





25 July 2024

Blue Star Energy Pty Ltd

2024 performance audit

The Economic Regulation Authority has published the <u>2024 performance audit report</u> and the <u>post-audit implementation plan</u> for Blue Star Energy Pty Ltd's electricity retail licence ERL22.

Blue Star is authorised to sell electricity to large use customers in the South West Interconnected System.¹ It does not supply electricity to small use or residential customers.

Blue Star is a subsidiary of Infinite Energy. At 30 June 2023, Blue Star had 73 large use commercial customers.

The ERA's decision

The ERA considers that Blue Star has achieved a high level of compliance with its licence.

After considering the audit findings, the ERA has decided to increase the audit period from 48 months to 60 months. The next audit will cover the period 29 February 2024 to 28 February 2029, with the report due to be provided by 31 May 2029.

Audit findings

The audit of the 68 licence obligations applicable to Blue Star found two minor non-compliances and one control deficiency:

- Nine customer transfer requests were rejected by Western Power, as the nominated transfer date did not meet the specified timeframes in the *Electricity Industry (Customer Transfer) Code 2016* due to an administrative oversight.
- Blue Star did not include the above transfer request non-compliances in its annual compliance report to the ERA.

The control deficiency was due to a lack of internal procedures to ensure the non-compliance with the Customer Transfer Code was included in the annual compliance report to the ERA.

The auditor made two recommendations to address the non-compliances and control deficiency.

The post-audit implementation plan shows that Blue Star has addressed these recommendations.

¹ A large-use customer consumes more than 160 megawatt hours of electricity per year.

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The ERA's assessment of the audit findings

Blue Star has improved its performance since the 2020 audit, which found five minor non-compliances.

As with its previous audit in 2020, Blue Star has acted quickly to implement the auditor's recommendations, which shows its commitment to improving its controls to ensure it complies with its obligations.

The ERA considers that the non-compliances are minor administrative issues that are unlikely to have affected Blue Star's customers.

As Blue Star achieved a high level of compliance with its licence, the ERA has increased the audit period from 48 months to 60 months.

Further information

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