Powershop is a small energy retailer that sells electricity

As a newer retailer, Powershop was required to undergo a baseline audit. In 2017, Powershop was audited by BDO on 10 topics:

<table>
<thead>
<tr>
<th>Grade</th>
<th>What the auditors found</th>
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| ⚫     | **Compliance performance and reporting**  
The audit indicated that Powershop’s processes and controls were effective. The auditors recommended improving maintenance of a procedure document relating to performance reporting data. |
| ⚫     | **Life support**  
The audit found that Powershop’s processes and controls were effective. The auditor made recommendations to improve processes in this area to develop a policy/procedure document relating to life support management processes. |
| ⚫     | **Marketing**  
The auditor recommended Powershop develop quality assurance checks for all sales channels and ensure appropriate training is conducted for all staff. |
| ⚫     | **Billing**  
The audit indicated that Powershop’s processes and controls were effective. The auditor made recommendations to improve processes in this area, to develop a policy/procedure document relating to billing calculation, reconciliation and dispute resolution policy and processes. |
| ⚫     | **Advanced Metering Infrastructure**  
The audit indicated that Powershop’s processes and controls were effective. |
| ⚫     | **Financial hardship program**  
The audit indicated that Powershop’s processes and controls were effective. The auditor made recommendations to improve processes in this area, to develop a policy/procedure to guide staff on debt and hardship customers (this has since been implemented). |
| ⚫     | **Disconnections and reconnections**  
The audit indicated that Powershop’s processes and controls were effective. The auditor made recommendations to improve processes in this area, to update information on their disconnection warning notices. |
| ⚫     | **Complaints and dispute resolution**  
The audit indicated that Powershop’s processes and controls were effective. |
**Tariff variations**
The audit indicated that Powershop’s processes and controls were effective.

**Deemed customer arrangements**
The audit indicated that Powershop’s processes and controls were effective.

**Commission’s response:** The audit found that Powershop were operating compliantly within the industry, despite not having many of its internal processes documented.

Powershop updated and implemented a number of process documents prior to the completion of the audit process.

Powershop provided commission staff with a comprehensive action plan to address all remaining process improvements.

The commission would like to thank Powershop and BDO for their collaborative and co-operative approach to the audit.