

Blue NRG – retail audit fact sheet



Blue NRG is a small retailer that sells electricity. As a newer retailer, Blue NRG was required to undergo a baseline audit. In 2017, Blue NRG was audited by Grant Thornton on 10 topics:

Grade	What the auditors found
	Compliance performance and reporting The audit found that Blue NRG doesn't have an adequate compliance management system in place to promote and support a compliance culture.
	Life support Blue NRG demonstrated it has some knowledge of the key requirements relating to life support customers (e.g. not disconnecting and registering the premises). However, the audit revealed there is no formalised training and some relevant procedures are not documented.
	Marketing The audit indicated that Blue NRG does not have adequate supervision of its outsourced sales partners and should implement a quality assurance program. Furthermore, the controls relating to training and retaining explicit informed consent records were insufficient.
	Billing Blue NRG's bills did not contain the required information under the Energy Retail Code, such as the greenhouse gas emissions disclosure and the average daily consumption.
	Advanced Metering Infrastructure The auditor recommended that Blue NRG review and update its risk register to ensure AMI regulatory obligations are current and adhered to. Furthermore, some specific information relating to AMI meters should be displayed on bills.
	Financial hardship program Blue NRG policies and procedures were identified as effective, however its hardship policy was last reviewed in 2014. The auditor recommended Blue NRG conduct this review more frequently.
	Disconnections and reconnections The auditor recommended Blue NRG improve its system to check disconnection letters are accurate, and that formal training is given to staff to record accurate information in Blue NRG's systems and communicate effectively.
	Complaints and dispute resolution The audit found Blue NRG's policies and procedures are effective and current. The auditor recommended Blue NRG implements a process to analyse complaint data.





Tariff variations

The auditor recommended that Blue NRG review and improve its process to ensure tariff variation information is communicated in line with regulatory obligations.



Deemed customer arrangements

The auditor recommended Blue NRG review and improve its process to ensure deemed customers are identified, and that the letters sent to deemed customers are timely, accurate and contain required information.

Commission's response: The audit found that Blue NRG require a significant range of process improvements to ensure its operations are compliant.

Blue NRG's lack of formalised documentation and supervision of outsourced functions has impeded its ability to achieve sound compliance grades. The commission notes recent changes in Blue NRG's management. This has affected Blue NRG's ability to provide information on procedures. Blue NRG has provided an action plan to address all process improvements.

The commission would like to thank Blue NRG and Grant Thornton for their collaborative and co-operative approach to the audit.

