



## Evoenergy – gas Life Support Compliance Audit

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

Evoenergy 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 overreliance on manual processes to update their life support register and process weaknesses related to life support register reconciliation with retailers. Recommendations focused on developing effective life support register reconciliation through process enhancement and communication with retailers.

#### Confirmation of premises as requiring life support equipment

The audit identified instances where automation of exception reporting was lacking and an overreliance on manual processes. Recommendations focused developing effective life support register reconciliation through process enhancement and communication with retailers.

#### Ongoing retailer and distributor obligations

The audit identified process weaknesses related to life support register reconciliation with retailers.

Recommendations focused developing effective life support register reconciliation through process enhancement and communication with retailers.

### **Deregistration of premises**

The audit identified process weaknesses related to life support register reconciliation with retailers.

Recommendations focused developing effective life support register reconciliation through process enhancement and communication with retailers.

### **Registration and deregistration details kept by retailers and distributors**

The audit identified process weaknesses related to life support register reconciliation with retailers.

Recommendations focused on developing effective life support register reconciliation through process enhancement and communication with retailers.

### **Reporting requirements for regulated entities – AER Compliance Procedures and Guidelines**

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

### **Next steps**

Evoenergy is completing a remediation plan to address the audit recommendations.