findings
197	<p>Where a retailer and residential customer have entered into a dual fuel contract, or separate contracts for the supply of electricity and gas, the retailer must apply a payment received from a residential customer for charges for the supply of electricity or gas in the circumstances specified in clause 5.9.</p> <p><i>Compendium clause 5.10</i></p>	<p>The Regulatory Manager, Natural Gas & Electricity confirmed that Kleenheat did not maintain dual fuel contracts, or separate contracts for the supply of electricity and gas for residential customer during the audit period.</p> <p>Therefore, this obligation was not relevant to Kleenheat's activities during the audit period.</p>
Priority 4	Controls rating: N/P	Compliance rating: N/R
Part 6 Payment Difficulties and Financial Hardship		
198	<p>A retailer must assess whether a residential customer is experiencing payment difficulties or financial hardship, within 5 business days from when the residential customer informs the retailer about the payment problems. If the retailer cannot make the assessment within 5 business days, it must refer the customer to a relevant consumer representative to make the assessment. If a residential customer provides the retailer with an assessment from a relevant consumer representative, the retailer may adopt that assessment as its own assessment for the purposes of clause 6.1(1)(a).</p> <p><i>Compendium clause 6.1(1)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and the Consumer Credit Team Leader and examination of Kleenheat's Financial Hardship Policy we determined that during the audit period:</p> <ul style="list-style-type: none"> • Kleenheat's policy required financial hardship assessments to be made within three working days; and • It was normal practice for Credit officers to make the assessment on the same day • Kleenheat did not refer any customer to a relevant consumer representative to make the assessment. <p>Sample testing of NG customers that had been assessed as being in financial hardship during the audit period determined that all were assessed within the required 5 business day timeframe.</p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and the Consumer Credit Team Leader and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> • On 11 occasions during the audit period, Kleenheat did not assess customers who had informed Kleenheat that they were experiencing payment difficulties or financial hardship within the required timeframe. Those breaches were due to: <ul style="list-style-type: none"> ○ Kleenheat's third-party collection agency (engaged on a three-month trial) failing to refer customers to Kleenheat after they had informed the agency they were experiencing payment problems (9 breaches) ○ Human error, where customer service agents did not follow the correct procedure for conducting financial hardship assessments (recognised after a complaint to the ombudsman) (2 breaches). • In all cases, the affected customers were contacted to offer assistance in accordance with Kleenheat's financial hardship guidelines and in the case of customers contacting the ombudsman, further rectification was made. Kleenheat also: <ul style="list-style-type: none"> ○ Fully reviewed the trial of the third party collection agency and determined that the trial should cease ○ Provided feedback and further training to the customer service agents regarding the importance of transferring hardship customers to team members specifically trained to handle financial assessments. This action is considered to be appropriate to address the isolated nature of the breaches.
Priority 2	Controls rating: A	Compliance rating: 2

No	Obligation under Condition	Findings	
199	<p>When undertaking an assessment regarding payment difficulties or financial hardship, the retailer must, unless the retailer adopts an assessment from a relevant consumer representative, give reasonable consideration to the information given by the residential customer and requested or held by the retailer; or advice given by a relevant consumer representative.</p> <p><i>Compendium clause 6.1(3)</i></p>	<p>Through discussion with the Consumer Credit Team Leader and examination of Kleenheat's Financial Hardship Policy and Financial Hardship Assessment Procedures, we determined that during the audit period:</p> <ul style="list-style-type: none"> • Kleenheat continued to provide extensive training to Customer Service Officers and Credit Officers to ensure their ability to accurately identify and appropriately assist a customer experiencing financial hardship. Staff were required to complete the full curriculum and attend all coaching sessions prior to dealing with customers. The curriculum covered a wide range of topics including the theory of financial hardship, payment arrangement theory, financial counselling, the theory of HUGS), Kleenheat's financial hardship policy and financial hardship assessment procedure, and handling of sensitive subjects such as domestic violence or chronic illness • Kleenheat's Financial Hardship Policy was publicly available on its website • Kleenheat's financial hardship assessment procedures and processes are documented in detail and available at all times to assist customer-facing staff in performing financial hardship assessments • Customer Service Officers were trained to: <ul style="list-style-type: none"> ○ Differentiate between payment difficulties and financial hardship ○ Recognise the indicators of financial hardship and refer concerned customers to the Credit Team for a financial hardship assessment ○ Set up a 2 weeks extension on a bill not yet outstanding or a simple payment arrangement plan for customers with one bill outstanding as a response to payment difficulty • Credit Officers were trained to: <ul style="list-style-type: none"> ○ Conduct a financial hardship assessment, obtain a clear understanding of the customer's situation and conditions, and evaluate their eligibility for Hardship Utility Grant Scheme support ○ Set up a reasonable payment arrangement for customers experiencing financial hardship and educate them on their available options, which include referrals to the National Debt Helpline, FCAWA and the Energy Ombudsman ○ Where a customer is not comfortable discussing their personal circumstance, use the customer's request for more information on payment arrangements, the customer's payment history, and the customer's statements reflecting a change in their ability to pay as indicators of financial hardship for the purpose of completing an assessment ○ Accept the outcome of a financial hardship assessment conducted and consider the advice provided by an authorised financial counsellor or a relevant consumer representative (such as WACOSS and FCAWA) ○ Provide the outcome of a financial hardship assessment to customers on the spot, or within 5 days upon request by the customer or an authorised financial counsellor or a relevant consumer representative. 	
	Priority 5	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings	
200	A retailer must advise a residential customer on request of the details of an assessment. <i>Compendium clause 6.1(4)</i>	The Consumer Credit Team Leader was not aware of any requests by customers during the audit period, for the details of an assessment (i.e. beyond advice of the outcome of the assessment). Accordingly, we did not rate Kleenheat's compliance with Compendium clause 6.1(4).	
	Priority 4	Controls rating: N/P	Compliance rating: N/R
200A	If a retailer refers a residential customer to a relevant consumer representative under clause 6.1(1)(b), the retailer must grant the residential customer a temporary suspension of actions. <i>Compendium clause 6.2(1)</i>	The Consumer Credit Team Leader advised that Kleenheat did not refer any customer to a relevant consumer representative to make an assessment. Accordingly, we did not rate Kleenheat's compliance with Compendium clause 6.2(1).	
	Priority 4	Controls rating: N/P	Compliance rating: 1
201	If a residential customer informs a retailer that the customer is experiencing payment problems, the retailer must not unreasonably deny a residential customer's request for a temporary suspension of actions, if the customer demonstrates to the retailer that the customer has an appointment with a relevant consumer representative to assess the customer's capacity to pay. <i>Compendium clause 6.2(2)</i>	<i>Obligations 201 to 203</i> Through discussion with the Consumer Credit Team Leader, consideration of Kleenheat's financial hardship and payment difficulty assessment arrangements, and examination of Kleenheat's daily disconnections worklists ("disconnection hopper report") and Financial Counselling Training Module, we determined that during the audit period:	
	Priority 4	Controls rating: N/P	Compliance rating: 1
202	A retailer must allow a temporary suspension of actions for a period of at least 15 business days. <i>Compendium clause 6.2(3)</i>	<ul style="list-style-type: none"> • Kleenheat applied the following practices to assisting customers in obtaining an assessment of their capacity to pay Kleenheat's bills (i.e. a financial hardship assessment from a relevant consumer representative or financial councillor): <ul style="list-style-type: none"> ○ Directing customers experiencing financial hardship towards a third party financial counsellor, in which case an interest free 15 business days suspension of collection activities is to be applied to the customer's account ○ Reasonably considering a temporary suspension of collection activities in relation to a customer demonstrating they have sought an assessment from an independent financial counsellor or a relevant consumer representative. Any temporary suspension of collection activities is to be at least 15 business days ○ Reasonably considering granting a temporary suspension of more than 15 business days where a relevant consumer representative requires more time to complete their assessment. • There were instances where Kleenheat referred customers to a relevant consumer representative or an independent financial counsellor, and instances where the customer demonstrated that they had an appointment with a relevant consumer representative <p>Our testing of disconnections found no evidence of Kleenheat undertaking collection activities prior to the expiry of temporary suspensions in breach of Compendium clause 6.2(3).</p>	
	Priority 2	Controls rating: A	Compliance rating: 1
203	If a relevant consumer representative is unable to complete the assessment on time and the consumer representative or residential customer requests for additional time, a retailer must give reasonable consideration to the request. <i>Compendium clause 6.2(4)</i>		
	Priority 5	Controls rating: N/P	Compliance rating: 1
204	If the assessment carried out under clause 6.1 indicates to the retailer that the residential customer is experiencing payment difficulties or financial hardship, the retailer must follow the procedure specified in clause 6.3(1). <i>Compendium clause 6.3(1)</i>	Through discussion with the Consumer Credit Team Leader and examination of Kleenheat's Financial Hardship Policy and Procedure, we determined that during the audit period Kleenheat applied the following procedures and protocols to facilitate customer payment arrangements in the event that a customer was assessed (as described at obligation 198 above) as experiencing payment difficulties or financial hardship:	
	Priority 4	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings	
205	<p>A retailer must offer a residential customer who is experiencing payment difficulties or financial hardship at least the payment arrangements that are specified in clauses 6.4(1)(a) and (b).</p> <p><i>Compendium clause 6.4(1)</i></p>	<ul style="list-style-type: none"> • A two week payment extension is offered to customers as a response to any payment difficulty • Consideration is given to the consumption and payment history of customers experiencing financial hardship, as well as their ability to meet their basic living needs to enable Kleenheat to offer a reasonable payment plan matching their capacity to pay • The customer is invited to contact Kleenheat to discuss alternative interest free and fee-free payment arrangements). Elements of a payment arrangement include: <ul style="list-style-type: none"> ○ Additional time to pay ○ An instalment payment plan ○ Other arrangements which give a customer additional time to pay • Within five business days of a customer accepting a payment instalment plan, the customer is provided with written confirmation of the agreed arrangement, including the number of instalments and the instalment amount required to pay the arrears, commencement date and terms (including consequences of failure to adhere to the plan and the need to contact Kleenheat for assistance in the event that the plan cannot be met) • A customer is allowed to renegotiate the terms of an agreed payment arrangement plan if the customer can no longer meet the terms of the payment arrangement, with any updates forwarded to the customer within five business days • A customer who has failed to meet the terms of multiple payment arrangements is allowed to re-enter into a payment arrangement as long as there is an open line of communication between Kleenheat and that customer 	
	Priority 4	Controls rating: N/P	Compliance rating: 1
206	<p>When offering or amending an instalment plan to a residential customer a retailer must ensure that the instalment plan is fair and reasonable taking into account the customer's capacity to pay and consumption history and comply with clause 6.4(3).</p> <p><i>Compendium clause 6.4(2)</i></p>	<ul style="list-style-type: none"> • The payment instalment plan is provided at no cost to the customer and is interest free • In accordance with Compendium clause 6.3(1)(a)(ii), a customer experiencing payment difficulties is to be advised of the additional assistance available, • In accordance with Compendium clause 6.3(1)(b)(ii), a customer experiencing financial hardship is offered the following assistance: <ul style="list-style-type: none"> ○ Reduction of fees, charges and debt ○ Revision of alternative payment arrangements ○ Provision of information ○ Payment in advance. • Appropriate training and quality assurance practices were applied to monitor staff compliance with financial hardship and payment difficulty requirements. <p>Our examination of Kleenheat's customer complaints register did not identify complaints in relation to Kleenheat's improper management of its financial hardship assessment and payment instalment arrangement activities during the audit period</p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and the Consumer Credit Team Leader and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p>	
	Priority 2	Controls rating: A	Compliance rating: 2

No	Obligation under Condition	Findings	
206A	<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><i>Compendium clause 6.4(3)</i></p>	<p><u>Obligation 206</u></p> <ul style="list-style-type: none"> • On three occasions during the audit period, Kleenheat offered payment plans to customers that were not reasonable taking into account the customers capacity to pay and consumption history. Those breaches were due to Kleenheat’s third-party collection agency (engaged on a three-month trial) incorrectly offering customers payment arrangements that were not reasonable, considering their capacity to pay and consumption history. The breaches were identified as a part of a full review of the trial of the third party collection agency • Affected customers were contacted to cancel the incorrect payment arrangements and to offer reasonable payment arrangements in accordance with Kleenheat’s guidelines • After its review of the trial of the third party collection agency Kleenheat determined that the trial should cease. Kleenheat’s action to identify and resolve the breaches appears to be appropriate to prevent further breaches. <p><u>Obligation 206A:</u></p> <ul style="list-style-type: none"> • On 204 occasions during the audit period, Kleenheat did not provide the required information specified in clauses 6.4(3)(a)(i)-(iii) within the required timeframe. Those breaches were due to: <ul style="list-style-type: none"> ○ Kleenheat’s third-party collection agency (engaged on a three-month trial) failing to provide customers who had entered into payment arrangements the required information within the specified timeframe. The breaches were identified as a part of a full review of the trial of the third party collection agency (2 breaches) ○ The credit officer outlook account not being configured correctly, resulting in payment arrangement letters sent by email failing (178 breaches) ○ Human error, where credit officers did not follow the correct procedure for providing information to customers, including a new procedure introduced to centralise the issue of payment arrangement letters (24 breaches) • Kleenheat took the following action to resolve the impact on affected customers and to address process issues: <ul style="list-style-type: none"> ○ Contacted all effected customers to offer the appropriate action, including payment assistance, cancellation or confirmation of payment arrangements and/or reset of payment arrangements ○ Ceased its trial of the third party collection agency ○ Provided feedback and further coaching to credit officers. This action is considered to be appropriate to address the isolated nature of the breaches ○ Further revised the process for issuing payment arrangement letters to ensure compliance with required timeframes. <p>Kleenheat’s action to identify and resolve the breaches appears to be appropriate to prevent further breaches.</p>	
	Priority 2	Controls rating: A	Compliance rating: 2

No	Obligation under Condition	Findings	
208	<p>A retailer must give reasonable consideration to a request by a customer, or a relevant consumer representative, for a reduction of the customer's fees, charges, or debt.</p> <p><i>Compendium clause 6.6(1)</i></p>	<p><i>Obligations 208 and 209</i></p> <p>Through discussion with the Consumer Credit Team Leader, consideration of Kleenheat's financial hardship training modules and examination of Kleenheat's Financial Hardship Assessment Procedure, we determined that during the audit period:</p> <ul style="list-style-type: none"> • There were occasions in which customers or a relevant consumer representative organisation requested a reduction of fees, charges or debt • In considering such requests from a customer, or a relevant consumer representative organisation for a reduction and/or waiver of fees, charges and debt, Kleenheat applied its Financial Hardship Assessment Procedure which requires Credit Officers to give reasonable consideration to each request. <p>Such requests are managed on a case by case basis and authorised via the Credit Team Leader and the Credit Manager where the value is high.</p>	
Priority 5	Controls rating: N/P		
209	<p>In giving reasonable consideration under clause 6.6(1), a retailer must refer to the hardship procedures referred to in clause 6.10(3).</p> <p><i>Compendium clause 6.6(2)</i></p>	<p>Refer to obligations 204 to 206A above</p>	
Priority 4	Controls rating: N/P		
210	<p>If it is reasonably demonstrated to the retailer that the customer, experiencing financial hardship, is unable to meet the customer's obligations under a payment arrangement, a retailer must give reasonable consideration to offering the customer an instalment plan or offering to revise an existing instalment plan.</p> <p><i>Compendium clause 6.7</i></p>	<p>Refer to obligations 204 to 206A above</p>	
Priority 5	Controls rating: N/P		

No	Obligation under Condition	Findings	
211	<p>A retailer must advise a customer experiencing financial hardship of the options specified in clause 6.8.</p> <p><i>Compendium clause 6.8</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and Consumer Credit Team Leader, consideration of Kleenheat's financial hardship management arrangements and testing of a sample of customer calls regarding financial hardship, we determined that during the audit period:</p> <ul style="list-style-type: none"> • Kleenheat maintained procedures which ensured that customers experiencing financial hardship are informed of the following information specified in clause 6.8, items (b), (c), (e) and (f): <ul style="list-style-type: none"> ○ The various payment methods available to them and their ability to enter into a payment arrangement ○ Independent financial counselling services and relevant consumer representatives available to assist ○ The availability of HUGS and how to access it • As Kleenheat offers only one tariff to each customer type, it did not have an obligation to advise customers experiencing financial hardship of the different types of tariffs available to the customer, per the information requirement specified in clause 6.8, item (d) • Kleenheat was unable to demonstrate that it had advised all customers experiencing financial hardship of the customer's right to have a bill forwarded to a third person at no charge, per the information requirement specified in clause 6.8, item (a). This information was not provided to customers on the relevant phone call, nor in any subsequent correspondence with the customer. <p><i>Recommendation 1/2023</i></p> <p><i>Kleenheat devise an effective method for ensuring all customers who are assessed as experiencing financial hardship have been advised of the options available as specified in clause 6.8 of the Compendium.</i></p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and the Consumer Credit Team Leader and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> • On one occasion during a three month trial with a collection agency, Kleenheat did not provide a customer experiencing financial hardship the options specified in clause 6.8 • Kleenheat adequately resolved this matter by contacting the customer to offer assistance and to appropriately manage the matter under Kleenheat's hardship guidelines • Kleenheat also ceased the trial. 	
<p style="text-align: center;">Priority 2</p>		<p style="text-align: center;">Controls rating: B</p>	<p style="text-align: center;">Compliance rating: 2</p>
212	<p>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.</p> <p><i>Compendium clause 6.9(1)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and the Consumer Credit Team Leader we determined that during the audit period Kleenheat did not arrange for any minimum payment in advance amount.</p> <p>Therefore, this obligation was not relevant to Kleenheat's activities during the audit period.</p>	
<p style="text-align: center;">Priority 4</p>		<p style="text-align: center;">Controls rating: N/P</p>	<p style="text-align: center;">Compliance rating: N/R</p>

