

Australian Energy Market Operator

Self-reported breach by Alinta Energy

Apparent breach of Retail Market Procedures (WA) 72(1) and 79(1) by Alinta Energy in 2016

Overview:

Clause 350(2) of the WA Retail Market Procedures (“Procedures”) requires a user to appoint an auditor each year to undertake a “negative assurance audit” of its compliance with certain clauses.

The audit for Alinta Energy for calendar year 2016 revealed Alinta Energy was in breach of clauses 72(1) and 79(1) of the Procedures as outlined below.

Clause 72(1) – Explicit informed consent (EIC) for MIRN discovery requests

There were three instances in 2016 where a customer had called Alinta Energy to verify their gas connection and during the call the representative, after identifying that the MIRN was not recorded in Alinta Energy’s system, continued to set up the customer account without obtaining the customer’s EIC to the receipt by the user of the MIRN standing data.

Clause 79(1) – EIC for transfer requests

For residential customers:

- There were three instances in 2016 where EIC was not obtained before lodging the transfer request. All three instances related to transfer requests being submitted through websites which did not include customer’s EIC to transfer.
- There were six instances in 2016 where a customer did not expressly provide EIC during the recorded voice call. During these calls the representative read the relevant script to the customer, however the customer did not specifically acknowledge the information read to them.

For business customers, there were six instances in 2016 where the customer’s EIC was not obtained before the transfer request was lodged.

These appear to be a breach of clauses 72(1) and 79(1) of the Procedures by Alinta Energy.

Clauses 72(1) and 79(1) of the Procedures reads as follows:

72. Explicit informed consent required

(1) Before lodging a MIRN discovery request with a network operator, a user must obtain the customer’s explicit informed consent to the receipt by the user of the MIRN standing data that relates to the customer’s delivery point.

{Note: The user should ensure that the customer’s consent extends to all actions the user may need to undertake to complete the MIRN discovery process, for example, subsequent lodgements if the first MIRN discovery request is rejected, liaison with the network operator under clause 76 and the subsequent report that the network operator is required to provide AEMO under clause 73(1).}

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79. Explicit informed consent

(1) Before lodging a transfer request with AEMO, an incoming user must obtain the transferring customer's explicit informed consent to the lodgement.

{Note: This consent could be obtained at the same time, and on the same form, as consent under clause 72, and may include consent for the purposes of clause 82(a).}

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Impact:

Alinta Energy advised AEMO that there were no adverse impacts on other market participants or customers.

Resolution:

Alinta Energy has taken the following actions:

- Re-issued the relevant instructions to its representatives who handle these call types and has committed to ensuring that this matter is adequately accommodated in foundation and refresher training programs.
- Updated its processes involving transfer requests via websites – added customer's EIC to the online process or to call the customer to obtain customer's EIC before lodging the transfer request (if required).
- Committed to ensuring that this matter is adequately accommodated in foundation and refresher training programs.
- Incorporated a specific EIC paragraph in all business customer contracts since November 2016.

Proposed Further Actions:

There is no further action required.

Invitation for submissions:

Before determining whether any further action is required, AEMO invites written submissions from participants as to:

- the effect that this incident has on their operations, and
- their view with regard to the determination, if any, AEMO should make under clause 329 of the Procedures in respect of the apparent breaches of the Retail Market Procedures.

Submissions are requested by no later than 5:00pm (AEST) **Monday 22/05/2017**. Submissions should be sent by e-mail to rmo@aemo.com.au.

Alternatively, submissions can be sent by post to AEMO at:

Chin Chan
AEMO
GPO Box 2008
Melbourne
VIC 3001

If you have any questions regarding this matter, please contact Carol Poon on (03) 9609 8509.

Chin Chan
Group Manager – Market Management
Australian Energy Market Operator

Phone: (03) 9609 8345
Email: chin.chan@aemo.com.au