



Endeavour Energy Life Support Compliance Audit

In June 2019 the Australian Energy Regulator (AER) required Endeavour Energy to carry out a compliance audit in connection with its life support obligations under the National Energy Retail Law and Rules.

Endeavour Energy was required to assess the adequacy and effectiveness of their compliance policies, procedures and systems in a number of key areas and to assign an overall grading of:

- **Adequate/Effective:** Minimal or no action required, with only minor and low risk findings. Improvement opportunities exist to achieve best practice in meeting the relevant obligations.
- **Partially adequate/effective:** Improvement is required to some key processes and controls, and is likely to require substantial effort in order to support compliance with the relevant obligations.
- **Inadequate/Ineffective:** Significant improvement is required, and may require urgent revision to or implementation of processes and controls in order to support compliance.

Findings

Registration of life support equipment

The audit identified an overdue internal procedures review, and a partially inadequate compliance program to monitor National Energy Customer Framework compliance.

Recommendations focused on implementing a review of policy and procedures and developing an effective compliance program.

Confirmation of premises as requiring life support equipment

The audit found all policies, procedures and systems were found to be adequate and effective.

Ongoing retailer and distributor obligations

The audit found that most policies, procedures and systems were found to be adequate and effective.

Recommendations focused on developing processes to reconcile life support register details with retailers and developing an effective compliance program.

Deregistration of premises

The audit found that all policies, procedures and systems were found to be adequate and effective.

Findings

Registration and deregistration details kept by retailers and distributors

The audit found that all policies, procedures and systems were found to be adequate and effective.

Reporting requirements for regulated entities – AER Compliance Procedures and Guidelines

The audit identified an undocumented procedure related to the review and approval of data and compliance information prior to submission to the AER.

Next steps

Endeavour Energy is currently completing a remediation plan to address the auditor's recommendations.