No	Obligation under Condition	Findings	
214	A retailer must develop a hardship policy and hardship procedures to assist customers experiencing financial hardship in meeting their financial obligations and responsibilities to the retailer. <i>Compendium clause 6.10(1)</i>	<p><i>Obligations 214 to 216</i></p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and Consumer Credit Team Leader, examination of Kleenheat's Financial Hardship Policy and observation of Kleenheat's website, we determined that during the audit period:</p> <ul style="list-style-type: none"> Kleenheat has developed a hardship policy and hardship procedures to assist customers experiencing financial hardship in meeting their financial obligations and responsibilities to Kleenheat As reported by the 2020 GTL10 performance audit, Kleenheat's Financial Hardship Policy was not fully compliant with the criteria specified in clause 6.10(2) as the policy did not include a statement on how confidential customer information is to be treated and stored. In October 2020, Kleenheat revised its financial hardship policy to be compliant with clause 6.10(2). Accordingly, Kleenheat remained non-compliant with clause 6.10(2) during September and October 2020. No further action is required Kleenheat received requests for a copy of its Financial Hardship Policy The Financial Hardship Policy has consistently been available on Kleenheat's website Frontline staff were trained to advise customers on how to access the Financial Hardship Policy and provide it to customers via email or post at no cost upon request. 	
	Priority 4		
215	A retailer must ensure that its hardship policy complies with the criteria specified in clause 6.10(2). <i>Compendium clause 6.10(2)</i>	<ul style="list-style-type: none"> As reported by the 2020 GTL10 performance audit, Kleenheat's Financial Hardship Policy was not fully compliant with the criteria specified in clause 6.10(2) as the policy did not include a statement on how confidential customer information is to be treated and stored. In October 2020, Kleenheat revised its financial hardship policy to be compliant with clause 6.10(2). Accordingly, Kleenheat remained non-compliant with clause 6.10(2) during September and October 2020. No further action is required Kleenheat received requests for a copy of its Financial Hardship Policy The Financial Hardship Policy has consistently been available on Kleenheat's website Frontline staff were trained to advise customers on how to access the Financial Hardship Policy and provide it to customers via email or post at no cost upon request. 	
	Priority 2		
215A	A retailer must ensure that its hardship procedures comply with the criteria specified in clause 6.10(3). <i>Compendium clause 6.10(3)</i>	<ul style="list-style-type: none"> Kleenheat received requests for a copy of its Financial Hardship Policy The Financial Hardship Policy has consistently been available on Kleenheat's website Frontline staff were trained to advise customers on how to access the Financial Hardship Policy and provide it to customers via email or post at no cost upon request. 	
	Priority 4		
216	If requested, a retailer must give residential customers and relevant consumer representatives a copy of the hardship policy, including by post at no charge. <i>Compendium clause 6.10(4)</i>	<ul style="list-style-type: none"> Frontline staff were trained to advise customers on how to access the Financial Hardship Policy and provide it to customers via email or post at no cost upon request. 	
	Priority 4		
219	If directed by the ERA, the retailer must review its hardship policy and hardship procedures, in consultation with relevant consumer representatives, and submit to the ERA the results of that review within 5 business days after it is completed. <i>Compendium clause 6.10(6)</i>	<p><i>Obligations 219 to 220A</i></p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and Consumer Credit Team Leader, and examination of Kleenheat's Financial Hardship Policy we determined that during the audit period, Kleenheat:</p> <ul style="list-style-type: none"> Did not receive any directions from the ERA in relation to reviewing its hardship policy and procedures Complied with the ERA's Financial Hardship Policy Guidelines, except for the breach recognised in the 2020 Audit and referenced at obligation 215 above. Kleenheat remained non-compliant until October 2020 when changes were made to the policy (clause 6.10(7), obligation 220). No further action is required Did not make any material amendments to its hardship policy other than the changes made in October 2020 in response to the 2020 performance audit Continues to maintain processes which ensure the periodic review of the financial hardship policy to identify the need for amendments, ensure compliance with the ERA guidelines and communicate potential updates to the policy to the ERA within the prescribed time as per clause 6.10. 	
	Priority 4		
220	A retailer must comply with the ERA's Financial Hardship Policy Guidelines. <i>Compendium clause 6.10(7)</i>	<ul style="list-style-type: none"> Complied with the ERA's Financial Hardship Policy Guidelines, except for the breach recognised in the 2020 Audit and referenced at obligation 215 above. Kleenheat remained non-compliant until October 2020 when changes were made to the policy (clause 6.10(7), obligation 220). No further action is required Did not make any material amendments to its hardship policy other than the changes made in October 2020 in response to the 2020 performance audit Continues to maintain processes which ensure the periodic review of the financial hardship policy to identify the need for amendments, ensure compliance with the ERA guidelines and communicate potential updates to the policy to the ERA within the prescribed time as per clause 6.10. 	
	Priority 2		
220A	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 amended policy to the ERA within 5 business days of the amendment. <i>Compendium clause 6.10(8)</i>	<ul style="list-style-type: none"> Continues to maintain processes which ensure the periodic review of the financial hardship policy to identify the need for amendments, ensure compliance with the ERA guidelines and communicate potential updates to the policy to the ERA within the prescribed time as per clause 6.10. 	
	Priority 4		

No	Obligation under Condition	Findings	
221	<p>A retailer must consider any reasonable request for alternative payment arrangements from a business customer who is experiencing payment difficulties.</p> <p><i>Compendium clause 6.11</i></p>	<p>Through discussion with the Commercial Team Leader - Credit and examination of Kleenheat's Financial Hardship Policy and Financial Hardship Assessment Procedures, we determined that:</p> <ul style="list-style-type: none"> • Kleenheat's alternate payment procedures do not distinguish between residential and business customers • The Credit Team is trained to apply Kleenheat's Financial Hardship processes by considering hardship situations on case by case basis, including for business customers • During the audit period, there were occasions in which business customers sought alternative payment arrangements after experiencing financial difficulty. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings
Part 7 Disconnection & Interruption		
222	<p>A retailer must follow the procedures specified in clause 7.1(1) prior to arranging for disconnection of a customer's supply address for failure to pay a bill. A customer has failed to pay a bill in the circumstances specified in clause 7.1(2).</p> <p><i>Compendium clause 7.1</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, Consumer Credit Team Leader, Commercial Team Leader - Credit and LPG Administration Team Leader, and consideration of Kleenheat's disconnection process, disconnection checklist, disconnection models, five daily disconnections worklists and reminder and disconnection warning notice examples, we determined that during the audit period, Kleenheat maintained the following disconnection processes and procedures:</p> <ul style="list-style-type: none"> • A combination of automated and manual checks are used to ensure compliance with clause 7.1(1) • A reminder notice is issued to the customer if an invoice remains unpaid for 21 days • A disconnection notice is issued to the customer 10 days after the reminder notice if the bill remains unpaid • Kleenheat's reminder and disconnection notice templates are aligned with the requirements of clause 7.1(1) • Prior to lodging a disconnection request with ATCO, or with LPG Retic contractors and 5 days after the disconnection notice is issued, Kleenheat contacts the customer via SMS (or phone call/email if SMS is unavailable) to advise them of the disconnection • A mandatory checklist for requirements of clause 7.1(1) is to be completed prior to lodging a disconnection request to ensure that: <ul style="list-style-type: none"> ○ There is no open complaint or dispute on the customer's account ○ The customer is not experiencing payment difficulties or financial hardship ○ Kleenheat has used best endeavours to contact the customer to advise them of an eventual disconnection. <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and Consumer Credit Team Leader, and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> • On 119 occasions during the audit period, Kleenheat did not follow the procedures specified in clause 7.1(1) prior to arranging for disconnection of a customer's supply address for failure to pay a bill. Those breaches were due to: <ul style="list-style-type: none"> ○ Reminder notices and disconnection warning notices not being issued or disconnection warning notices not being issued within the required timeframe due to human error, including a manual letter run process not being actioned in the required timeframe (98 breaches affecting LPG customers) ○ A manual exception reporting process was not run (1 breach affecting an LPG customer) ○ Reminder notices not being issued to NG customers prior to disconnection warning notices due to a billing system error (20 breaches) • In relation to the LPG billing process, feedback was provided to the LPG team responsible for the manual exception reporting process and the manual letter run process, which was further refined • In relation to the NG billing system error, Kleenheat implemented an interim manual exception reporting process to withhold the disconnection notices without prior reminder notice being issued until a system improvement was successfully deployed in April 2022 • Kleenheat rectified instances of wrongful disconnection where relevant, including arranging for reconnection where possible and waiving relevant charges. <p>Our sample testing of NG and LPG accounts subject to disconnection during the audit period observed that in all cases, Kleenheat followed the procedures specified in clause 7.1(1), with no further instances of non-compliance identified.</p>
Priority 2	Controls rating: A	Compliance rating: 2

No	Obligation under Condition	Findings			
223	<p>A retailer must not arrange for disconnection of a customer's supply address for failure to pay a bill in the circumstances specified in clause 7.2(1). Note: the summary wording of this obligation has not changed, but the content of clause 7.2(1)(d) was amended as part of the changes to the Compendium that came into effect on 1 January 2020.</p> <p><i>Compendium clause 7.2(1)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, Consumer Credit Team Leader, Commercial Team Leader - Credit and LPG Administration Team Leader, and consideration of Kleenheat's disconnection process, disconnection checklist, disconnection models, five daily disconnections worklists, we determined that during the audit period, Kleenheat maintained the following disconnection processes and procedures:</p> <ul style="list-style-type: none"> • A mandatory checklist for requirements of clause 7.2(1) is to be completed prior to lodging a disconnection to prevent the wrongful disconnection of a customer where: <ul style="list-style-type: none"> ○ A payment arrangement has been setup, which the customer is adhering to ○ The amount of the debt is below \$150 ○ The customer's debt is not related to the supply of gas ○ The supply address does not relate to the outstanding bill ○ The customer has been assessed as experiencing payment difficulties or financial hardship • Credit Officers are trained to ensure those automated and manual checks are complete prior to processing a disconnection, and understand the last resort nature of disconnections. <p>Our sample testing of NG and LPG accounts subject to disconnection during the audit period observed that in all cases, Kleenheat followed the procedures specified in clause 7.2(1), with no instances of non-compliance identified.</p> <p>Our examination of Kleenheat's complaints tracker did not identify any complaints in relation to wrongful disconnection during the audit period.</p>			
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; background-color: #FFC0CB; text-align: center;">Priority 2</td> <td style="width: 33%; background-color: #C8E6C9; text-align: center;">Controls rating: A</td> <td style="width: 33%; background-color: #C8E6C9; text-align: center;">Compliance rating: 1</td> </tr> </table>	Priority 2	Controls rating: A	Compliance rating: 1	
Priority 2	Controls rating: A	Compliance rating: 1			
224	<p>In relation to dual fuel contracts or separate contracts for the supply of electricity and gas (under which a single bill for energy, or separate simultaneous bills for electricity and gas are issued to the customer), if a retailer is permitted to and wishes to arrange for disconnection of the supply of electricity and gas to the residential customer's supply address for failure to pay a bill, the retailer must arrange for disconnection of the supply of gas in priority to the disconnection of the supply of electricity.</p> <p><i>Compendium clause 7.3</i></p>	<p>The Regulatory Manager, Natural Gas & Electricity confirmed that Kleenheat did not maintain dual fuel contracts or separate contracts for the supply of electricity and gas for residential customer during the audit period.</p> <p>Therefore, this obligation was not relevant to Kleenheat's activities during the audit period.</p>			
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; background-color: #FFF9C4; text-align: center;">Priority 4</td> <td style="width: 33%; background-color: #E0E0E0; text-align: center;">Controls rating: N/P</td> <td style="width: 33%; background-color: #E0E0E0; text-align: center;">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
225	<p>A retailer must not arrange for the disconnection of a customer's supply address for denying access to the meter unless the conditions specified in clause 7.4(1) are satisfied. A retailer may arrange for a distributor to carry out 1 or more of the requirements referred to in clause 7.4(1) on behalf of the retailer.</p> <p><i>Compendium clause 7.4</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and Consumer Credit Team Leader, we determined that Kleenheat did not raise any disconnection requests as a result of being denied access to a metering point during the audit period.</p> <p>Therefore, we have not assessed Kleenheat's compliance with this obligation during the audit period.</p>			
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; background-color: #FFF9C4; text-align: center;">Priority 4</td> <td style="width: 33%; background-color: #E0E0E0; text-align: center;">Controls rating: N/P</td> <td style="width: 33%; background-color: #E0E0E0; text-align: center;">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			

No	Obligation under Condition	Findings
227	<p>A retailer or a distributor must not arrange for disconnection or disconnect a customer's supply address in the circumstances specified in clause 7.6.</p> <p><i>Compendium clause 7.6</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and Consumer Credit Team Leader, consideration of Kleenheat's disconnection process, disconnection checklist, disconnection models, five daily disconnections worklists, we determined that during the audit period Kleenheat's disconnection processes continued to ensure that:</p> <ul style="list-style-type: none"> • A disconnection request will not be raised in relation to a customer account with an open complaint or dispute • Disconnection requests are raised with ATCO or LPG Retic contractors in a timely manner, so that disconnections will not be performed after 3pm or on a Friday, Saturday, Sunday, public holiday or on the day before a public holiday. <p>We observed that LPG disconnection processes are aligned with NG processes, including automated processes which assist in maintaining strong controls over the timing of disconnections.</p> <p>Our sample testing of NG and LPG accounts subject to disconnection during the audit period observed that in all cases, Kleenheat followed the procedures specified in clause 7.6, with no further instances of non-compliance identified.</p> <p>Our examination of Kleenheat's complaints tracker did not identify any complaints in relation to wrongful disconnection during the audit period.</p>
	Priority 2	<p>Controls rating: A</p> <p>Compliance rating: 1</p>

No	Obligation under Condition	Findings
Part 8 Reconnection		
228	<p>In the circumstances specified in clause 8.1(1)(a)-(c), a retailer must arrange for reconnection of the customer's supply address if the customer makes a request for reconnection and pays the retailer's reasonable charges for reconnection (if any) or accepts an offer of an instalment plan for the retailer's reasonable charges for reconnection</p> <p><i>Compendium clause 8.1(1)</i></p>	<p><i>* Audit Priority 2 rating relates to NG operations. LPG operations rated as Audit Priority 4</i></p> <p>Through discussion with the NG Administration Team Leader and Consumer Credit Team Leader, walkthrough of Kleenheat's reconnection processes, and consideration of Kleenheat's training and QA processes we determined that during the audit period Kleenheat continued to maintain the following process and procedures to manage requests for reconnection:</p> <ul style="list-style-type: none"> • Kleenheat will arrange for a customer who was disconnected for failure to pay a bill to be reconnected if: <ul style="list-style-type: none"> ○ The customer has settled their outstanding bill and reconnection fee, or agreed to enter in a payment arrangement; or ○ The customer has been assessed as experiencing financial hardship; • Kleenheat will arrange for a customer who was disconnected for unlawful consumption of gas to be reconnected if: <ul style="list-style-type: none"> ○ The customer contacts Kleenheat to create an account and agrees that Kleenheat is to work out the amount owing (Kleenheat will contact the landlord to verify the customer's move in date and may require further evidence of the move in date) ○ The customer has been invoiced for their use of gas. <p>We note that Kleenheat does not disconnect customers for denying access to the meter per clause 8.1(1)(b).</p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and examination of Kleenheat's compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> • On two occasions during the audit period, Kleenheat did not arrange for reconnection of a customer's supply address after the customer made a request for reconnection. Both breaches were attributed to human error, where a customer service officer did not raise a service request for reconnection until the customer called back some days later. • Kleenheat addressed the cause of these breaches by providing feedback and further coaching to the relevant customer service officer. This action is considered to be appropriate to address the isolated nature of the breaches. <p>Our sample testing of NG and LPG customer requests for reconnection during the audit period observed that in all cases, Kleenheat followed the procedures specified to arrange for reconnection of a customer's supply address.</p> <p>Our examination of Kleenheat's complaints tracker did not identify any further complaints in relation to reconnection during the audit period.</p>
Priority 4	Controls rating: A	Compliance rating: 2

