



## Momentum Life Support Compliance Audit

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

Momentum 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 that medical confirmation forms did not meet all of the requirements, employee life support training was incomplete and policies, procedures and forms, although in place, had not been approved by regulatory compliance teams prior to implementation.

Recommendations focused on updating medical confirmation forms, completing staff training and enhancing sign-off processes.

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

The audit identified instances where Momentum Energy's medical confirmation forms were partially non-compliant, employee life support training had not been completed, and quality assurance sampling methodology was not targeting life support customers.

Recommendations focused on updating medical confirmation forms, completing staff training and updating systems to incorporate a life support flag for quality assurance testing.

## Findings

### **Ongoing retailer and distributor obligations**

The audit identified that quality assurance samples were selected randomly, with no way to identify if the customer was a life support customer or not.

Recommendations focused on updating systems to incorporate a life support flag for quality assurance testing.

### **Deregistration of premises**

The audit identified instances where deregistration notices did not meet all of the requirements and employee life support training was incomplete.

Audit recommendations focused on updating deregistration notices, completing staff training and quality assurance practices to ensure all training completion records are periodically reviewed.

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

100 per cent of policies, procedures and systems were found to be adequate and effective.

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

Most policies, procedures and systems were found to be adequate and effective.

The remainder were found to be partially effective and related to the reporting of inaccurate information to the AER.

Recommendations focused on establishing a process of critical review before submitting data to the AER.

## **Next steps**

Momentum Energy has completed a remediation plan to address the audit recommendations.