

In July 2021, the Australian Energy Regulator (AER) required ReAmped Energy to carry out a reasonable assurance compliance audit in connection with its disconnection and hardship obligations under the National Energy Retail Law and Rules, and its obligation to submit compliance information and data to the AER under the AER Compliance Procedures and Guidelines.

ReAmped Energy was required to assess the adequacy and effectiveness of their disconnection, hardship and compliance policies, procedures and systems.

Below is a summary of the key findings and recommendations made by ReAmped Energy 's nominated auditor, Centium Group. ReAmped Energy has considered the recommendation/s and an implementation plan has been undertaken.

Findings

Recommendations

Partial compliance

Finding 1: The Hardship Policy does not define the process to trigger a review. The policy is also due for review.

Recommendation 1: Update the Hardship Policy (i.e. section 23: Review of the Policy) to indicate that the policy will be reviewed, including to incorporate variations in accordance with any requirements or changes set out by the AER. Review the Hardship Policy and ensure that it reflects current operational and regulatory requirements.

Finding 2: No formal training for the Customer Experience Team to enable the identification of customers experiencing payment difficulties and/or build understanding of compliance requirements for hardship and payment plans.

Recommendation 2: Implement formal training and refresher training for the Customer Experience Team enable identification of customers experiencing payment difficulties and treatment according to the Hardship Policy. The training should also seek to build awareness of the compliance requirements for hardship and payment plans.

Finding 3: Delays in following up with customers who have missed payments in their payment plan.

Finding 4: Assessment of customer complaints for instances of customers in or potentially in arrears.

Finding 5: Assessing the appropriateness of debt collection as a course of action.

Finding 6: Advising credit agency where debt collection activity has been undertaken.

Finding 7: Maintaining de-energisation checklist as evidence of checking performed.

Finding 8: Evidence of the reported information is based on sound information systems and records, and they are accurate and reliable.

Finding 9: Risks in the measures for detecting and reporting non-compliance.

Finding 10: Information sessions for compliance system users and upskilling staff for submission of information according to the Guidelines.

Recommendation 3: Review the system reassignment of tickets to ensure that any errors are rectified to allow for a timely review of payment plans and follow up of missed payments.

Recommendation 4: Include in the Quality Assurance scorecard a review of the process for managing customers with payment difficulties.

Recommendation 5: Include in the debt recovery procedures, the requirement to utilise credit agency and disputer information when assessing whether debt collection is the most appropriate course of action.

Recommendation 6: Document their agreed practice that customer defaults will not be reported to credit reporting bodies in the debt collection procedure.

Recommendation 7: Maintain the de-energisation checklist in the review forum as evidence that customer's account had been checked against the criteria before de-energisation.

Recommendation 8: Document the analytical review and the sample testing performed to substantiate that the information reported is based on sound information systems and records, accurate and reliable.

Recommendation 9: Document the compliance and performance reporting process. Cross train staff to perform the compliance and performance reporting functions.

Recommendation 10: Develop training materials and training schedules to provide training and refresher training (on a regular schedule) to all compliance system users to reinforce breach reporting processes. Develop cross-training to upskill staff to perform compliance and performance reporting functions.

Non-compliance

Finding 1: Conflict of Interest declaration and management

Recommendation 1: Develop a process where staff declare their interests with debt collection agencies and/or customers experiencing hardship. This will allow conflict of interests to be identified and managed.

Finding 2: Reports to identify and monitor customer requests for the Hardship Policy.

Recommendation 2: Implement a process to identify and monitor when the Hardship Policy has been requested by and sent to a customer; include exception reporting of unsent/failed delivery of the Hardship Policy.

Improvement opportunity

Finding 1: Communication with the customer regarding their rights and responsibilities in the event of debt collection.

Recommendation 1: Discuss the process with the debt collecting agent and reach agreement that the agent will communicate the customer's rights and responsibilities in the event of debt collection.