No	Obligation under Condition	Findings	
229	<p>A retailer must forward the request for reconnection to the relevant distributor that same business day if the request is received before 3pm on a business day; or no later than 3pm on the next business day if the request is received after 3pm on a business day, or on the weekend or on a public holiday.</p> <p><i>Compendium clause 8.1(2)</i></p>	<p>Through discussion with the NG Administration Team Leader and Consumer Credit Team Leader, walkthrough of Kleenheat’s reconnection processes, and consideration of Kleenheat’s training and QA processes we determined that during the audit period Kleenheat continued to maintain:</p> <ul style="list-style-type: none"> Processes in place in order to identify failed reconnection requests in the system, A daily peer review process in place to identify failed reconnection requests in the system. <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and examination of Kleenheat’s compliance records and reports relating to the audit period 1 September 2020 to 31 August 2023, we determined that:</p> <ul style="list-style-type: none"> On three occasions during the audit period, Kleenheat did not forward a request for reconnection to the distributor within the required timeframe. These breaches were attributed to human error when reconnection requests were either not raised or processed as a different request, per Kleenheat’s established procedures. On receipt of a call from the impacted customers, Kleenheat immediately arranged priority reconnections and waived reconnection fees Kleenheat addressed the cause of these breaches by providing feedback and further coaching to the relevant customer service officer. This action is considered to be appropriate to address the isolated nature of the breaches. <p>Our sample testing of NG and LPG customer requests for reconnection during the audit period observed that in all cases, forwarded the reconnection request in a timely manner, in accordance with clause 8.1(2).</p> <p>Our examination of Kleenheat’s complaints tracker did not identify any further complaints in relation to reconnection timing.</p>	
	Priority 4	Controls rating: A	Compliance rating: 2
Part 10 Information & Communication			
231	<p>A retailer must give notice to each of its customers affected by a variation in its tariffs, fees and charges no later than the next bill in the customer’s billing cycle.</p> <p><i>Compendium clause 10.1(1)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and examination of Kleenheat’s website, we determined that during the audit period:</p> <ul style="list-style-type: none"> All rate revisions were updated on Kleenheat’s website and published in the West Australian newspaper Kleenheat’s processes provided for customers to be notified of any changes to tariffs, fees and charges on their next bill. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1
232	<p>A retailer must give or make available to a customer on request, at no charge, reasonable information on the retailer’s tariffs, fees and charges, including any alternative tariffs that may be available to the customer.</p> <p><i>Compendium clause 10.1(2)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity and examination of Kleenheat’s website, we determined that during the audit period:</p> <ul style="list-style-type: none"> All tariff information was available on the Kleenheat website at no extra cost to the customer If a customer were to make a request regarding tariffs, fees and charges, they would be immediately directed to the Kleenheat website If printed material was requested, it would be sent by post or mail within one business day of the request. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings	
233	A retailer must give or make available to a customer the information requested on tariffs within 8 business days of the date of receipt of the request and, if requested, a retailer must provide the information in writing. <i>Compendium clause 10.1(3)</i>	The Regulatory Manager, Natural Gas & Electricity confirmed that there were no instances where customers contacted Kleenheat and requested tariff information in writing. Therefore, obligation 233 was not relevant to Kleenheat's activities during the audit period.	
	Priority 4	Controls rating: N/P	Compliance rating: N/R
234	A retailer must, on request, give a customer their billing data. <i>Compendium clause 10.2(1)</i>	<i>Obligations 234 to 237</i> Through discussion with the Regulatory Manager, Natural Gas & Electricity and Contact Centre Team Leader, we determined that during the audit period:	
	Priority 4	Controls rating: N/P	Compliance rating: 1
235	A retailer must give the requested billing data at no charge if a customer requests their 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 the retailer. <i>Compendium clause 10.2(2)</i>	<ul style="list-style-type: none"> If a customer were to make a request (via a Customer Service Officer or Credit Officer) for their billing data, they would be immediately directed to Kleenheat's MyAccount portal All billing information continued to be readily available to customers via the Kleenheat MyAccount portal on the Kleenheat website at no cost to the customer. This arrangement ensures Kleenheat continues to meet the requirements of clause 10.2 Kleenheat has retained all billing data to date i.e. no customer billing data has been deleted, meeting the 7 year requirement 	
	Priority 4	Controls rating: N/P	Compliance rating: 1
236	A retailer must give the requested billing data within 10 business days of the date of receipt of either the request, or payment of the retailer's reasonable charge for providing the billing data. <i>Compendium clause 10.2(3)</i>	The Contact Centre Team Leader confirmed that during the audit period, no customers requested a hard copy of their billing data.	
	Priority 4	Controls rating: N/P	Compliance rating: 1
237	A retailer must keep a customer's billing data for 7 years. <i>Compendium clause 10.2(4)</i>		
	Priority 4	Controls rating: N/P	Compliance rating: 1
238	A retailer must give a residential customer on request, at no charge, information on the types of concessions available to the customer, and the names and contact details of the organisation responsible for administering those concessions (if not the retailer). <i>Compendium clause 10.3</i>	Through discussion with the Consumer Credit Team Leader, we determined that Kleenheat maintained the following processes and procedures during the audit period:	
	Priority 4	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings	
239	<p>A retailer must give, or make available, to a customer on request and at no charge, general information on: cost-effective and efficient ways to utilise gas (including referring a customer to a relevant information source) and the typical running costs of major domestic appliances.</p> <p><i>Compendium clause 10.4</i></p>	<p>Through discussion with the Customer Contact Team Leader and examination of Training Modules the Customer Charter and example payment arrangement records, we determined that during the audit period:</p> <ul style="list-style-type: none"> • There were occasions in which customers requested general information on cost-effective and efficient ways to utilise gas. Most of such requests are related to instances where customers communicate regarding high bills • Kleenheat applied its standard practice to refer the customer to the gas usage efficiency information located in the Customer Charter and on Kleenheat’s website, or to provide the information via email immediately upon request. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1
240	<p>If a customer asks for information relating to the distribution of gas, a retailer must give the information to the customer or refer the customer to the relevant distributor for a response.</p> <p><i>Compendium clause 10.5</i></p>	<p>Through discussion with the Customer Contact Team Leader and examination of Training Modules and the Customer Charter, we determined that during the audit period:</p> <ul style="list-style-type: none"> • There were occasions in which customers requested information relating to gas distribution • Kleenheat applied the following processes: <ul style="list-style-type: none"> NG <ul style="list-style-type: none"> ○ All requests for distribution related information are directed to ATCO. The direct number is provided to the customer and if requested via phone, the customer is to be transferred directly to ATCO. LPG Retic <ul style="list-style-type: none"> ○ As Kleenheat acts as both the retailer and distributor for LPG Retic services, customers are to be either transferred directly to the relevant Kleenheat staff member, or provided with the relevant contact details to address distribution enquiries 	
	Priority 4	Controls rating: N/P	Compliance rating: 1
245	<p>A retailer and distributor must, to the extent practicable, ensure that any written information that must be given to a customer by the retailer, distributor or gas marketing agent under the Gas Marketing Code and the Compendium is expressed in clear, simple and concise language and is in a format that makes it easy to understand.</p> <p><i>Compendium clause 10.9</i></p>	<p>Through examination of Kleenheat’s publicly available documentation and correspondence with customers, we determined that during the audit period, Kleenheat’s written communications with customers was expressed in clear, simple and concise language and was in a format that makes it easy to understand.</p>	
	Priority 5	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings		
246	<p>A retailer must advise a customer on request how the customer can obtain a copy of the Gas Marketing Code and the Compendium; and make a copy of the Gas Marketing Code and the Compendium available on the retailer's website.</p> <p><i>Compendium clause 10.10(1)</i></p>	<p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, and Contact Centre Team Leader, and examination of Kleenheat's website and sample invoices, we determined that during the audit period:</p> <ul style="list-style-type: none"> • Although Kleenheat is unable to explicitly confirm that there were occasions in which customers requested advice on how to obtain a copy of the Gas Marketing Code and Compendium, it is reasonable to consider there were such occasions • Kleenheat's customers were provided with the following documentation referring to the availability of the Gas Marketing Code and Compendium: <ul style="list-style-type: none"> ○ Welcome Letter – sent to customers on account opening ○ Customer Charter – available on Kleenheat's website ○ Bills – via a standard statement one each bill • Kleenheat's Customer Services Agents were trained to either refer customers to where a copy of the Gas Marketing Code and Compendium can be accessed, or to provide a copy by post • A copy of the Gas Marketing Code and Compendium was available on Kleenheat's website. 		
	Priority 4	Controls rating: N/P	Compliance rating: 1	
249	<p>A retailer and distributor must make available to a residential customer on request, at no charge, services that assist the residential customer in interpreting information provided by the retailer or distributor (including independent multi-lingual and TTY services, and large print copies).</p> <p><i>Compendium clause 10.11(1)</i></p>	<p>Through discussion with the Contact Centre Team Leader and examination of publicly available documentation and correspondence with customers, we determined that during the audit period:</p> <ul style="list-style-type: none"> • Although Kleenheat is unable to explicitly confirm that there were occasions in which customers requested services that assist in interpreting information provided by the retailer or distributor, it is reasonable to consider there were such occasions • Kleenheat's Customer Charter, bill template and website provide references to Translating and Interpreter Services, Teletypewriter Services (TTY) and the availability of large print copies and further customer assistance upon request at no charge • Kleenheat's Customer Services Agents were trained to provide large print copies and further customer assistance upon request at no charge. 		
	Priority 4	Controls rating: N/P	Compliance rating: 1	
250	<p>A retailer and, if appropriate, a distributor must include on a residential customer's bill and bill related information, reminder notice and disconnection warning the telephone numbers for: its TTY services; independent multi-lingual services; and interpreter services with the National Interpreter Symbol.</p> <p><i>Compendium clause 10.11(2)</i></p>	<p>Through examination of a sample of bills for NG and LPG customers, reminder notices and disconnection warning notices, we determined that during the audit period, the TTY number (with the words "Teletypewriter (National Relay Service)"), Telephone Interpreter Services information (with the words "Translating and Interpreter Services") and National Interpreter Symbol were included on those documents.</p>		
	Priority 4	Controls rating: N/P	Compliance rating: 1	

No	Obligation under Condition	Findings	
Part 12 Complaints and Dispute Resolution			
251	<p>A retailer and distributor must develop, maintain and implement an internal process for handling complaints and resolving disputes.</p> <p><i>Compendium clause 12.1(1)</i></p>	<p>Through advice from the Customer Advocate, and examination of Kleenheat’s Customer Complaint Handling Policy and Procedure, Customer Charter, Complaints Guide and complaints training documents we determined that during the audit period Kleenheat maintained:</p> <ul style="list-style-type: none"> • A Customer Complaint Handling Policy and Procedure, which was designed to comply with AS ISO 10002:2014 (previous version) and AS ISO 10002:2022 (current version). The procedure covers points such as: <ul style="list-style-type: none"> ○ Recording of a complaint ○ How to manage customer complaints ○ Managing customers’ behaviour ○ Verbal and written complaints ○ Escalated complaints ○ Complaint resolution • Processes to review and update internal documents on an annual basis or as necessary when changes are made to complaint handling guidelines or standards. We note that at the time of this audit, the Complaints Policy was overdue for review • A method for recording complaints, through the Oracle system’s customer account diary notes • A mature escalation process, whereby if a customer is not satisfied with the outcome offered, the complaint can be escalated to the Team Leader or the Customer Advocate • A monthly reporting process to enable the Senior Management Group to monitor the total number of complaints, a breakdown of the different types of complaints logged and any escalation to the Energy and Water Ombudsman • A designated Customer Advocate role. The Customer Advocate is responsible for reviewing escalated complaints, providing summary reports to management and providing complaints handling training to staff. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings	
252	<p>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).</p> <p>The complaints handling process must be available at no cost to customers.</p> <p><i>Compendium clause 12.1(2)</i></p>	<p>Through advice from the Customer Advocate, and examination of Kleenheat’s Customer Complaint Handling Policy and Procedure, Customer Charter and Complaints Guide, we determined that:</p> <ul style="list-style-type: none"> • Kleenheat maintains a complaint handling program, consistent with AS ISO 10002:2014 (previous version) and AS ISO 10002:2022 (current version) – “Guidelines for complaint management in organisations”, with emphasis on accountability of all employees to respect the right of a customer or community member to raise a complaint • Kleenheat’s procedures and training modules outline the: <ul style="list-style-type: none"> ○ Process of recording a customer complaint ○ Process of recording a complaint resolution ○ Complaint response time and method ○ Management handling and monitoring process • The response timelines and the methods of response have been clearly articulated in the complaints policy, Customer Charter and Complaints Guide, and satisfy the requirements of the Code and Compendium • Information on how a complaint can be lodged is stated in the Customer Charter and Complaints Guide which is available on the Kleenheat website at no cost to the customer • Customer Charter brochures were available at Kleenheat’s premises for provision to a customer on request. 	
Priority 4	Controls rating: N/P	Compliance rating: 1	
254	<p>When responding to a complaint, a retailer or distributor must advise the customer that the customer has the right to have the complaint considered by a senior employee within the retailer or distributor (in accordance with its complaints handling process).</p> <p><i>Compendium clause 12.1(3)(a)</i></p>	<p><i>Obligations 254 and 255</i></p> <p>Through advice from the Customer Advocate, and examination of Kleenheat’s Customer Complaint Handling Policy and Procedure, Customer Charter, Complaints Guide and examples of Kleenheat’s interactions with customers, we determined that:</p> <ul style="list-style-type: none"> • Kleenheat’s processes provided for information to be provided to a customer in accordance with clause 12.1(2) of the Compendium • Escalation to a senior employee if the first line of contact was unsuccessful in resolving the complaint to a satisfactory manner. Training has been provided to customer service agents on standard internal escalation process. This process is embedded into quality call coaching routines • The customer to be notified of the outcome and the reason for the outcome in written form, upon request, where the complaint has not been resolved to the customer’s satisfaction • The customer be notified of their right to refer their complaint to the Ombudsman, should they feel their complaint unresolved by Kleenheat, providing contact information inclusive of freecall number for the Ombudsman to the customer • Complaints quality training is provided as part of the onboarding process and is delivered as a refresher module annually to all customer facing team members. 	
Priority 4	Controls rating: N/P	Compliance rating: 1	
255	<p>When a complaint has not been resolved internally in a manner acceptable to the customer, a retailer or distributor must advise the customer of the reasons for the outcome (on request, the retailer or distributor must supply such reasons in writing); and that the customer has the right to raise the complaint with the gas ombudsman or another relevant external dispute resolution body and provide the Freecall telephone number of the gas ombudsman.</p> <p><i>Compendium clause 12.1(3)(b)</i></p>	<p>Through advice from the Customer Advocate, and examination of Kleenheat’s Customer Complaint Handling Policy and Procedure, Customer Charter, Complaints Guide and examples of Kleenheat’s interactions with customers, we determined that:</p> <ul style="list-style-type: none"> • Kleenheat’s processes provided for information to be provided to a customer in accordance with clause 12.1(2) of the Compendium • Escalation to a senior employee if the first line of contact was unsuccessful in resolving the complaint to a satisfactory manner. Training has been provided to customer service agents on standard internal escalation process. This process is embedded into quality call coaching routines • The customer to be notified of the outcome and the reason for the outcome in written form, upon request, where the complaint has not been resolved to the customer’s satisfaction • The customer be notified of their right to refer their complaint to the Ombudsman, should they feel their complaint unresolved by Kleenheat, providing contact information inclusive of freecall number for the Ombudsman to the customer • Complaints quality training is provided as part of the onboarding process and is delivered as a refresher module annually to all customer facing team members. 	
Priority 4	Controls rating: N/P	Compliance rating: 1	

No	Obligation under Condition			Findings
255A	<p>A retailer or distributor must, on receipt of a written complaint by a customer, acknowledge the complaint within 10 business days and respond to the complaint within 20 business days.</p> <p><i>Compendium clause 12.1(4)</i></p>			<p>Through advice from the Customer Advocate and examination of Kleenheat's Customer Complaint Handling Policy and Procedure and supporting documents, and examples of Kleenheat's responses to written complaints, we determined that during the audit period:</p> <ul style="list-style-type: none"> • Complaints were acknowledged and provided initial response with progress of the complaint within the timeframes specified by the compendium; Kleenheat's internal SLA was to aim to provide initial response within 2 business days • Contact is established using the complainant's preferred method of contact • Issues not resolved within 2 business days were investigated further with responses within 10 business days, which is within the 20 business day requirement.
	Priority 4	Controls rating: N/P	Compliance rating: 1	
256	<p>A retailer must comply with any guideline developed by the ERA relating to distinguishing customer queries from customer complaints.</p> <p><i>Compendium clause 12.2</i></p>			<p>Through advice from the Customer Advocate and examination of Kleenheat's Customer Complaint Handling Policy and Procedure and training module we determined that the documents each have defined:</p> <ul style="list-style-type: none"> • A complaint definition in line with the ERA definition (as found in the December 2016 Customer Complaint Guidelines) as follows: <ul style="list-style-type: none"> ○ A complaint is an expression of dissatisfaction made to or about an organisation, 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. • A query or feedback as an opinion, comment and expression of interest or concern, made directly or indirectly, explicitly or implicitly to or about the organization, its products, services and employees
	Priority 4	Controls rating: N/P	Compliance rating: 1	
257	<p>A retailer, distributor and gas marketing agent must give a customer on request, at no charge, information that will assist the customer in utilising the respective complaints handling processes.</p> <p><i>Compendium clause 12.3</i></p>			<p>Through advice from the Customer Advocate and examination of Kleenheat's Customer Complaint Handling Policy and Procedure and Complaints Guide we determined that during the audit period:</p> <ul style="list-style-type: none"> • Although Kleenheat is unable to explicitly confirm that there were occasions in which customers requested information to assist the customer in utilising the complaints handling process, it is reasonable to consider there were such occasions • Kleenheat's Customer Services Agents were trained to provide copies of Complaints brochures and other relevant information upon request and at no charge • Kleenheat's customer charter and complaints brochure contain details on its complaints handling process; and • The customer charter and the complaints brochure is available on the Kleenheat website and can be accessed by the customer at no cost.
	Priority 4	Controls rating: N/P	Compliance rating: 1	

No	Obligation under Condition	Findings	
258	<p>When a retailer, distributor or gas 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 the appropriate entity to deal with the complaint (if known).</p> <p><i>Compendium clause 12.4</i></p>	<p>Through advice from the Customer Advocate and examination of Kleenheat's Customer Complaint Handling Policy and Procedure we determined that during the audit period:</p> <ul style="list-style-type: none"> • Kleenheat's customer service and complaints handling processes provided for: <ul style="list-style-type: none"> ○ Staff to recognise instances where a complaint does not relate to Kleenheat functions ○ The matter to be referred to the relevant entity (e.g. ATCO or Western Power) ○ The customer to be made aware of the reason for the referral ○ The customer to be offered the appropriate entity's direct line or complaint portal details. • Although Kleenheat had no record of a referred complaint relating to its customers, it is reasonable to consider there were such occasions. 	
	Priority 4	Controls rating: N/P	Compliance rating: 1
Part 13 Record Keeping and Reporting			
281	<p>A retailer and a distributor must prepare a report in respect of each reporting year setting out the information specified by the ERA.</p> <p><i>Compendium clause 13.1</i></p>	<p><i>Obligations 281-283</i></p> <p>Through discussion with the Regulatory Manager, Natural Gas & Electricity, examination of annual datasheets submitted to the ERA during the audit period, and examination of Kleenheat's reporting processes and procedures we determined that:</p> <ul style="list-style-type: none"> • Kleenheat's reporting processes are well documented with calendar reminders in place to ensure timely reporting • The required annual datasheets were submitted to the ERA by the due dates and contained the information specified. <p>The Regulatory Manager, Natural Gas & Electricity confirmed that other than annual compliance reports and datasheets, Kleenheat was not requested to provide additional information to the ERA in relation to its functions under the Energy Co-ordination Act during the audit period.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: 1
282	<p>A report referred to in clause 13.1 must be provided to the ERA by the date, and in the manner and form, specified by the ERA.</p> <p><i>Compendium clause 13.2</i></p>		
	Priority 4	Controls rating: N/P	Compliance rating: 1
283	<p>A report referred to in clause 13.1 must be published by the date specified by the ERA.</p> <p><i>Compendium clause 13.3</i></p>		
	Priority 4	Controls rating: N/P	Compliance rating: 1

5. Status of recommendations addressing non-compliances from the previous audit

Reference (no./year)	Non-compliance / Controls improvement Rating / Licence obligation reference number and licence obligation / Details of noncompliance or inadequacy of controls)	Auditor's recommendation or action planned	Further action required (Yes/No/Not Applicable) Details of further action required (including current recommendation reference, if applicable)
A. Resolved during current audit period			
1/2020	<p>B2 Obligation 147 Compendium Clause 4.5(1) <i>Unless the customer agrees otherwise, a retailer must include the minimum prescribed information in clauses 4.5(1)(a)-(cc) on the customer's bill.</i></p> <p>Kleenheat failed to include bill particulars as required under clauses 4.5(1)(a)-(cc). 319 instances were due to a system error affecting customers who had switched from a non-standard contract to a standard form contract with an outstanding bill with subsequently issued collection notices. If the bill remains outstanding after 21 days the standard for contract collection process is automatically initiated, and this issue was outstanding at the last audit.</p>	<p>Recommendation: Kleenheat continue to investigate faults to the billing engine and to implement system updates to prevent instances of non-compliance.</p> <p>Action proposed: Short term mitigation managed with additional exception reporting. Additional training delivered to credit officers to amend the collection strategy. Long term consideration to be given to a system modification to automate this process as part of the continuous improvement program.</p>	<p>Kleenheat has advised that both procedural training and monitoring was in place from 1 January 2021, with work continuing on the modification of the collections and invoicing.</p> <p>No Further Action Required</p>
2/2020	<p>B2 Obligation 165 Compendium Clause 4.14(2) <i>If the customer's account is in credit at the time of account closure, the retailer must, subject to clause 4.14(3), at the time of the final bill ask the customer for instructions on where to transfer the amount of credit (based on clauses 4.14(2)(a) or (b)), and pay the credit in accordance with the customer's instructions within 12 business days or another time agreed with the customer.</i></p> <p>Kleenheat failed to obtain instructions from the customer on how to deal with a credit position on a final bill, and/or follow those instructions within the prescribed timeframe. 724 instances were due to a systemic issue causing final bills not be issued under the final bill template. A business improvement project was implemented as a response, which was in testing phase at the time of the last audit.</p>	<p>Recommendation: Kleenheat continue to investigate faults to the billing engine and to implement system updates to prevent instances of non-compliance.</p> <p>Action Proposed: Final two scenarios as to why the final bill did not generate correctly was due at the end November 2020 with continued monitoring and root cause analyses to continue.</p>	<p>Kleenheat has investigated faults and implemented updates to its billing engine in November 2020.</p> <p>Systemic issues causing final bills not to be issued under the final bill template continues. Kleenheat has investigated the potential fixes and determined that it is currently unable to prevent all possible instances where the final bill is not issued under the final bill template. Compliance with this obligation will continue to be monitored.</p> <p>No Further Action Required.</p>
B. Unresolved at end of current audit period			
Not applicable – there were no unresolved recommendations or actions addressing non-compliances or controls improvement from the previous (2020) audit.			

