





AGL Energy – retail audit fact sheet

The Australian Energy Regulator (AER) required AGL Energy (AGL) to undertake an independent audit of its compliance with specific requirements of the National Energy Retail Law (Retail Law) and National Energy Retail Rules (Retail Rules).

In 2017 AGL was audited by Protiviti with respect to disconnection obligations under the Retail Law and Retail Rules as well as its compliance reporting obligations to the AER under Retail Law.

This fact sheet provides a summary of audit findings.

Grade	What the auditors found
 Grade: Red	<p>Retail Rule 111 – De-energisation for not paying bill</p> <p>The auditor found that there were instances where it could not verify AGL had made best endeavours to contact the customer after the disconnection warning notice and instance where it could not verify AGL offered the customer two payment plans within the 12 month period prior to disconnection for non-payment.</p> <p>AGL has advised that it believes it satisfies the requirement around ‘best endeavours’ by making the following attempts to contact a customer post the disconnection warning notice: by telephone, where phone contact has not been successful, by registered letter or by SMS where a mobile number has been provided by the customer.</p>
 Grade: Red	<p>Retail Rule 115 – De-energisation for non-notification by move-in or carry over customers</p> <p>The auditor found instances of wrongful disconnections for non-identification as a result of a system issue which resulted in disconnection warning notice files failing to send to the third party mail house.</p> <p>The auditor recommended that system testing and remediation be undertaken to resolve the issue. AGL has advised this has been completed.</p>
 Grade: Yellow	<p>Retail Rule 116 – When retailer must not arrange de-energisation</p> <p>Red</p> <p>The auditor found an isolated incident where the requirements of this rule were not met. The auditor made recommendations around staff re-training and process changes to eliminate a similar incident in the future.</p> <p>AGL has advised that it has taken steps towards addressing the process improvements suggested by the auditor.</p>
 Grade: Red/Yellow	<p>Compliance reporting to the AER</p> <p>Red</p> <p>The auditor found instances of partial compliance and non-compliance with the requirements on retailers to report to the AER under the Compliance Guideline.</p> <p>AGL has advised that it has taken steps towards addressing the process improvement required to address the auditor findings.</p>