




Sumo Power – retail audit fact sheet



Sumo Power is a small retailer that sells electricity and gas. Sumo Power underwent a baseline audit by Deloitte on the following topics.

Grade	What the auditors found and recommended
	<p>Compliance and performance reporting</p> <p>Sumo Power's controls failed to ensure it was fully compliant in meeting its obligations for compliance and performance reporting.</p> <p>The auditor found Sumo Power was delayed in reporting breaches to the commission due to a system-based oversight.</p> <p>The auditor recommended Sumo Power develop a plan to test its controls and systems against obligations under the Energy Retail Code and Code of Conduct for Marketing Retail Energy.</p>
	<p>Life support</p> <p>Sumo Power's life support controls were assessed as adequate and effective.</p>
	<p>Marketing</p> <p>Sumo Power's controls failed to ensure it was fully compliant in meeting its obligations for marketing.</p> <p>The auditor found that Sumo Power's training registers were inconsistent between sales channels and training about the company's hardship program was limited. The auditor also found one sales channels did not record the full length of a call when telemarketing.</p> <p>The auditor recommended Sumo Power update staff training, create training registers for each sales channel, and ensure any incomplete call recordings are flagged and followed up.</p>



Billing

Sumo Power's controls failed to ensure it was fully compliant in meeting its obligations for billing.



The auditor found a unique instance where an electricity invoice template was used for gas customers. The issue was immediately self-identified and rectified by resending invoices on the correct templates.

The auditor recommended that Sumo Power regularly inspect the controls of its third-party print house and review the quality checks performed on printed output.

Advanced metering infrastructure



Sumo Power's advanced metering infrastructure controls were assessed as adequate and effective.

Financial hardship



Sumo Power's financial hardship controls were assessed as adequate and effective.

Disconnections and reconnections



Sumo Power's disconnection and reconnection controls were assessed as adequate and effective.

Complaints and dispute resolution



Sumo Power's controls for complaint and dispute resolution were assessed as adequate and effective.

The auditor recommended Sumo Power regularly review its complaints register for trends and potential breach identification.

Tariff variation determination



Sumo Power's tariff variation controls were assessed as adequate and effective.

Deemed customer arrangements



Sumo Power's controls for deemed customer arrangements were assessed as adequate and effective.



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

The auditor identified a need for improvement in the way Sumo Power manages its compliance and performance reporting, marketing and billing obligations.

We consider compliance and performance data to be integral in determining a licensee's ability to operate compliantly. We will audit Sumo Power's compliance and performance reporting obligations, as well as its marketing and billing controls in 2019.

Sumo Power accepted the audit findings and has provided the commission with a plan for addressing the audit recommendations.

The commission would like to thank Sumo Power and Deloitte for their collaborative and co-operative approach to the audit.