Appendix A – Audit Plan



ASSURANCE
ADVISORY
GROUP

Wesfarmers Kleenheat Gas Pty Ltd

Gas Trading Licence (GTL10)

2023 Performance Audit

Audit Plan

September 2023

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Introduction

Overview

The Economic Regulation Authority (the **ERA**) has under the provisions of the Energy Coordination Act 1994 (the **Act**), issued to Wesfarmers Kleenheat Gas Pty Ltd (**Kleenheat**) a Gas Trading Licence (GTL10) (the **Licence**).

Section 11ZA of the Act requires Kleenheat to provide to the ERA a performance audit (the **audit**) conducted by an independent expert acceptable to the ERA not less than once in every 24 month period, unless otherwise approved by the ERA. With the ERA's approval, Assurance Advisory Group (**AAG**) has been appointed to conduct the audit for the period 1 September 2020 to 31 August 2023 (**audit period**).

The Licence relates to Kleenheat's operations as a gas retailer in the Coastal, Great Southern, Goldfields-Esperance and Wheatbelt gas supply areas. These retail operations relate to the supply of:

- Natural Gas (NG) to small use customers via the Mid-West/South West Gas Distribution System, and
- Liquefied Petroleum Gas (LPG) to small use customers via Kleenheat's LPG distribution systems in Albany and Margaret River.

Kleenheat is part of Wesfarmers Chemicals, Energy and Fertilisers, a division of Wesfarmers Limited. As at 30 June 2022, Kleenheat had over 215,000 residential natural gas customers, over 2,000 commercial natural gas customers and over 500 reticulated LPG customers across WA.

The audit will be conducted in accordance with the ERA's August 2022 edition of the *2019 Audit and Review Guidelines: Electricity and Gas Licences* (**Audit Guidelines**). In accordance with the Audit Guidelines this document represents the Audit Plan (the **Plan**) that is to be agreed upon by AAG and Kleenheat and presented to the ERA for approval.

Objective

A performance audit is defined as an examination of the measures taken by Kleenheat to meet the performance criteria specified in its Licence. The purpose of the audit is to assess the effectiveness of measures taken by Kleenheat to meet the conditions of its Licence.

The audit will specifically consider the following:

- *Process compliance* - the effectiveness of systems and procedures in place throughout the audit period, including the adequacy of internal controls
- *Outcome compliance* - the actual performance against standards prescribed in the Licence throughout the audit period
- *Output compliance* - the existence of the output from systems and procedures throughout the audit period (specifically, proper records which provide assurance that procedures are consistently followed and controls are maintained)
- *Integrity of performance* - the completeness and accuracy of the compliance and performance reports provided to the ERA
- *Compliance with any individual licence conditions* – the actual performance against the requirements imposed on Kleenheat by the ERA or specific matters raised by the ERA.

Scope

The ERA provides guidance on those aspects of the Licence and Kleenheat's performance criteria, which it expects to be reported upon and included in the scope of the performance audit in its *Gas Compliance Reporting Manual (Reporting Manual)*.

The audit approach applies the singular audit priority assessment approach to identify all applicable licence obligations. Each of the compliance requirements identified in the Reporting Manual have been evaluated for applicability to Kleenheat's operations and used as the basis for determining the performance criteria to be considered for the audit. All applicable compliance requirements are listed at **Appendix 2**.

The audit period is 1 September 2020 to 31 August 2023. The Reporting Manual has undergone two revisions during the audit period to reflect changes in gas licensees' obligations. The revised versions of the Reporting Manual were issued in July 2022 and January 2023.

Although the audit will use the current January 2023 version of the Reporting Manual as the primary audit reference, it will address all relevant obligations contained in each of the June 2020 and July 2022 versions of the Reporting Manual.

Table 1 below outlines the compliance requirements that apply to Kleenheat's gas retail operations during the period subject to audit. Where necessary, further explanation is provided to describe the obligation application.

Note that due to Kleenheat's current operating arrangements, a number of those obligations are not likely to be triggered during the period subject to audit. In such instances, the obligation remains applicable to the scope of this audit, with the audit report to identify and describe instances where an obligation cannot be assessed and rated.

Table 1 – Application of legislative elements to Kleenheat's gas trading operations

Legislative element	Application to Kleenheat's gas trading operations
Energy Coordination Act 1994	Each of the 19 relevant Energy Coordination Act obligations are applicable to Kleenheat's operations as a gas trader, 12 for the full audit period and seven to 30 June 2022 only.
Gas Standards Act 1972	The relevant requirements of the Gas Standards Act do not apply to Kleenheat's operations as a gas trader.
Energy Coordination (Gas Tariffs) Regulations 2000	Both of the Gas Tariffs obligations are applicable to Kleenheat's operations as a gas trader for the full audit period.
Energy Coordination (Customer Contracts) Regulations 2004	Each of the 59 Customer Contracts obligations are applicable to Kleenheat's operations as a gas trader, 29 for the full audit period, 26 to 2 January 2023 only and four from 3 January 2023 only.
Licence Conditions	Each of the 16 Gas Trading Licence Conditions reflected in the Reporting Manual are applicable to Kleenheat's operations as a gas trader for the full audit period.
Gas Marketing Code of Conduct	Each of the 15 Gas Marketing Code of Conduct obligations are applicable to Kleenheat's operations as a gas trader for the full audit period.
Gas Compendium	120 of the Gas Compendium obligations are applicable to Kleenheat's operations as a gas trader for the full audit period.

Kleenheat's responsibility for compliance with the conditions of the Licence

Kleenheat is responsible for:

- Compliance with the Licence
- Identifying risks that threaten the conditions within the Licence being met
- Identifying suitable compliance requirements as specified by the ERA
- Identifying, designing and implementing controls to enable the conditions within the Licence to be met and to monitor ongoing compliance
- Implementing corrective actions for any instances of non-compliance.

AAG's responsibility

Our responsibility is to express an opinion on Kleenheat's compliance, in all material respects, with the licence obligations as evaluated against its Licence Conditions for the period from 1 September 2020 to 31 August 2023. We will conduct our engagement in accordance with the Audit Guidelines and the Standard on Assurance Engagements ASAE 3100 Compliance Engagements (**ASAE 3100**) issued by the Auditing and Assurance Standards Board.

ASAE 3100 requires that we plan and perform our procedures to obtain reasonable assurance about whether Kleenheat has complied, in all material respects, with the licence obligations as evaluated against its Licence Conditions. This assurance engagement will involve performing procedures to obtain evidence about the compliance activity and controls implemented to meet the conditions within the Licence. The procedures selected depend on our judgement, including the identification and assessment of risks of material non-compliance with the relevant licence conditions.

Limitations of use

Our report will be produced solely for the information and internal use of Kleenheat and is not intended to be and should not be used by any other person or entity. No other person or entity is entitled to rely, in any manner or for any purpose, on our report.

We understand that a copy of our report will be provided to the ERA for the purpose of meeting Kleenheat's reporting requirements under section 11ZA of the Act. We agree that a copy of our report may be provided to the ERA for its information in connection with this purpose, however we accept no responsibility to the ERA or to anyone who is provided with or obtains a copy of our report.

Inherent limitations

Reasonable assurance means a high but not absolute level of assurance. Absolute assurance is very rarely attainable as a result of factors such as: the use of selective testing, the inherent limitations of internal control, the fact that much of the evidence available to us is persuasive rather than conclusive and the use of judgement in gathering and evaluating evidence and forming conclusions based on that evidence.

We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud.

Accordingly, readers of our report should not rely on the report to identify all potential instances of non-compliance which may occur.

An assurance engagement relating to the period from 1 September 2020 to 31 August 2023 will not provide assurance on whether compliance with the Licence will continue in the future.

Independence

In conducting our engagement, we will comply with the independence requirements of the Australian professional accounting bodies.

Approach

The audit will be conducted in three distinct phases, being a risk assessment, system analysis/walkthrough and testing and review. From the audit results, a report will be produced to outline findings, overall compliance assessments and recommendations for improvement in line with the Audit Guidelines. Each step of the audit is discussed in detail below.

Risk assessment

The audit will focus on identifying or assessing those activities and management control systems to be examined and the matters subject to audit. Therefore, the purpose of conducting the risk assessment as a preliminary phase enables the auditor to focus on pertinent/high risk areas of Kleenheat’s licence obligations. The risk assessment considers any changes to Kleenheat’s systems and processes and any matters of significance raised by the ERA and/or Kleenheat. The levels of risk and materiality of the process determine the level of audit required, i.e. the greater the materiality and the higher the risk, the more audit effort to be applied.

The first step of the risk assessment is the rating of the potential consequences of Kleenheat not complying with its licence obligations, in the absence of mitigating controls.

As the Reporting Manual is prescriptive in its criteria for classifying the consequences of non-compliance (refer to Appendix 1-1) the risk assessment applies the Reporting Manual’s classifications for each obligation subject to audit.

Once the consequence has been determined, the likelihood of Kleenheat not complying with its obligations is assessed using the likelihood rating listed at Table 17 of the Audit Guidelines (refer to Appendix 1-2). The assessment of likelihood is based on the expected frequency of Kleenheat’s non-compliance with the relevant licence obligation over a period of time.

Table 2 below (sourced from the Audit Guidelines) outlines the combination of consequence and likelihood ratings to determine the level of inherent risk associated with each obligation.

Table 2: Inherent risk rating

	Consequence		
Likelihood	Minor	Moderate	Major
Likely	Medium	High	High
Probable	Low	Medium	High
Unlikely	Low	Medium	High

Once the level of inherent risk has been determined, the adequacy of existing controls is assessed in order to determine the level of control risk. Controls are assessed and prioritised as weak, moderate or strong dependant on their suitability to mitigate the risks identified. The control adequacy ratings used by this risk assessment are aligned to the ratings specified in the Audit Guidelines (refer to Appendix 1-3). Once inherent risks and control risks are established, the audit priority can then be determined using the matrix specified in the Audit Guidelines (refer to Table 3 below). The higher the level of risk the more substantive testing is required.

Table 3: Assessment of Audit Priority

Inherent Risk	Preliminary adequacy of existing controls		
	Weak	Moderate	Strong
High	Audit priority 1	Audit Priority 2	
Medium	Audit priority 3	Audit Priority 4	
Low	Audit Priority 5		

The following table outlines the audit requirement for each level of audit priority. Testing can range from extensive substantive testing around the controls and activities of processes to confirming the existence of controls through discussions with relevant staff.

Table 4: Audit Priority Table

Priority rating	Audit requirement
Audit Priority 1	<ul style="list-style-type: none"> • Via interview and walkthrough, understand relevant processes and controls • Examine relevant documents, including compliance registers and reports • Obtain evidence of policies, procedures and controls being in place and working effectively • Extensive substantive testing of activities and/or transactions • Follow-up and if necessary, re-test matters previously reported.
Audit Priority 2	<ul style="list-style-type: none"> • Via interview and walkthrough, understand relevant processes and controls • Examine relevant documents, including compliance registers and reports • Obtain evidence of policies, procedures and controls being in place and working effectively • Moderate substantive testing of activities and/or transactions • Follow-up and if necessary, re-test matters previously reported.
Audit Priority 3	<ul style="list-style-type: none"> • Via interview and walkthrough, understand relevant processes and controls • Examine relevant documents, including compliance registers and reports • Limited controls testing (moderate sample size) to assess whether policies, procedures and controls are in place and working effectively • Follow-up of matters previously reported.
Audit Priority 4	<ul style="list-style-type: none"> • Confirmation of existing controls via walk through of key processes and examination of key documents including policies and procedures, compliance/breach registers and reports • Follow-up of matters previously reported.
Audit Priority 5	<ul style="list-style-type: none"> • Confirmation of existing controls via observation, discussions with key staff and/or reliance on key references including policies and procedures, compliance/breach registers and reports (“desktop review”).

The risk assessment has been discussed with Kleenheat representatives to gain their input as to the appropriateness and factual accuracy of risk and control ratings and associated explanations. The key sources considered in reaching our preliminary assessment of the risk and control ratings were based on:

- Review of annual compliance reports lodged by Kleenheat for each of the years 2021 to 2023
- Review of the 2020 GTL10 Performance Audit report
- Our understanding of Kleenheat's regulatory environment
- Any other factors that may influence the level or strength of controls
- Consideration of relevant circumstances and activity that trigger specific compliance obligations.

At this stage, the risk assessment can only be a preliminary assessment based on reading of documentation and interviews by the auditors. It is possible that the ratings and risk assessment comments may be revised as we conduct our work and new evidence comes to light. The performance audit risk assessment is attached at Appendix 2.

System analysis / walkthrough

The systems analysis required will be determined utilising the audit priority scale outlined above. Once the priority level has been defined, the testing component will take place by way of interviewing key operational and administrative staff who will outline information that displays compliance with the Licence requirements.

In performing this analysis/walkthrough, we will consider the following:

- The control environment: Kleenheat's management philosophy and operating style, organisational structure, assignment of authority and responsibilities, the use of quality assurance and internal audit, the use of information technology and the skills and experience of key staff members
- Information systems: The appropriateness of Kleenheat's information systems to record the information needed to comply with the Licence, the accuracy of data, the security of data and documentation describing the information system
- Control procedures: The presence of systems and procedures to ensure compliance with the Licence, effectiveness of Kleenheat's internal control structure to detect and correct non-compliance. Specific consideration will be given to any significant changes in relevant systems and procedures implemented during the period subject to audit
- Compliance attitude: Action taken by Kleenheat in response to previous non-compliances. Consideration will be given to the timing of action taken during the period subject to audit and whether the action has a permanent impact on Kleenheat's level of compliance
- Outcome compliance: Actual performance against standards prescribed in the Licence throughout the audit period.

Where required, an observation of processes, procedures and operations and review of key documents will occur to assist in the determination of Kleenheat's compliance with Licence obligations. Key documents which may be subject to audit include relevant policies, procedures, guidelines, checklists, templates, example notices, records of transactions, example reports and records of communications. A comprehensive list of documents examined will be included in the audit report.

Testing/review

Using the results of the risk assessment and systems analysis, detailed testing and analysis will be performed to compare those standards maintained by Kleenheat with the relevant sections and schedules of the Licence.

Control testing is performed for those licence obligations with an audit priority 3 and above and where there is relevant activity. This method of testing will involve:

- Understanding the population of transactions
- Selecting a sample of transactions to examine compliance with relevant sections of applicable legislation, codes and regulations
- Comparing the sample selected to expected requirements as mandated by relevant sections of applicable legislation, codes and regulations.

A full work program will be completed to record the specific aspects of our testing and analyses for each licence obligation. This work program will be based on:

- The audit priority determined by the risk assessment applicable to each licence obligation
- The results of the systems analysis performed, as described above
- AAG's sampling methodology, which is in accordance with ASA 530 (Audit Sampling) and takes account of the volume and frequency (e.g. daily, weekly, monthly, annual) of relevant transactions. Sample sizes typically range from 1 to 30, increasing with the volume and frequency of transactions
- The location of personnel and transactions to be tested.

Audit fieldwork will be performed remotely and at Kleenheat's premises in Murdoch, from which its gas retail business exclusively operates. Kleenheat staff to be interviewed are listed on the next page of this plan).

Reporting

The performance audit report will also be structured to address all of the minimum contents specified in section 5 of the Audit Guidelines.

In accordance with the Audit Guidelines, all aspects of compliance with the Licence will be assessed according to the rating scale based on the work performed. Refer to **Table 5** below for the compliance levels that will be used for the performance audit.

Table 5: Compliance and control rating scales

Controls Rating		Compliance Rating	
Rating	Description	Rating	Description
A	Adequate controls – no improvement needed	1	Compliant
B	Generally adequate controls – improvement needed	2	Non-compliant – minor impact on customers or third parties
C	Inadequate controls – significant improvement required	3	Non-compliant – moderate impact on customers or third parties
D	No controls evident	4	Non-compliant – major impact on customers or third parties
N/P	Not performed – A controls rating was not required	N/R	Not rated – No activity took place during the audit period

Kleenheat is responsible for providing a separate post audit implementation plan, if required.

Resources and team

Key Kleenheat contacts

The key contacts for this audit are:

- Regulatory Manager, Natural Gas & Electricity
- Commercial Manager
- Administration Team Leader
- Business Analyst - Sales
- Consumer Credit Team Leader
- Credit Manager
- Credit Operations Team Leader
- Customer Service Trainer
- Customer Advocate.

AAG Staff

AAG staff who will be involved with this assignment are:

- Andrew Baldwin Executive Director
- Margaret-Mary Gauci Consultant
- Rosie Davis Senior Manager
- Stephen Linden Director (QA review).

Resumes for key AAG staff are outlined in the proposal accepted by Kleenheat and subsequently presented to the ERA.

Timing

The initial risk assessment phase was completed on 6 September 2023, after which the draft audit plan and risk assessment were presented to Kleenheat for comment prior to submission to the ERA for review and approval.

The remainder of the fieldwork phase is scheduled to be performed over the period throughout September to mid-October 2023, enabling draft and final reports to be submitted to the ERA by the due dates of 31 October 2023 and 30 November 2023 respectively.

AAG time and staff commitment to the completion of the audit is outlined in the proposal accepted by Kleenheat. In summary, the estimated time allocated to each performance audit activity is as follows:

- Planning (including risk assessment): 43 hours
- Fieldwork (including system analysis/walkthrough and testing/review): 309 hours
- Reporting: 111 hours.

