





Next Business Energy – retail audit fact sheet



Next Business Energy is a small energy retailer that sells electricity. Next Business Energy underwent a baseline audit by RSM on the following topics.

Grade	What the auditors found and recommended
	<p>Compliance and Performance reporting</p> <p>Next Business Energy’s controls failed to ensure it was fully compliant in meeting its obligations for compliance and performance reporting.</p> <p>The auditor found that staff interpreted reporting requirements inconsistently, and did not have an adequate process to ensure that the data provided to the commission was accurate.</p> <p>The auditor recommended Next Business Energy implement a formal review process before reporting data, and document the validation process in its updated guidelines.</p>
	<p>Life support</p> <p>Next Business Energy’s life support controls were assessed as adequate and effective.</p>
	<p>Marketing</p> <p>Next Business Energy’s controls failed to ensure it was fully compliant in meetings its obligations for marketing.</p> <p>The auditor found three instances where sales scripts weren’t completely followed and an explicit “yes” was not given from the customers.</p> <p>The auditor recommended Next Business Energy provide refresher training on customer consent, as well as provide training on identifying errors when conducting quality assurance verification.</p>
	<p>Billing</p> <p>Next Business Energy’s billing controls were assessed as adequate and effective.</p>



Advanced metering infrastructure

Next Business Energy's advanced metering infrastructure controls were assessed as adequate and effective.



Financial hardship

Next Business Energy's financial hardship controls were assessed as adequate and effective.



Disconnections and reconnections

Next Business Energy's disconnection and reconnection controls were assessed as adequate and effective.



Complaints and dispute resolution

Next Business Energy's complaint and dispute resolution controls were assessed as adequate and effective.

The auditor recommended Next Business Energy update its complaints register, to ensure that complaints which are escalated have sufficient evidence on file to ensure they have been closed appropriately.



Tariff variation determination

Next Business Energy's tariff variation controls were assessed as adequate and effective.

Deemed customer arrangements

Next Business Energy's controls failed to ensure it was fully compliant in meeting its obligations for managing deemed customers.



Next Business Energy self-identified one instance where deemed customer information did not include full references to pricing. This was reported to the commission.

Next Business Energy has since updated its templates and processes for managing deemed customer arrangements, and has also undertaken self-audits to ensure correct information is being given to customers.

The auditor recommended Next Business Energy continue to monitor details provided to deemed customers, to ensure it provides relevant pricing information.



Commission's response: The audit found that Next Business Energy generally had controls in place to ensure compliance with the relevant regulatory obligations.

The auditor identified a need for improvement in the way Next Business Energy manages its obligations for compliance and performance reporting, marketing and deemed customer arrangements.

We consider compliance and performance data to be integral in determining a licensee's ability to operate compliantly. We will audit Next Business Energy's compliance and performance reporting obligations, as well as its marketing and deemed customer arrangements in 2019.

Next Business Energy accepted the audit findings and has provided the commission with a plan for addressing the audit recommendations.

The commission would like to thank Next Business Energy and RSM for their collaborative and co-operative approach to the audit.