Appendix 1 - Risk assessment key

1-1 Criteria for classification of compliance obligations

Source: Gas Compliance Reporting Manual January 2023

Rating (type)	Classification of Non-Compliance	Criteria for classification
1	Major	<ul style="list-style-type: none"> The consequences of non-compliance will cause major damage, loss or disruption to customers; or The consequences of non-compliance will endanger or threaten to endanger the safety or health of a person.
2	Moderate	<ul style="list-style-type: none"> The consequences of non-compliance will affect the efficiency and effectiveness of the licensee's operations or service provision, but will not cause major damage, loss or disruption to customers. or The regulatory obligation is not otherwise classified as Type 1 or Type NR non-compliance.
NR (not reportable)	Minor	<ul style="list-style-type: none"> The consequences of non-compliance are relatively minor – i.e. non-compliance will have minimal effect on the licensee's operations or service provision will not cause damage, loss or disruption to customers; Compliance with the obligation is immeasurable; The non-compliance is required to be reported to the Regulator under another instrument, guideline or code; The non-compliance is identified by a party other than the licensee; or The licensee only needs to use its reasonable or best endeavours to achieve compliance, or the obligation does not otherwise impose a firm obligation on the licensee.

1-2 Likelihood ratings

Source: Audit Guidelines: Electricity and Gas Licences March 2019

	Level	Criteria
A	Likely	Non-compliance is expected to occur at least once or twice a year
B	Probable	Non-compliance is expected to occur every three years
C	Unlikely	Non-compliance is expected to occur at least once every 10 years or longer

1-3 Preliminary adequacy ratings for existing controls

Source: Audit Guidelines: Electricity and Gas Licences March 2019

Level	Description
Strong	Controls mitigate the identified risks to a suitable level
Moderate	Controls only cover significant risks; improvement required
Weak	Controls are weak or non-existent and do little to mitigate the risks

Appendix 2 - Risk assessment

Obligation numbers and references listed below are sourced from the January 2023 version of the Reporting Manual except where specifically detailed.

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
9. Licence Compliance requirements - Energy Coordination Act 1994									
1	Section 11Q(1-2)	NG & LPG	A licensee must pay the applicable fees in accordance with the Economic Regulation Authority (Licensing Funding) Regulations 2014 clauses 6 & 7.	2	Moderate	Probable	Medium	Moderate	Priority 4
2	Section 11WG(1)	NG & LPG	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.	2	Moderate	Probable	Medium	Strong	Priority 4
3	Section 11WG(2)	NG & LPG	A licensee must comply with a direction given to the licensee under section 11WI.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
4	Section 11WK(1-2) <i>Applicable to 30 June 2022 only</i>	NG & LPG	Gas is deemed to be supplied under the standard form contract if a customer commences to take a supply of gas at premises without entering into a contract with the holder of a trading licence.	NR	Minor	Probable	Low	Strong	Priority 5
5	Section 11WK(3) <i>Applicable to 30 June 2022 only</i>	NG & LPG	A standard form contract continues in force until it is terminated or supply becomes subject to a non-standard contract with the supplier.	NR	Minor	Probable	Low	Strong	Priority 5
10	Section 11ZA(1)	NG & LPG	A licensee must provide the ERA with a performance audit by an independent expert acceptable to the ERA within 24 months of commencement and every 24 months thereafter (or longer if the ERA allows).	2	Moderate	Probable	Medium	Strong	Priority 4
11	Section 11ZAF(a)	NG & LPG	A licensee must submit a draft last resort supply plan to the ERA within 3 months (or longer if the ERA allows) of being designated with that role.	NR	Minor	Unlikely	Low	Moderate	Priority 5
12	Section 11ZAF(b)	NG & LPG	A licensee must consult with the ERA with a view to obtaining approval of its draft last resort supply plan.	NR	Minor	Unlikely	Low	Moderate	Priority 5
13	Section 11ZAF(c)	NG & LPG	A licensee must carry out the arrangements and other provisions in the approved last resort supply plan if it comes into operation.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
14	Section 11ZAH(2)	NG & LPG	A licensee must submit any proposed amendment to its last resort supply plan to the ERA for approval.	NR	Minor	Unlikely	Low	Moderate	Priority 5

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
15	Section 11ZAJ	NG & LPG	A licensee, who is designated as a supplier of last resort, must perform the functions of the supplier of last resort and carry out the arrangements and provisions of the last resort supply plan if it comes into operation.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
16	Section 11ZAJ Energy Coordination (Customer Contracts) Reg 38A(4)	NG & LPG	A licensee (supplier of last resort) must supply a transferred customer for at least 3 months after the date of transfer unless the transferred customer terminates the contract.	NR	Minor	Unlikely	Low	Moderate	Priority 5
17	Section 11ZK(3) <i>Applicable to 30 June 2022 only</i>	NG & LPG	A licensee must pay the costs and expenses incurred in the taking of an interest or easement in respect of land held by a public authority.	NR	Minor	Unlikely	Low	Moderate	Priority 5
19	Section 11ZOC(1)(b) <i>Applicable to 30 June 2022 only</i>	NG & LPG	A licensee that sells gas that is transported through a distribution system must be a member of an approved retail market scheme if a scheme is in force.	2	Moderate	Probable	Medium	Strong	Priority 4
20	Section 11ZOV(1) <i>Applicable to 30 June 2022 only</i>	NG & LPG	A licensee must not engage in prohibited conduct relating to the operation of a retail market scheme.	2	Moderate	Probable	Medium	Moderate	Priority 4
21	Section 11ZOV(2) <i>Applicable to 30 June 2022 only</i>	NG & LPG	A licensee must not assist another party to engage in prohibited conduct relating to the operation of a retail market scheme.	2	Moderate	Probable	Medium	Moderate	Priority 4
22	Section 11ZOZ(3) <i>Applicable to 30 June 2022 only</i>	NG & LPG	A licensee, as a member of a retail scheme, must comply with a direction given to it by the ERA to amend the scheme, and to do so within a specified time.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
24	Section 11ZQH(a)	NG & LPG	The licensee must not supply gas to customers unless the licensee is a member of an approved Gas Industry Ombudsman Scheme	2	Moderate	Probable	Medium	Strong	Priority 4
24A	Section 11ZQH(b)	NG & LPG	The licensee must not supply gas to customers unless the licensee is bound by, and compliant with, any decision or direction of the gas industry ombudsman.	2	Moderate	Probable	Medium	Strong	Priority 4
11. Licence compliance requirements - Energy Coordination (Gas Tariffs) Regulations 2000									
29	Regulation 5(1)	NG & LPG	A licensee supplying gas in an area referred to in Regulation 3(a), (b), or (c) is required to have at least one capped tariff for any supply of gas in that area.	2	Moderate	Probable	Medium	Strong	Priority 4

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
31	Regulation 6(4)	NG & LPG	When offering to supply gas to a new customer under a standard form contract, a licensee is to offer to supply gas at a capped tariff	2	Moderate	Probable	Medium	Strong	Priority 4
12. Licence compliance requirements - Energy Coordination (Customer Contracts) Regulations 2004									
32	Reg 12(2)	NG & LPG	Except in prescribed circumstances, a non-standard contract must prohibit the licensee from disconnecting supply or causing disconnection to occur if: a) a customer has provided to the licensee a written statement from a medical practitioner to the effect that supply is necessary in order to protect the health of a person who lives at the customer's supply address; and b) the customer has entered into arrangements acceptable to the licensee in relation to payment for gas supplied.	NR	Minor	Unlikely	Low	Strong	Priority 5
33	Reg 12(4)(a)	NG & LPG	A non-standard contract must require the licensee, before disconnecting supply for non-payment of a bill, to give a written reminder notice to a customer not less than 14 business days after the day on which a bill was issued advising the customer that payment is overdue and requiring payment to be made on or before the day specified in the reminder notice (being a day not less than 20 business days after the billing day).	NR	Minor	Unlikely	Low	Strong	Priority 5
34	Reg 12(4)(b)	NG & LPG	A non-standard contract must require the licensee, before disconnecting supply for non-payment of a bill, to give a disconnection warning to a customer not less than 22 business days after the billing day advising the customer that disconnection will occur unless payment is made on or before the day specified in the disconnection warning (being a day not less than 10 business days after the day on which the disconnection warning is given).	NR	Minor	Unlikely	Low	Strong	Priority 5
35	Reg 12(5)(a)	NG & LPG	A non-standard contract must require the licensee to reconnect supply to a customer within 10 business days after disconnection for non-payment of a bill if the customer pays the overdue amount or makes an arrangement for its payment and the customer has paid any applicable reconnection fee.	NR	Minor	Unlikely	Low	Strong	Priority 5
36	Reg 12(5)(b)	NG & LPG	A non-standard contract must require the licensee to reconnect supply to a customer within 10 business days after disconnection for denial of access to a meter, if the customer provides access to the meter and the customer has paid any applicable reconnection fee.	NR	Minor	Unlikely	Low	Strong	Priority 5

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
37	Reg 12(5)(c)	NG & LPG	A non-standard contract must require the licensee to reconnect supply to a customer within 10 business days after disconnection for unlawful consumption of gas, if the customer pays for the gas consumed and the customer has paid any applicable reconnection fee.	NR	Minor	Unlikely	Low	Strong	Priority 5
38	Reg 12(5)(d)	NG & LPG	A non-standard contract must require the licensee to reconnect supply to a customer within 10 business days after disconnection for refusal to pay a security deposit, if the customer pays the security deposit and the customer has paid any applicable reconnection fee.	NR	Minor	Unlikely	Low	Strong	Priority 5
39	Reg 12(5)(e)	NG & LPG	A non-standard contract must require the licensee to reconnect supply to a customer within 20 business days after disconnection in an emergency situation or for health, safety or maintenance reasons, if the situation or problem giving rise to the need for disconnection has been rectified, and if the customer has paid any applicable reconnection fee.	NR	Minor	Unlikely	Low	Strong	Priority 5
40	Reg 12(6) AGA Code clause 5.1.1.2 <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that the licensee will not disconnect supply to a customer who is unable to pay until: alternative payment options have been offered to the customer; the customer is given information on government funded concessions; it has used its best endeavours to contact the customer; and it has provided the customer a written notice of its intention to disconnect at least 5 business days prior to the disconnection date, and the customer has refused to accept the alternative payment option or failed to make payments under it.	NR	Minor	Unlikely	Low	Strong	Priority 5
41	Reg 12(6) AGA Code clause 5.1.1.3 <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that the licensee will not disconnect supply to a business customer until: it has used its best endeavours to contact the customer; it has offered the customer an extension of time to pay the bill; and it has provided the customer a written notice of its intention to disconnect at least 5 business days' notice prior to the disconnection date, and the customer has refused to accept the alternative payment option or failed to make payments under it.	NR	Minor	Unlikely	Low	Strong	Priority 5

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
42	Reg 12(6) AGA Code clause 5.1.2.1 and 5.1.2.2 <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that the licensee will not disconnect supply to a customer who denies access to a meter until: the customer has refused access on at least 3 concurrent billing cycles, the customer is given the option to offer alternative access arrangements; the customer is provided written advice on each occasion access was denied; it has used its best endeavours to contact the customer; and it has provided the customer a written notice of its intention to disconnect at least 5 business days prior to the disconnection date	NR	Minor	Unlikely	Low	Strong	Priority 5
43	Reg 12(6) AGA Code clause 5.1.3.1 and 5.1.3.2 <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that the licensee or distributor may disconnect or interrupt supply to a customer in the event of an emergency, and if so, the licensee or distributor will provide a 24 hour information service, estimate the time when gas supply will be restored and use best endeavours to restore supply when the emergency is over.	NR	Minor	Unlikely	Low	Strong	Priority 5
44	Reg 12(6) AGA Code clause 5.1.4.1 and 5.1.4.2 <i>Applicable to 2 January 202 only3</i>	NG & LPG	A licensee who disconnects supply for health and safety reasons must provide the customer written notice of the reason; allow the customer 5 business days to remove the reason where the customer is able to; and after the 5 business days issued a notice to the customer of its intention to disconnect supply at least 5 business days' notice prior to the disconnection date.	NR	Minor	Unlikely	Low	Strong	Priority 5
45	Reg 12(6) AGA Code clause 5.1.5.1, 5.1.5.2 and 5.1.5.3 <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that the licensee or distributor may disconnect supply for planned maintenance but will not do so unless the licensee or distributor has provided the customer 4 days' notice; and will use best endeavours to minimise disruption and restore supply.	NR	Minor	Unlikely	Low	Strong	Priority 5
46	Reg 12(6) AGA Code clause 5.1.7.2 <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that the licensee will not disconnect supply for failure by a customer to pay a refundable advance without giving a written notice to the customer of its intention to disconnect at least 5 business days prior to the disconnection date.	NR	Minor	Unlikely	Low	Strong	Priority 5
47	Reg 12(6) AGA Code clause 5.1.8.1(a) <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that the licensee will not disconnect supply where the bill owing is less than the average bill over the past 12 months and the customer has agreed to pay.	NR	Minor	Unlikely	Low	Strong	Priority 5

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
48	Reg 12(6) AGA Code clause 5.1.8.1(b) <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that the licensee will not disconnect supply where the issue is the subject of complaint by the customer and is being reviewed externally and is not resolved.	NR	Minor	Unlikely	Low	Strong	Priority 5
49	Reg 12(6) AGA Code clause 5.1.8.1(c) <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that the licensee will not disconnect supply where an application for a government concession has not been decided.	NR	Minor	Unlikely	Low	Strong	Priority 5
50	Reg 12(6) AGA Code clause 5.1.8.1(d) <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that the licensee will not disconnect supply where a customer has failed to pay a debt that is not a direct service charge.	NR	Minor	Unlikely	Low	Strong	Priority 5
51	Reg 12(6) AGA Code clause 5.1.8.1(e) and (f) <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that the licensee will not disconnect supply after 3pm on a weekday; and not on a Friday, weekend or public holiday or on the day before a public holiday unless it is a planned interruption.	NR	Minor	Unlikely	Low	Strong	Priority 5
52	Reg 12(6) AGA Code clause 5.2.2.2 <i>Applicable to 2 January 2023 only</i>	NG	A non-standard contract must include provisions that ensure that if a licensee is under an obligation to reconnect supply and the customer makes a request for reconnection after 3pm on a business day, the licensee shall use best endeavours to reconnect the customer as soon as possible on the next business day.	NR	Minor	Unlikely	Low	Strong	Priority 5

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
53	Reg 13(1)	NG & LPG	<p><u>Applicable to 2 January 2023 only</u></p> <p>A non-standard contract must include provisions that ensure that if a licensee uses a refundable advance to offset an amount owed, it must provide to the customer an account of its use and pay any balance within 10 business days to the customer</p> <p><u>Applicable from 3 January 2023 only</u></p> <p>A non-standard contract which includes a benefit change must include provisions that require the licensee to inform the customer not more than 40 business days and not less than 20 business days before the date of the benefit change of the benefit change; the options for supply available to the customer after the date of the benefit change and the manner in which this information is required to be given to the customer.</p>	NR	Minor	Probable	Low	Moderate	Priority 5
54	Reg 13(3) <u>Applicable to 2 January 2023 only</u>	NG & LPG	A non-standard contract must require the licensee to place refundable advances in separate trust accounts and separately identify the amounts in its accounting records.	NR	Minor	Unlikely	Low	Strong	Priority 5
55	Reg 13(4) <u>Applicable to 2 January 2023 only</u>	NG & LPG	A non-standard contract must require the licensee to return interest earned on refundable advances accounts to customers.	NR	Minor	Unlikely	Low	Strong	Priority 5
55A	Reg 44(A) <u>Applicable from 3 January 2023 only</u>	NG & LPG	A non-standard contract entered into by a residential customer must not state that the residential customer is required to pay a security deposit to the licensee.	NR	Minor	Probable	Low	Moderate	Priority 5
55B	Reg 44B(1)-(3) <u>Applicable from 3 January 2023 only</u>	NG & LPG	<p>A non-standard contract must state whether or not the customer is required to pay a security deposit to the licensee. If the customer is required to pay a security deposit, the non-standard contract must state:</p> <ul style="list-style-type: none"> the method used to calculate the amount of any security deposit; the maximum amount that the licensee may require the customer to pay as a security deposit; the circumstances in which the licensee may apply the security deposit towards amounts owed by the customer; and the circumstances in which the licensee must repay the security deposit to the customer. 	NR	Minor	Probable	Low	Moderate	Priority 5

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
55C	Reg 44B(4) Applicable from 3 January 2023 only	NG & LPG	For the purposes of this regulation, regulations 38D(2),(3),(4) and (5), 38F, 38I and 38J apply as if any reference in those provisions to a standard form contract include a reference to a non-standard contract.	NR	Minor	Probable	Low	Moderate	Priority 5
56	Reg 14(2)	NG & LPG	Subject to Regulation 14(3), a non-standard contract must require the customer to pay a charge for gas supplied; inform the customer that the supply charge is either for residential or non-residential supply; inform the customer that the supply charge includes a specified fixed component and specified usage component require the customer to pay the non-residential charge unless the customer qualifies to pay the residential charge; and describe the circumstances in which a customer qualifies for the residential charge.	NR	Minor	Unlikely	Low	Strong	Priority 5
57	Reg 14(3) to Jan 2023 Reg 14(4) from Jan 2023	NG & LPG	Applicable to 2 January 2023 only A non-standard contract must include provisions that ensure that a licensee give notice of the tariffs charged and provide these notices to customers without charge upon request. Applicable from 3 January 2023 only A non-standard contract must describe the way in which the licensee publishes its supply charges and gives notice of variations to its supply charges.	NR	Minor	Probable	Low	Moderate	Priority 5
58	Reg 14 Applicable to 2 January 2023 only	NG & LPG	A non-standard contract must include provisions that ensure that a licensee give notice of a variation in tariffs charged and provide these notices to customers affected by the change no later than the next bill.	NR	Minor	Unlikely	Low	Strong	Priority 5
59	Reg 15(1) AGA Code clause 4.2.1 to Jan 2023 Reg 15 from Jan 2023	NG & LPG	Applicable to 2 January 2023 only A non-standard contract must include provisions that ensure that a licensee issue a bill to a customer at least once every 3 months, unless agreed otherwise. Applicable from 3 January 2023 only A non-standard contract must include the procedures to be followed by the licensee in relation to the preparation, issue and review of customer's bills.	NR	Minor	Probable	Low	Moderate	Priority 5

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
60	Reg 15(1) AGA Code clause 4.2.3.1, 4.2.3.2 and 4.2.3.3 <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that a licensee prepare a bill in accordance with the terms specified in the AGA Code, including the inclusion of any refundable advance.	NR	Minor	Unlikely	Low	Strong	Priority 5
61	Reg 15(1) AGA Code clause 4.2.3.2 <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that a licensee apply payments received from a customer as directed by the customers (if the bill includes charges for other goods and services)	NR	Minor	Unlikely	Low	Strong	Priority 5
62	Reg 15(1) and (2) <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must specify that if a customer does not direct how a payment is to be allocated, a licensee must apply the payment: i. to charges for the supply of gas before applying any portion of it to such goods or services; or ii. if such goods or services include electricity, to the charges for gas and the charges for electricity in equal proportion before applying any portion of it to any other such goods or services.	NR	Minor	Unlikely	Low	Strong	Priority 5
63A	Reg 15(1) AGA Code clause 4.2.3.4 <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that where a customer requests it and the data is available, a licensee shall provide to the customer free of charge the customer's historical billing data for the previous two years.	NR	Minor	Unlikely	Low	Strong	Priority 5
64	Reg 15(1) AGA Code clause 4.2.4.1 <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that a licensee base a customer's bill on a meter reading and meters must be read at least once per year.	NR	Minor	Unlikely	Low	Strong	Priority 5
65	Reg 15(1) AGA Code clause 4.2.4.2 <i>Applicable to 2 January 2023 only</i>	NG & LPG	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.	NR	Minor	Unlikely	Low	Strong	Priority 5

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
66	Reg 15(1) AGA Code clause 4.2.4.4 <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that if the licensee provides a customer with an estimated bill and is subsequently able to read the meter, the licensee must adjust the estimated bill in accordance with the meter reading.	NR	Minor	Unlikely	Low	Strong	Priority 5
67	Reg 15(1) AGA Code clause 4.2.4.5 <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that a licensee read a customer's meter upon request and may impose a fee for doing so	NR	Minor	Unlikely	Low	Strong	Priority 5
68	Reg 15(1) AGA Code clause 4.3.2.1 <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that a licensee offer payment in person and payment by mail.	NR	Minor	Unlikely	Low	Strong	Priority 5
69	Reg 15(1) AGA Code clause 4.3.2.2 <i>Applicable to 2 January 2023 only</i>	NG & LPG	A non-standard contract must include provisions that ensure that a licensee offer customers who are absent for a long period, payment in advance facilities and the option of redirecting the bill.	NR	Minor	Unlikely	Low	Strong	Priority 5
70	Reg 16(3)	NG & LPG	A non-standard contract must not authorise a licensee to terminate a contract if a customer commits a breach of the contract (other than a substantial breach) unless: the licensee has a right to disconnect supply under the contract, a written law or a relevant code; and the licensee has disconnected supply at all supply addresses of the customer covered by the contract.	NR	Minor	Unlikely	Low	Strong	Priority 5

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
71	Reg 19	NG & LPG	<p>A non-standard contract must require a licensee to make the following information available to the customer if the customer requests it:</p> <ul style="list-style-type: none"> a. a copy of their customer service charter (Applicable to 2 January 2023 only) b. copies of regulations or any relevant code c. information about fees and charges payable under the contract d. with information on energy efficiency e. billing data; and f. contact details for obtaining information about Government Assistance Programs or Financial Counselling Services. 	NR	Minor	Unlikely	Low	Strong	Priority 5
72	Reg 20 (2) AGA Code clause 4.3.5.1 to Jan 2023 Reg 20 (1) from Jan 2023	NG & LPG	<p>Applicable to 2 January 2023 only</p> <p>A non-standard contract must include provisions that ensure that a licensee must offer a customer who indicates to the licensee that they are experiencing payment difficulties: instalment plan options; right to have bill redirected to third person; information about or referral to government assistance programs; and information on independent financial counselling services.</p> <p>Applicable from 3 January 2023 only</p> <p>A non-standard contract must include the procedure to be followed by the licensee and the customer if the customer has difficulty paying a bill.</p>	NR	Minor	Probable	Low	Moderate	Priority 5
72A	Reg 20 (3)	NG & LPG	A non-standard contract must set out the procedures to be followed in relation to debt collection.	NR	Minor	Unlikely	Low	Strong	Priority 5
72AA	Reg 21 Applicable from 3 January 2023 only	NG & LPG	A non-standard contract must describe the procedures to be followed by the licensee in responding to a complaint made by the customer.	NR	Minor	Probable	Low	Moderate	Priority 5
72B	Reg 22	NG & LPG	A non-standard contract must specify that the licensee has a privacy policy that sets out the steps taken to ensure that customer information is dealt with in a confidential manner and the way in which a copy of the privacy policy can be obtained by the customer without charge.	NR	Minor	Probable	Low	Moderate	Priority 5
73	Reg 40(3)	NG & LPG	A non-standard contract must prohibit the supply of gas to the customer under a door to door contract during the cooling-off period unless the customer requests supply.	NR	Minor	Unlikely	Low	Moderate	Priority 5

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
74A	Reg 48	NG & LPG	A licensee must not commence legal proceedings for the recovery of a customer debt if the customer has entered into a payment arrangement and is complying with the terms of that arrangement.	NR	Minor	Unlikely	Low	Strong	Priority 5
75A	Reg 49(2)	NG & LPG	A licensee may only provide a credit reporting agency with default information if it relates to a bill issued by the licensee.	NR	Minor	Unlikely	Low	Strong	Priority 5
76	Reg 49(3)	NG & LPG	A licensee must notify a credit reporting agency immediately if a customer has cleared their debt.	NR	Minor	Probable	Low	Strong	Priority 5
77	Reg 49(4)	NG & LPG	If a customer remedies a default and demonstrates extenuating circumstances, a licensee must request the credit reporting agency to remove the default record.	NR	Minor	Unlikely	Low	Moderate	Priority 5
78	Reg 49(5)	NG & LPG	A licensee must not refer a default to a credit reporting agency that is the subject of a complaint or matter of review.	NR	Minor	Unlikely	Low	Strong	Priority 5
79	Reg 50	NG & LPG	A licensee must include information about its complaint handling process and contact details of the energy ombudsman on any disconnection warning given to a customer.	NR	Minor	Unlikely	Low	Strong	Priority 5
80	Reg 44	NG & LPG	Subject to regulation (4), a fixed term non-standard contract must require that when a non-standard contract is due to expire, a licensee must issue a notice in writing to a customer not more than 40 business days and not less than 20 business days before the day on which the contract is due to expire (or at the commencement of the contract if the contract is less than 1 month) with information about: the expiry date; alternative supply options, and the terms and conditions for continued supply post contract expiry.	NR	Minor	Probable	Low	Moderate	Priority 5
83	Reg 46(1)	NG & LPG	Upon request, a licensee must provide a customer with a copy of the Energy Coordination (Customer Contract) Regulations 2004 or a relevant code.	NR	Minor	Unlikely	Low	Strong	Priority 5
84	Reg 46 (4)	NG & LPG	A licensee must ensure that a copy of the Energy Coordination (Customer Contract) Regulations 2004 or a relevant code is available for inspection at its offices at no charge.	NR	Minor	Unlikely	Low	Strong	Priority 5
84A	Reg 47 (2) & (4)	NG & LPG	A licensee must provide available bill data to customers upon request free of charge subject to clause 47(2) and (4) of the Energy Coordination (Customer Contracts) Regulations 2004.	NR	Minor	Probable	Low	Moderate	Priority 5
91	Reg 42	NG & LPG	A non-standard contract must require the licensee to notify the customer of any amendment to a non-standard contract.	NR	Minor	Unlikely	Low	Strong	Priority 5

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
13 Licence Conditions (Energy Coordination Act s11M)									
96	Trading Licence clause 5.1.2	NG & LPG	A licensee must comply and require its expert to comply with the ERA's standard guidelines dealing with the performance audit.	2	Moderate	Unlikely	Medium	Strong	Priority 4
97	Trading Licence clause 5.1.3	NG & LPG	A licensee's independent auditor must be approved by the ERA prior to the audit.	NR	Minor	Unlikely	Low	Strong	Priority 5
98	Trading Licence clause 4.6.4	NG & LPG	Applicable to 30 June 2022 only A licensee may be subject to individual performance standards. Applicable from 1 July 2022 only A licensee must comply with any individual performance standards prescribed by the ERA	2	Moderate	Unlikely	Medium	Moderate	Priority 4
99	Trading Licence clause 3.7.1	NG & LPG	Unless otherwise specified, all notices must be in writing and will be regarded as having been sent and received in accordance with defined parameters.	NR	Minor	Probable	Low	Strong	Priority 5
100	Trading Licence clause 4.3.1	NG & LPG	A licensee and any related body corporate must maintain accounting records that comply with the Australian Accounting Standards Board or equivalent International Accounting Standards.	2	Moderate	Probable	Medium	Strong	Priority 4
101	Trading Licence clause 4.4.1(a)	NG & LPG	A licensee must report to the ERA if the licensee is under external administration or experiences a significant change in its corporate, financial or technical circumstances that may affect the licensee's ability to meet its obligations under this licence within 2 business days of the change occurring.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
102	Trading Licence clause 4.5.1	NG & LPG	A licensee must provide to the ERA any information that the ERA may require in connection with its functions under the Energy Coordination Act 1994 in the time, manner and form specified by the ERA.	2	Moderate	Likely	High	Moderate	Priority 2
103	Trading Licence clause 3.8.1	NG & LPG	A licensee must publish any information it is directed by the ERA to publish, within the timeframes specified.	2	Moderate	Probable	Medium	Moderate	Priority 4
106	Trading Licence clause 6.4.2	NG & LPG	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 by the ERA.	NR	Minor	Unlikely	Low	Moderate	Priority 5
107	Trading Licence clause 6.4.3	NG & LPG	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.	NR	Minor	Unlikely	Low	Moderate	Priority 5

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
108	Trading Licence clause 6.5.1	NG & LPG	A licensee must only amend the standard form contract in accordance with the Energy Coordination Act 1994 and Regulations.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
109	Trading Licence clauses 6.8.1 and 6.8.2	NG & LPG	A licensee must maintain supply to a customer if it supplies, or within the last 12 months supplied, gas to that customer's premises unless another supplier starts supplying the customer.	2	Moderate	Probable	Medium	Strong	Priority 4
110	Trading Licence Schedule 1 clause 2.5	NG & LPG	A licensee must provide the ERA within 3 business days of a request by the ERA with reasons for refusing to commence supply to a customer .	2	Moderate	Unlikely	Medium	Moderate	Priority 4
111	Trading Licence Schedule 1 clause 2.7	NG & LPG	A licensee must comply with a direction from the ERA to supply a customer, subject to specified conditions.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
112	Trading Licence Schedule 1 clauses 3.1 and 3.2	NG & LPG	Subject to clause 3.2, a licensee must provide reasonable information relating to its activities under the licence as requested by the holder of a distribution licence to enable for the safe and efficient operation of the relevant distribution system.	2	Moderate	Probable	Medium	Strong	Priority 4
113	Trading Licence Schedule 1 clause 4.1	NG & LPG	A licensee must notify the Minister at least one month before a change to any price, price structure, fee or interest rate under the standard form contract is to come into effect.	2	Moderate	Probable	Medium	Strong	Priority 4
14. Licence compliance requirements – Gas Marketing Code of Conduct									
116	Code of Conduct clause 4	NG & LPG	A retailer must ensure that its gas marketing agents comply with Part 2 of the Code of Conduct.	2	Moderate	Probable	Medium	Moderate	Priority 4
117	Code of Conduct clause 5(1)	NG & LPG	A retailer or gas marketing agent must ensure that standard form contracts that are not unsolicited consumer agreements are entered into in the manner and satisfying the conditions specified	2	Moderate	Probable	Medium	Strong	Priority 4
118	Code of Conduct clause 5(2) and 5(3)	NG & LPG	If a customer enters into a standard form contract that is not an unsolicited consumer agreement, the retailer or gas marketing agent must give the customer the information specified in clause 5(2) before or at the time of giving the customer's first bill, unless the retailer or gas marketing agent has provided the information to the customer in the preceding 12 months or informed the customer how the information may be obtained (unless the customer has requested to receive the information).	2	Moderate	Probable	Medium	Strong	Priority 4

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
119	Code of Conduct clause 6(1)(a)	NG & LPG	When a customer enters into a non-standard contract that is not an unsolicited consumer agreement, a retailer or gas marketing agent must obtain and make a record of the customer's verifiable consent to entering into the non-standard contract.	2	Moderate	Likely	High	Moderate	Priority 2
119A	Code of Conduct clause 6(1)(b)	NG & LPG	When a customer enters into a non-standard contract that is not an unsolicited consumer agreement, a retailer or gas marketing agent must give, or make available to the customer at no charge, a copy of the nonstandard contract at the times specified in clause 2.3(1)(b)(i)	2	Moderate	Probable	Medium	Strong	Priority 4
120A	Code of Conduct clause 6(2)	NG	A retailer or gas marketing agent must ensure that the information specified is provided to the customer before entering into a non-standard contract.	2	Moderate	Likely	High	Moderate	Priority 2
		LPG				Probable	Medium	Strong	Priority 4
120B	Code of Conduct clause 6(3)	NG & LPG	Subject to clause 6(4), if entering into a non-standard contract, a retailer or gas marketing agent must give the customer the information specified in clauses (a)-(g) before or at the time of giving the customer's first bill.	2	Moderate	Likely	High	Moderate	Priority 2
121A	Code of Conduct clause 6(5)	NG & LPG	A retailer or gas marketing agent must obtain a customer's verifiable confirmation that the information specified in clause 2.3(2) has been given.	2	Moderate	Probable	Medium	Strong	Priority 4
122	Code of Conduct clause 7(1)	NG & LPG	A retailer or gas marketing agent must ensure that the inclusion of concessions is made clear to residential customers and any prices that exclude concessions are disclosed.	2	Moderate	Probable	Medium	Strong	Priority 4
123	Code of Conduct clause 7(2)	NG & LPG	A retailer or gas marketing agent must ensure that a customer is able to contact the retailer or gas marketing agent on the retailer's or gas marketing agent's telephone number during the normal business hours of the retailer or gas marketing agent for the purposes of enquiries, verifications and complaints.	2	Moderate	Probable	Medium	Strong	Priority 4
124	Code of Conduct clause 8(1)	NG & LPG	A retailer or gas marketing agent who contacts a customer for the purposes of marketing must, on request, provide the customer with the retailer's complaints telephone number, the gas ombudsman's telephone number and, for contact by a gas marketing agent, the gas marketing agent's marketing identification number.	2	Moderate	Probable	Medium	Strong	Priority 4

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
125	Code of Conduct clause 8(2)	NG & LPG	A retailer or gas marketing agent who meets with a customer face to face for the purposes of marketing must: <ul style="list-style-type: none"> wear a clearly visible and legible identity card showing the information specified; and as soon as practicable provide the customer, in writing, the information specified. 	2	Moderate	Likely	High	Moderate	Priority 2
126	Code of Conduct clause 9	NG & LPG	A retailer or gas marketing agent who visits a person's premises for the purposes of marketing, must comply with any clearly visible signs at the premises indicating that canvassing is not permitted or no advertising material is to be left at the premises.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
128	Code of Conduct clause 12	NG & LPG	A gas marketing agent must: <ul style="list-style-type: none"> keep a record of each complaint made by a customer, or person contacted for the purposes of marketing, about the marketing carried out by or on behalf of the gas marketing agent; and on request by the gas ombudsman in relation to a particular complaint, give to the gas ombudsman all information that the gas marketing agent has relating to the complaint within 28 days of receiving the request. 	2	Moderate	Probable	Medium	Strong	Priority 4
129	Code of Conduct clause 13	NG & LPG	Any record that a gas marketing agent is required to keep by the Code of Conduct, must be kept for at least 2 years after the last time the person to whom the information relates was contacted by or on behalf of the gas marketing agent.	2	Moderate	Probable	Medium	Strong	Priority 4
15 Licence Compliance Requirements – Compendium of Gas Customer Licence Obligations									
Part 3 Connection									
134	Compendium clause 3.1(1)	NG & LPG	If a retailer agrees to sell gas to a customer or arrange for the connection of the customer's supply address, the retailer must forward the customer's request for the connection to the relevant distributor.	2	Moderate	Probable	Medium	Moderate	Priority 4
135	Compendium clause 3.1(2)	NG & LPG	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.	2	Moderate	Likely	High	Moderate	Priority 2
Part 4 Billing									
136	Compendium clause 4.1(a)	NG & LPG	A retailer must issue a bill no more than once a month unless the conditions specified in clause 4.1(a)(i)-(iv) apply.	2	Moderate	Likely	High	Moderate	Priority 2

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
137	Compendium clause 4.1(b)	NG	A retailer must issue a bill at least every 105 days unless the conditions specified are met.	2	Moderate	Likely	High	Moderate	Priority 2
		LPG				Probable	Medium		Priority 4
138	Compendium clause 4.2(1)	NG & LPG	Prior to placing the customer on a shortened billing cycle, a retailer is considered to have given a customer notice if the retailer has advised the customer of the information specified in clauses 4.2(1)(a)-(d)	2	Moderate	Unlikely	Medium	Moderate	Priority 4
139	Compendium clause 4.2(2)	NG & LPG	Notwithstanding clause 4.1(a)(ii), a retailer must not place a residential customer on a shortened billing cycle without the customer's verifiable consent in circumstances specified in clauses 4.2(2)(a)-(b).	2	Moderate	Unlikely	Medium	Moderate	Priority 4
140	Compendium clause 4.2(3)	NG & LPG	A retailer must give the customer written notice of a decision to shorten the customer's billing cycle within 10 business days of making the decision.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
141	Compendium clause 4.2(4)	NG & LPG	A retailer must ensure that a shortened billing cycle is for a period of at least 10 business days.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
142	Compendium clause 4.2(5)	NG & LPG	Upon request, a retailer must return a customer who is subject to a shortened billing cycle and has paid 3 consecutive bills by the due date, to the billing cycle that previously applied to the customer.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
143	Compendium clause 4.2(6)	NG & LPG	At least once every 3 months, a retailer must inform a customer who is subject to a shortened billing cycle of the conditions upon which a customer can be returned to the customer's previous billing cycle.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
144	Compendium clause 4.3(1)	NG & LPG	In respect of any 12-month period, on receipt of a request by a customer, a retailer may provide the customer with estimated bills under a bill smoothing arrangement.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
145	Compendium clause 4.3(2)	NG & LPG	If a retailer provides a customer with a bill under a bill-smoothing arrangement pursuant to clause 4.3(1), the retailer must ensure that the conditions specified in clauses 4.3(2)(a)-(f) are met.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
146	Compendium clause 4.4	NG & LPG	A retailer must issue a bill to a customer at the address nominated by the customer, which may be an email address.	2	Moderate	Probable	Medium	Strong	Priority 4
147	Compendium clause 4.5(1)	NG	Unless the customer agrees otherwise, a retailer must include the minimum prescribed information in clauses 4.5(1)(a)-(cc) on the customer's bill.	2	Moderate	Likely	High	Moderate	Priority 2

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
		LPG	<i>Note: the summary wording of this obligation has not changed, but since the commencement of the amended Compendium on 1 January 2020, there have been some changes to the content of clauses 4.5(1)(a)-(cc)8 and the creation of an exception to complying with 4.5(1)(w) as set out in 4.5(4).</i>			Probable	Medium	Strong	Priority 4
149	Compendium clause 4.5(3)	NG & LPG	If a retailer identifies and wishes to bill a customer for an 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.	2	Moderate	Probable	Medium	Moderate	Priority 4
150	Compendium clause 4.6	NG & LPG	A retailer must base a customer's bill on the distributor's or metering agent's reading of the meter at the customer's supply address, or the customer's reading of the meter provided the retailer and the customer agreed that the customer will read the meter.	2	Moderate	Probable	Medium	Strong	Priority 4
152	Compendium clause 4.7(1)	NG & LPG	A retailer must use its best endeavours to ensure that metering reading data is obtained as frequently as is required to prepare its bills.	NR	Minor	Probable	Low	Strong	Priority 5
153	Compendium clause 4.7(2)	NG & LPG	Subject to subclause 4.7(3), a retailer must ensure that at least once every 12 months it obtains metering data in accordance with clause 4.6(a).	NR	Minor	Probable	Low	Strong	Priority 5
154	Compendium clause 4.8(1)	NG & LPG	A retailer must give the customer an estimated bill in the manner specified, if the retailer is unable to reasonably base a bill on a reading of the meter.	2	Moderate	Probable	Medium	Strong	Priority 4
155	Compendium clause 4.8(2)	NG	Where the customer's bill is estimated, a retailer must clearly specify on the customer's bill the information prescribed in clauses 4.8(2)(a)-(c).	2	Moderate	Probable	Medium	Moderate	Priority 4
		LPG				Likely	High		Priority 2
156	Compendium clause 4.8(3)	NG & LPG	Upon request, a retailer must inform a customer of the basis and the reason for the estimation	2	Moderate	Probable	Medium	Strong	Priority 4
157	Compendium clause 4.9	NG	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.	2	Moderate	Probable	Medium	Moderate	Priority 4
		LPG				Likely	High		Priority 2
158	Compendium clause 4.10	NG & LPG	If a retailer has based a bill upon an estimation because the customer failed to provide access to the meter, and the customer subsequently requests the retailer to provide a bill based on a reading of the meter and provides access to the meter, and pays the retailer's reasonable charge for reading the meter (if any), the retailer must do so.	NR	Minor	Probable	Low	Strong	Priority 5

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
159	Compendium clause 4.11(1)	NG & LPG	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.	2	Moderate	Probable	Medium	Strong	Priority 4
160	Compendium clause 4.11(2)	NG & LPG	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.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
161	Compendium clause 4.12(1)	NG & LPG	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. The effective date of change is set out in clause 4.12(2).	2	Moderate	Probable	Medium	Moderate	Priority 4
163	Compendium clause 4.13	NG & LPG	If a customer's gas 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.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
164	Compendium clause 4.14(1)	NG & LPG	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.	NR	Minor	Probable	Low	Strong	Priority 5
165	Compendium clause 4.14(2)	NG	If the customer's account is in credit at the time of account closure, the retailer must, subject to clause 4.14(3), at the time of the final bill ask the customer for instructions on where to transfer the amount of credit (based on clauses 4.14(2)(a) or (b)), and pay the credit in accordance with the customer's instructions within 12 business days or another time agreed with the customer.	2	Moderate	Likely	High	Moderate	Priority 2
		LPG				Probable	Medium	Strong	Priority 4
165A	Compendium clause 4.14(3)	NG	If the customer's account is in credit at the time of account closure and the customer owes a debt to the retailer, the retailer may, with written notice to the customer, use that credit to set off the debt.	2	Moderate	Likely	High	Moderate	Priority 2
		LPG	If after the set off, there remains an amount of credit, the retailer must ask the customer for instructions in accordance with clause 4.14(2).			Unlikely	Medium		Priority 4
166	Compendium clause 4.15	NG & LPG	A retailer must review the customer's bill on request by the customer, subject to the customer paying the lesser of the portion of the bill agreed to not be in dispute or an amount equal to the average of the customer's bill over the previous 12 months, and paying any future bills that are properly due.	2	Moderate	Probable	Medium	Moderate	Priority 4

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
167	Compendium clause 4.16(1)(a)	NG & LPG	If a retailer is satisfied after conducting a review of a bill that the bill is correct, the retailer: may require a customer to pay the unpaid amount; must advise the customer that the customer may request the retailer to arrange a meter test in accordance with applicable law; and must advise the customer of the existence and operation of the retailer's internal complaints handling processes and details of any applicable external complaints handling processes.	2	Moderate	Probable	Medium	Strong	Priority 4
168	Compendium clause 4.16(1)(b)	NG & LPG	If a retailer is satisfied after conducting a review of a bill that the bill is incorrect, the retailer must adjust the bill in accordance with clauses 4.17 and 4.18.	2	Moderate	Probable	Medium	Strong	Priority 4
169	Compendium clause 4.16(2)	NG & LPG	The retailer must inform a customer of the outcome of the review (of the bill) as soon as practicable.	2	Moderate	Probable	Medium	Strong	Priority 4
170	Compendium clause 4.16(3)	NG & LPG	If the retailer has not informed a customer of the outcome of the review within 20 business days from the date of receipt of the request for review under clause 4.15, the retailer must provide the customer with notification of the status of the review as soon as practicable.	2	Moderate	Probable	Medium	Strong	Priority 4
171	Compendium clause 4.17(2)	NG	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), the retailer must follow the procedure specified in clauses 4.17(2)(a)-(e).	2	Moderate	Probable	Medium	Moderate	Priority 4
		LPG				Likely	High		Priority 2
172	Compendium clause 4.18(2) and 4.18(5)	NG & LPG	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 use its best endeavours to inform the customer accordingly within 10 business days of the retailer becoming aware of the error, defect or default and, subject to clauses 4.18(6) and (7) ask the customer for instructions as to whether the amount should be credited to the customer's account; or repaid to the customer. No interest shall accrue to a credit or refund referred to in this clause.	NR	Minor	Probable	Low	Strong	Priority 5
173	Compendium clause 4.18(3)	NG & LPG	If a retailer receives instructions under clause 4.18(2), the retailer must pay the amount in accordance with the customer's instructions within 12 business days of receiving the instructions.	2	Moderate	Probable	Medium	Strong	Priority 4

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
174	Compendium clause 4.18(4)	NG & LPG	If a retailer does not receive instructions under clause 4.18(2) within 5 business days of making the request, the retailer must use reasonable endeavours to credit the amount overcharged to the customer's account.	NR	Minor	Probable	Low	Strong	Priority 5
175	Compendium clause 4.18(6)	NG & LPG	If the overcharged amount is less than \$100, the retailer may notify a customer of the overcharge by no later than the next bill after the retailer became aware of the error, and ask the customer for instructions under clause 4.18(2), or credit the amount to the customer's next bill.	NR	Minor	Probable	Low	Strong	Priority 5
175A	Compendium clause 4.18(7)	NG & LPG	If a customer has been overcharged by the retailer, and the customer owes a debt to the retailer, then provided the customer is not a residential customer experiencing payment difficulties or financial hardship, the retailer may, with written notice to the customer, use the amount of the overcharge to set off the debt owed to the retailer. If, after the set off, there remains an amount of credit, the retailer must deal with that amount of credit in accordance with clause 4.18(2); or 4.18(6) where the amount is less than \$100.	NR	Minor	Unlikely	Low	Moderate	Priority 5
176	Compendium clause 4.19(1)	NG	If a retailer proposes to recover an amount of an adjustment which does not arise due to any act or omission of the customer, the retailer must follow the procedure specified in clauses 4.19(1)(a)-(d).	2	Moderate	Likely	High	Moderate	Priority 2
		LPG				Probable	Medium	Strong	Priority 4
177	Compendium clause 4.19(2) and 4.19(6)	NG & LPG	If after the meter reading a retailer becomes aware of an amount owing to the customer, the retailer must use its best endeavours to inform the customer accordingly within 10 business days of the retailer becoming aware of the adjustment and, subject to clauses 4.19(5) and 4.19(7), ask the customer for instructions as to whether the amount should be <ul style="list-style-type: none"> credited to the customer's account; repaid to the customer; or included as a part of the new bill smoothing arrangement if the adjustment arises under clauses 4.3(2)(a)-(b). No interest shall accrue to a credit or refund referred to in this clause.	2	Moderate	Probable	Medium	Strong	Priority 4
178	Compendium clause 4.19(3)	NG & LPG	If a retailer received instructions under clause 4.19(2), the retailer must pay the amount in accordance with the customer's instructions within 12 business days of receiving the instructions.	2	Moderate	Probable	Medium	Strong	Priority 4

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
179	Compendium clause 4.19(4)	NG & LPG	If a retailer does not receive instructions under clause 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.	NR	Minor	Probable	Low	Strong	Priority 5
180	Compendium clause 4.19(5)	NG & LPG	If the adjustment amount owing to the customer is less than \$100, the retailer may notify the customer of the adjustment by no later than the next bill after the meter is read, and ask the customer for instructions under clause 4.19(2); or credit the amount to the customer's next bill.	NR	Minor	Probable	Low	Strong	Priority 5
180A	Compendium clause 4.19(7)	NG & LPG	If the amount of the adjustment is an amount owing to the customer, and the customer owes a debt to the retailer, then provided the customer is not a residential customer experiencing payment difficulties or financial hardship, the retailer may, with written notice to the customer, use the amount of the adjustment to set off the debt owed to the retailer. If, after the set off, there remains an amount of credit, the retailer must deal with that amount of credit in accordance with clause 4.19(2); or 4.19(5) where the amount is less than \$100.	2	Moderate	Probable	Medium	Strong	Priority 4
Part 5 Payment									
181	Compendium clause 5.1	NG	The due date on the bill must be at least 12 business days from the date of that bill, unless otherwise agreed with the customer. The date of the dispatch is the date of the bill, unless the retailer specifies a later date.	2	Moderate	Likely	High	Moderate	Priority 2
		LPG				Probable	Medium	Strong	Priority 4
182	Compendium clause 5.2	NG & LPG	Unless otherwise agreed with a customer, a retailer must offer the customer at least the following payment methods: <ul style="list-style-type: none"> in person at 1 or more payment outlets located within the Local Government District of the customer's supply address; by mail; for residential customers, by Centrepay; electronically by means of BPay or credit card; and by telephone by means of credit card or debit card. 	2	Moderate	Probable	Medium	Strong	Priority 4
183	Compendium clause 5.3	NG	Prior to a direct debit facility commencing, a retailer must obtain the customer's verifiable consent and agree with the customer the date of commencement of the direct debit facility and the frequency of the direct debits.	2	Moderate	Likely	High	Moderate	Priority 2
		LPG		2	Moderate	Probable	Medium	Strong	Priority 4

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
184	Compendium clause 5.4	NG & LPG	A retailer must accept payment in advance from a customer on request. The minimum amount a retailer will accept an advance payment is \$20, unless otherwise agreed with a customer. Note: the summary wording of this obligation has not changed, but one of the changes to the Compendium (which came into effect on 1 January 2020) was the creation of additional subclauses to 5.4 which provide additional information and create an exception to complying with 5.4(1).	2	Moderate	Unlikely	Medium	Moderate	Priority 4
185	Compendium clause 5.5	NG & LPG	If a customer is unable to pay by way of the methods described in clause 5.2, due to illness or absence, a retailer must offer a residential customer a redirection of the customer's bill to a third person, at no charge.	2	Moderate	Probable	Medium	Strong	Priority 4
186	Compendium clause 5.6(1)	NG & LPG	A retailer must not charge a residential customer a late payment fee in the circumstances specified in clauses 5.6(1)(b)-(d). <i>Note: the changes to the Compendium (which came into effect on 1 January 2020) included the deletion of clause 5.6(1)(a) and changes to clause 5.6(1)(c).</i>	2	Moderate	Probable	Medium	Strong	Priority 4
186A	Compendium clause 5.6(2)	NG & LPG	If a retailer has charged a late payment fee in the circumstances set out in clause 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.	2	Moderate	Probable	Medium	Strong	Priority 4
187	Compendium clause 5.6(3)	NG & LPG	If a retailer has charged a residential customer a late fee, 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.	2	Moderate	Probable	Medium	Strong	Priority 4
188	Compendium clause 5.6(4)	NG & LPG	A retailer must not charge a residential customer more than 3 late payment fees in relation to the same bill, or more than 12 late payment fees in a year.	2	Moderate	Probable	Medium	Strong	Priority 4
189	Compendium clause 5.6(5)	NG & LPG	If a residential customer has been assessed as being in financial hardship, a retailer must retrospectively waive any late payment fee charged to the residential customer's last bill prior to the assessment being made.	2	Moderate	Probable	Medium	Strong	Priority 4
190	Compendium clause 5.7(1)	NG	A retailer must not require a customer who has vacated a supply address, and who has given the retailer notice, to pay for gas consumed at the customer's supply address in the circumstances specified in clause 5.7(1), unless the retailer and the customer have agreed to an alternative date.	2	Moderate	Likely	High	Moderate	Priority 2
		LPG				Probable	Medium	Strong	Priority 4

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
191	Compendium clause 5.7(2)	NG & LPG	A retailer must not require a customer who has vacated a supply address, and who has given the retailer notice, to pay for gas consumed at the customer's supply address in the circumstances specified in clause 5.7(1), unless the retailer and the customer have agreed to an alternative date.	2	Moderate	Probable	Medium	Strong	Priority 4
193	Compendium clause 5.7(4)	NG & LPG	Notwithstanding clauses 5.7(1) and 5.7(2), a retailer must not require a customer to pay for gas consumed at the customer's supply address in the circumstances specified in clauses 5.7(4)(a)-(c).	2	Moderate	Probable	Medium	Strong	Priority 4
195	Compendium clause 5.8(1)	NG & LPG	A retailer must not commence proceedings for recovery of a debt from a residential customer who has informed a retailer that the customer is experiencing payment difficulties or financial hardship; and while a residential customer continues to make payments under an alternative payment arrangement.	2	Moderate	Probable	Medium	Strong	Priority 4
196	Compendium clause 5.8(2)	NG & LPG	A retailer must not recover or attempt to recover a debt relating to a supply address from a person other than the customer with whom the retailer has or had entered into a contract for the supply of gas to that supply address.	2	Moderate	Probable	Medium	Strong	Priority 4
196A	Compendium clause 5.8(3)	NG & LPG	If a customer with a debt owing to a retailer requests the retailer to transfer the debt to another customer, the retailer may transfer the debt to the other customer provided that the retailer obtains the other customer's verifiable consent to the transfer.	2	Moderate	Probable	Medium	Strong	Priority 4
197	Compendium clause 5.10	NG & LPG	Where a retailer and residential customer have entered into a dual fuel contract, or separate contracts for the supply of electricity and gas, the retailer must apply a payment received from a residential customer for charges for the supply of electricity or gas in the circumstances specified in clause 5.9.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
Part 6 Payment Difficulties and Financial Hardship									
198	Compendium clause 6.1(1)	NG & LPG	A retailer must assess whether a residential customer is experiencing payment difficulties or financial hardship, within 5 business days from when the residential customer informs the retailer about the payment problems. If the retailer cannot make the assessment within 5 business days, it must refer the customer to a relevant consumer representative to make the assessment. If a residential customer provides the retailer with an assessment from a relevant consumer representative, the retailer may adopt that assessment as its own assessment for the purposes of clause 6.1(1)(a).	2	Moderate	Likely	High	Moderate	Priority 2

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
199	Compendium clause 6.1(3)	NG & LPG	When undertaking an assessment regarding payment difficulties or financial hardship, the retailer must, unless the retailer adopts an assessment from a relevant consumer representative, give reasonable consideration to the information given by the residential customer and requested or held by the retailer; or advice given by a relevant consumer representative.	NR	Minor	Probable	Low	Strong	Priority 5
200	Compendium clause 6.1(4)	NG & LPG	A retailer must advise a residential customer on request of the details of an assessment.	2	Moderate	Probable	Medium	Moderate	Priority 4
200A	Compendium clause 6.2(1)	NG & LPG	If a retailer refers a residential customer to a relevant consumer representative under clause 6.1(1)(b), the retailer must grant the residential customer a temporary suspension of actions.	2	Moderate	Probable	Medium	Moderate	Priority 4
201	Compendium clause 6.2(2)	NG & LPG	If a residential customer informs a retailer that the customer is experiencing payment problems, the retailer must not unreasonably deny a residential customer's request for a temporary suspension of actions, if the customer demonstrates to the retailer that the customer has an appointment with a relevant consumer representative to assess the customer's capacity to pay.	2	Moderate	Probable	Medium	Moderate	Priority 4
202	Compendium clause 6.2(3)	NG & LPG	A retailer must allow a temporary suspension of actions for a period of at least 15 business days.	2	Moderate	Likely	High	Moderate	Priority 2
203	Compendium clause 6.2(4)	NG & LPG	If a relevant consumer representative is unable to complete the assessment on time and the consumer representative or residential customer requests for additional time, a retailer must give reasonable consideration to the request.	NR	Minor	Probable	Low	Moderate	Priority 5
204	Compendium clause 6.3(1)	NG & LPG	If the assessment carried out under clause 6.1 indicates to the retailer that the residential customer is experiencing payment difficulties or financial hardship, the retailer must follow the procedure specified in clause 6.3(1).	2	Moderate	Probable	Medium	Moderate	Priority 4
205	Compendium clause 6.4(1)	NG & LPG	A retailer must offer a residential customer who is experiencing payment difficulties or financial hardship at least the payment arrangements that are specified in clauses 6.4(1)(a) and (b). <i>Note: the summary wording of this obligation has not changed, but the content of clauses 6.4(1)(a) and (b) were amended as part of the changes to the Compendium that came into effect on 1 January 2020.</i>	2	Moderate	Probable	Medium	Moderate	Priority 4
206	Compendium clause 6.4(2)	NG & LPG	When offering or amending an instalment plan to a residential customer a retailer must ensure that the instalment plan is fair and reasonable taking into account the customer's capacity to pay and consumption history and comply with clause 6.4(3).	2	Moderate	Likely	High	Moderate	Priority 2

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
206A	Compendium clause 6.4(3)	NG & LPG	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.	2	Moderate	Likely	High	Moderate	Priority 2
208	Compendium clause 6.6(1)	NG & LPG	A retailer must give reasonable consideration to a request by a customer, or a relevant consumer representative, for a reduction of the customer's fees, charges, or debt.	NR	Minor	Probable	Low	Strong	Priority 5
209	Compendium clause 6.6(2)	NG & LPG	In giving reasonable consideration under clause 6.6(1), a retailer must refer to the hardship procedures referred to in clause 6.10(3).	2	Moderate	Probable	Medium	Strong	Priority 4
210	Compendium clause 6.7	NG & LPG	If it is reasonably demonstrated to the retailer that the customer, experiencing financial hardship, is unable to meet the customer's obligations under a payment arrangement, a retailer must give reasonable consideration to offering the customer an instalment plan or offering to revise an existing instalment plan.	NR	Minor	Probable	Low	Strong	Priority 5
211	Compendium clause 6.8	NG & LPG	A retailer must advise a customer experiencing financial hardship of the options specified in clause 6.8.	2	Moderate	Likely	High	Moderate	Priority 2
212	Compendium clause 6.9(1)	NG & LPG	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.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
214	Compendium clause 6.10(1)	NG & LPG	A retailer must develop a hardship policy and hardship procedures to assist customers experiencing financial hardship in meeting their financial obligations and responsibilities to the retailer.	2	Moderate	Probable	Medium	Strong	Priority 4
215	Compendium clause 6.10(2)	NG & LPG	A retailer must ensure that its hardship policy complies with the criteria specified in clause 6.10(2). <i>Note: the summary wording of this obligation has not changed, but the content of clause 6.10(2)(h)(i) was amended as part of the changes to the Compendium (which came into effect on 1 January 2020), along with the addition of new subclause 6.10(2)(k).</i>	2	Moderate	Likely	High	Moderate	Priority 2
215A	Compendium clause 6.10(3)	NG & LPG	A retailer must ensure that its hardship procedures comply with the criteria specified in clause 6.10(3).	2	Moderate	Probable	Medium	Strong	Priority 4

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
216	Compendium clause 6.10(4)	NG & LPG	If requested, a retailer must give residential customers and relevant consumer representatives a copy of the hardship policy, including by post at no charge.	2	Moderate	Probable	Medium	Strong	Priority 4
219	Compendium clause 6.10(6)	NG & LPG	If directed by the ERA, the retailer must review its hardship policy and hardship procedures, in consultation with relevant consumer representatives, and submit to the ERA the results of that review within 5 business days after it is completed.	2	Moderate	Probable	Medium	Strong	Priority 4
220	Compendium clause 6.10(7)	NG & LPG	A retailer must comply with the ERA's Financial Hardship Policy Guidelines.	2	Moderate	Likely	High	Moderate	Priority 2
220A	Compendium clause 6.10(8)	NG & LPG	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 amended policy to the ERA within 5 business days of the amendment.	2	Moderate	Probable	Medium	Strong	Priority 4
221	Compendium clause 6.11	NG & LPG	A retailer must consider any reasonable request for alternative payment arrangements from a business customer who is experiencing payment difficulties.	2	Moderate	Probable	Medium	Strong	Priority 4
Part 7 Disconnection & Interruption									
222	Compendium clause 7.1	NG & LPG	A retailer must follow the procedures specified in clause 7.1(1) prior to arranging for disconnection of a customer's supply address for failure to pay a bill. A customer has failed to pay a bill in the circumstances specified in clause 7.1(2).	2	Moderate	Likely	High	Moderate	Priority 2
223	Compendium clause 7.2(1)	NG & LPG	A retailer must not arrange for disconnection of a customer's supply address for failure to pay a bill in the circumstances specified in clause 7.2(1). Note: the summary wording of this obligation has not changed, but the content of clause 7.2(1)(d) was amended as part of the changes to the Compendium that came into effect on 1 January 2020.	2	Moderate	Likely	High	Moderate	Priority 2
224	Compendium clause 7.3	NG & LPG	In relation to dual fuel contracts or separate contracts for the supply of electricity and gas (under which a single bill for energy, or separate simultaneous bills for electricity and gas are issued to the customer), if a retailer is permitted to and wishes to arrange for disconnection of the supply of electricity and gas to the residential customer's supply address for failure to pay a bill, the retailer must arrange for disconnection of the supply of gas in priority to the disconnection of the supply of electricity.	2	Moderate	Unlikely	Medium	Moderate	Priority 4

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
225	Compendium clause 7.4	NG	A retailer must not arrange for the disconnection of a customer's supply address for denying access to the meter unless the conditions specified in clause 7.4(1) are satisfied. A retailer may arrange for a distributor to carry out 1 or more of the requirements referred to in clause 7.4(1) on behalf of the retailer.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
227	Compendium clause 7.6	NG & LPG	A retailer or a distributor must not arrange for disconnection or disconnect a customer's supply address in the circumstances specified in clause 7.6. <i>Note: the summary wording of this obligation has not changed, but the content of clause 7.6(3) was amended as part of the changes to the Compendium that came into effect on 1 January 2020.</i>	1	Major	Probable	High	Moderate	Priority 2
Part 8 Reconnection									
228	Compendium clause 8.1(1)	NG	In the circumstances specified in clause 8.1(1)(a)-(c), a retailer must arrange for reconnection of the customer's supply address if the customer makes a request for reconnection and pays the retailer's reasonable charges for reconnection (if any) or accepts an offer of an instalment plan for the retailer's reasonable charges for reconnection.	2	Moderate	Likely	High	Moderate	Priority 2
		LPG				Probable	Medium	Strong	Priority 4
229	Compendium clause 8.1(2)	NG	A retailer must forward the request for reconnection to the relevant distributor that same business day if the request is received before 3pm on a business day; or no later than 3pm on the next business day if the request is received after 3pm on a business day, or on the weekend or on a public holiday.	2	Moderate	Likely	High	Moderate	Priority 2
Part 10 Information & Communication									
231	Compendium clause 10.1(1)	NG & LPG	A retailer must give notice to each of its customers affected by a variation in its tariffs, fees and charges no later than the next bill in the customer's billing cycle.	2	Moderate	Probable	Medium	Strong	Priority 4
232	Compendium clause 10.1(2)	NG & LPG	A retailer must give or make available to a customer on request, at no charge, reasonable information on the retailer's tariffs, fees and charges, including any alternative tariffs that may be available to the customer.	2	Moderate	Probable	Medium	Strong	Priority 4
233	Compendium clause 10.1(3)	NG & LPG	A retailer must give or make available to a customer the information requested on tariffs within 8 business days of the date of receipt of the request and, if requested, a retailer must provide the information in writing.	2	Moderate	Probable	Medium	Strong	Priority 4

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
234	Compendium clause 10.2(1)	NG & LPG	A retailer must, on request, give a customer their billing data.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
235	Compendium clause 10.2(2)	NG & LPG	A retailer must give the requested billing data at no charge if a customer requests their 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 the retailer.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
236	Compendium clause 10.2(3)	NG & LPG	A retailer must give the requested billing data within 10 business days of the date of receipt of either the request, or payment of the retailer's reasonable charge for providing the billing data.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
237	Compendium clause 10.2(4)	NG & LPG	A retailer must keep a customer's billing data for 7 years.	2	Moderate	Probable	Medium	Strong	Priority 4
238	Compendium clause 10.3	NG & LPG	A retailer must give a residential customer on request, at no charge, information on the types of concessions available to the customer, and the names and contact details of the organisation responsible for administering those concessions (if not the retailer).	2	Moderate	Unlikely	Medium	Moderate	Priority 4
239	Compendium clause 10.4	NG & LPG	A retailer must give, or make available, to a customer on request and at no charge, general information on: cost-effective and efficient ways to utilise gas (including referring a customer to a relevant information source) and the typical running costs of major domestic appliances.	2	Moderate	Probable	Medium	Strong	Priority 4
240	Compendium clause 10.5	NG	If a customer asks for information relating to the distribution of gas, a retailer must give the information to the customer or refer the customer to the relevant distributor for a response.	2	Moderate	Probable	Medium	Strong	Priority 4
245	Compendium clause 10.9	NG & LPG	A retailer and distributor must, to the extent practicable, ensure that any written information that must be given to a customer by the retailer, distributor or gas marketing agent under the Gas Marketing Code and the Compendium is expressed in clear, simple and concise language and is in a format that makes it easy to understand.	NR	Minor	Probable	Low	Strong	Priority 5
246	Compendium clause 10.10(1)	NG & LPG	A retailer must advise a customer on request how the customer can obtain a copy of the Gas Marketing Code and the Compendium; and make a copy of the Gas Marketing Code and the Compendium available on the retailer's website.	2	Moderate	Probable	Medium	Strong	Priority 4

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
249	Compendium clause 10.11(1)	NG & LPG	A retailer and distributor must make available to a residential customer on request, at no charge, services that assist the residential customer in interpreting information provided by the retailer or distributor (including independent multi-lingual and TTY services, and large print copies).	2	Moderate	Probable	Medium	Strong	Priority 4
250	Compendium clause 10.11(2)	NG & LPG	A retailer and, if appropriate, a distributor must include on a residential customer's bill and bill related information, reminder notice and disconnection warning the telephone numbers for: its TTY services; independent multi-lingual services; and interpreter services with the National Interpreter Symbol.	2	Moderate	Probable	Medium	Strong	Priority 4
Part 12 Complaints and Dispute Resolution									
251	Compendium clause 12.1(1)	NG & LPG	A retailer and distributor must develop, maintain and implement an internal process for handling complaints and resolving disputes.	2	Moderate	Probable	Medium	Strong	Priority 4
252	Compendium clause 12.1(2)	NG & LPG	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.	2	Moderate	Probable	Medium	Strong	Priority 4
254	Compendium clause 12.1(3)(a)	NG & LPG	When responding to a complaint, a retailer or distributor must advise the customer that the customer has the right to have the complaint considered by a senior employee within the retailer or distributor (in accordance with its complaints handling process).	2	Moderate	Probable	Medium	Strong	Priority 4
255	Compendium clause 12.1(3)(b)	NG & LPG	When a complaint has not been resolved internally in a manner acceptable to the customer, a retailer or distributor must advise the customer of the reasons for the outcome (on request, the retailer or distributor must supply such reasons in writing); and that the customer has the right to raise the complaint with the gas ombudsman or another relevant external dispute resolution body and provide the Freecall telephone number of the gas ombudsman.	2	Moderate	Probable	Medium	Strong	Priority 4
255A	Compendium clause 12.1(4)	NG & LPG	A retailer or distributor must, on receipt of a written complaint by a customer, acknowledge the complaint within 10 business days and respond to the complaint within 20 business days.	2	Moderate	Probable	Medium	Strong	Priority 4
256	Compendium clause 12.2	NG & LPG	A retailer must comply with any guideline developed by the ERA relating to distinguishing customer queries from customer complaints.	2	Moderate	Probable	Medium	Strong	Priority 4

No	Obligation reference	NG or LPG	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
257	Compendium clause 12.3	NG & LPG	A retailer, distributor and gas marketing agent must give a customer on request, at no charge, information that will assist the customer in utilising the respective complaints handling processes.	2	Moderate	Probable	Medium	Strong	Priority 4
258	Compendium clause 12.4	NG & LPG	When a retailer, distributor or gas 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 the appropriate entity to deal with the complaint (if known).	2	Moderate	Probable	Medium	Strong	Priority 4
Part 13 Record Keeping and Reporting									
281	Compendium clause 13.1	NG & LPG	A retailer and a distributor must prepare a report in respect of each reporting year setting out the information specified by the ERA.	2	Moderate	Probable	Medium	Strong	Priority 4
282	Compendium clause 13.2	NG & LPG	A report referred to in clause 13.1 must be provided to the ERA by the date, and in the manner and form, specified by the ERA.	2	Moderate	Probable	Medium	Strong	Priority 4
283	Compendium clause 13.3	NG & LPG	A report referred to in clause 13.1 must be published by the date specified by the ERA.	2	Moderate	Probable	Medium	Strong	Priority 4

Appendix 3 - Previous audit recommendations

The 2020 performance audit made the following two recommendations. *Note: The alpha-numerical reference in brackets after each obligation refers to the control and compliance adequacy ratings given in the 2020 Performance Audit Report.*

<p>Issue 1/2020</p> <p>Obligation 147 – Compendium Clause 4.5(1) (B2)</p> <p>In its 2018/19 and 2019/20 Annual Compliance reports to the ERA, Kleenheat self-reported 6,030 instances during the audit period where it failed to include bill particulars as required under clauses 4.5(1)(a)- (cc). Out of these instances, 319 instances occurred as a result of a system error affecting customers who have switched from a non-standard form contract to a standard form contract with an outstanding bill with subsequently issued collection notices. If the bill remains outstanding after 21 days, the standard form contract collection process is automatically initiated, and this issue had not yet been resolved.</p>	
<p>Recommendation 1/2020</p> <p>Kleenheat continue to investigate faults to the billing engine and to implement system updates to prevent instances of non-compliance</p>	<p>Action Plan 1/2020</p> <p>Short term mitigation of the breach risk for Obligation 147, specifically when a customer switches plan from NSFC to SFC and has an invoice issued under NSFC conditions, will be managed with additional exception reporting. This is expected to be in place by 1st January 2020, along with additional training delivered to credit officers to amend the collection strategy. Long term consideration will be given to a system modification to automate this process as part of the continuous improvement program.</p> <p>Responsible person: Commercial Manager</p> <p>Target date: January 2021</p>
<p>Issue 2/2020</p> <p>Obligation 165 – Compendium Clause 4.14(2) (B2)</p> <p>In its 2018/19 and 2019/20 Annual Compliance reports to the ERA, Kleenheat self-reported 2,899 instances during the audit period where it failed to obtain instructions from the customer on how to deal with a credit position on a final bill, and/or follow those instructions within the prescribed timeframe. Out of these instances, 724 occurred as a result of a systemic issue causing final bills not to be issued under the final bill template, as a response Kleenheat implemented a business improvement project (currently in the testing phase) in order to fix the issue, which has not yet been resolved.</p>	
<p>Recommendation 2/2020</p> <p>Kleenheat continue to investigate faults to the billing engine and to implement system updates to prevent instances of non-compliance</p>	<p>Action Plan 2/2020</p> <p>Kleenheat identified 21 scenarios as to why the final bill did not generate correctly. To date 19 of those scenarios have been resolved with the final two due to be resolved by the end of November. The billing team will continue to monitor any issues associated with the generation of the final invoice by performing root cause analyses and will implement either process or system changes to cater for any outlying scenarios.</p> <p>Responsible person: Customer Service Operations Manager</p> <p>Target date: November 2020</p>

Appendix B - References

Kleenheat representatives participating in the audit

- Regulatory Manager, Natural Gas & Electricity
- Senior Regulatory Specialist
- NG Administration Team Leader
- LPG Administration Team Leader
- Customer Contact Team Leader
- Commercial Team Leader - Credit
- Consumer Credit Team Leader
- Business Analyst - Sales
- Financial Accounting Manager – WesCEF
- Customer Advocate
- Customer Service Trainer.

AAG staff participating in the audit

		Hrs
• Margaret-Mary Gauci	Senior Consultant	207
• Rosie Davis	Senior Consultant	59
• Andrew Baldwin	Executive Director	186
• Stephen Linden	Director (QA review)	2

Key documents and other information sources examined

** This list is not exhaustive*

- Standard Form Contract – Terms and Conditions
- Non-Standard Form Contract – Terms and Conditions (July 2020, January 2023)
- Customer Charter
- Energy and Water Ombudsman invoices
- Energy and Water Ombudsman (WA) Annual Reports, 2020/21 and 2021/22
- Kleenheat website
- Kleenheat Annual Compliance Reports 2020/21, 2021/22 and 2022/23
- Kleenheat Performance Datasheets 2020/21, 2021/22 and 2022/23
- ERA Annual Compliance Reports Process
- Annual Performance Reporting Datasheet Procedure
- Records of submission of compliance reports, standing charge data and performance reporting datasheets
- Records of publication of performance reporting datasheets
- Evidence of payment of licence fees
- Email correspondence with the ERA, including notifications relating to audit requirements
- Wesfarmers Ltd Financial Reports for the periods ending 30 June 2021, 30 June 2022 and 30 June 2023
- ERA Decision to renew gas distribution licence GTL10 and approve amended standard form contract – Wesfarmers Kleenheat Gas Pty Ltd

- Wesfarmers Kleenheat Gas Pty Ltd GTL102020 Performance Audit Report and PAIP
- Kleenheat/ATCO meeting minutes – sample
- Customer Welcome Pack
- Customer Welcome Pack - template letters
- New connections – list of new connection service requests during the audit period
- Sample customer sign-up records, including consents
- Customer Contact – AEMO Audit Procedure and Confluence process guidance
- Customer Contact QA form
- Customer Contact QA results - sample
- Customer (Business) Renewal Process
- Customer Bills – examples of various NG and LPG customer bill types
- Basic Meter Read Exception Reports – sample
- NG Bill not issued 95/100 days from Last invoice exceptions reports – sample
- NG Bill not issued 95/100 days from Supply Start Date exceptions reports – sample
- NG Invoice data extract - sample months
- Commission Meter Exception Reports - sample
- Retic days since last read exception reports - sample
- Accounts in credit at the time of closure - sample
- Undercharges recovered – sample replacement invoices and communications
- Adjustment letters and invoices – sample
- Final bills - sample
- NG Final Invoice Issue extract - sample months
- SR Error Workflow reports – sample
- List of NG Admin Exception Reports
- Basic Meter Read Exception report procedure
- Meter Data Verification Process
- Meter test via Flowtalk procedure
- Meter test via Oracle procedure
- Overstated letter template
- Overstated Reads Process
- Owner Occupier Letter template
- Special Meter Read via Flowtalk procedure
- Special Meter Read via Oracle procedure
- Special Read Appointed Time Reads procedure
- Universal Work Queue – Failed Disconnections procedure
- Bill copy fee – list of fees charged during the audit period
- LPG Retic Move-In guidelines
- LPG Retic Move-Out guidelines
- LPG Retic New Connection guidelines
- LPG Retic – New Connection script
- LPG Retic Consent procedures

- LPG Retic Welcome Letter template
- CST Retic - Actioning Days since last read report guidelines
- CST Retic – High Billing Enquiry procedure
- CST Retic – Disconnection of Meter procedure
- CST Retic – Producing and Estimated Invoice procedure
- LPG Retic Days Since Last Read Exception report – sample
- LPG Retic – New and Additional Notice of Connection Exception report - sample
- LPG Retic Bills – sample
- LPG Retic Estimated and Final Bills – sample
- LPG Retic list of bills issued – sample months
- Training Modules
 - Customer Contact - various
 - Sales
 - Gas Marketing Code of Conduct
 - Financial Hardship and Payment Difficulties - various
 - Disconnections and Reconnection
 - Complaints - various
- Training records and sample monthly reports
- Financial Hardship Policy
- Financial Hardship Procedures
- Financial Hardship confirmation letter and email template, plus sample customer correspondence records
- Daily disconnection worklists - sample
- Records of customer calls regarding financial hardship - sample
- Disconnection Process – All Plan Types
- Disconnection - listing of all NG service requests raised during audit period
- Disconnection Warning Notices - sample
- Reminder Notices - sample
- NG disconnections payments reports – sample
- MSS disconnections and reconnections guidelines
- Reconnection Process – All Plan Types
- Collection agency trial – summary report
- Reconnection - listing of all NG service requests raised during audit period
- Kleenheat Customer Complaint Handling Policy and Procedure (2021)
- Customer complaints guide
- Complaints training session plan
- Complaints training presentation
- Complaints Tracker – listing of all complaints recorded during audit period
- Complaint Escalation Template - Natural Gas and LPG Reticulated
- Records of complaints correspondence
- Complaints report to Senior Management
- Confirmations and representations from Kleenheat staff listed above.