

**POST-AUDIT ACTION PLAN
ERL12 PERFORMANCE AUDIT FINDINGS**

Reference Item	Compliance Manual Ref #	Requirement	Audit Priority	Compliance Rating	Auditor Recommendation	Proposed Action
CURRENT (2018) AUDIT NON-COMPLIANCES AND RECOMMENDATIONS						
1/2018/ERL12	45	COMPLIANT- CONTROLS IMPROVEMENT <i>A previous retailer must not bill a contestable customer for charges incurred after the transfer time, except in the case of an erroneous transfer.</i>	4	A1	The licensee is moving towards automated data management as part of an upgrade to their Oracle database. The licensee has identified that new processes will need to be implemented to ensure continued compliance. Ensure data management controls are implemented following the Oracle Upgrade to ensure billing errors can be prevented.	Action Plan 1/2018/ERL12 As part of the system upgrade, Bluewaters will develop effective controls to guarantee the accuracy and integrity of data as presented by Western Power. These controls will be rigorously tested before deployment and will be well documented. This process will be tested annually by our appointed external auditors. Responsible Person: IT Department Manager Target Date: 31/12/2018
2/2018/ERL12	105	COMPLIANT- CONTROLS IMPROVEMENT Payment of Fees A licensee must pay the prescribed licence fees to the ERA according to clauses 6, 7 and 8 of the Economic Regulation Authority (Licensing Funding) Regulations 2014 NOTE: Economic Regulation Authority (Licensing Funding) Regulations 2014, commenced on 1 January 2015.	2	B1	Ensure payment of and scheduling of payment for licence fees is captured in compliance or accounting systems. Noted that the previous 2 audits have flagged this issue of potential late payment of fees and the compliance scheduling system recommended in 2010 audit was developed but has not been well implemented. Single source reliance on staff diligence continues to give rise to the opportunity of non-compliance.	Action Plan 2/2018/ERL12 At the directive of the CEO, Bluewaters has allocated resources to and is progressing with a compliance review. The appropriate control processes will be developed as an outcome of this project. Bluewaters will implement the auditor's recommendation into its accounts payable and compliance procedures. Responsible Person: General Manager Finance and Accounting Target Date: 31/07/2018
3/2018/ERL12	124	NON-COMPLIANT A licensee must provide the ERA, in the manner prescribed, with any information that	2	B2	The 2016 Annual Compliance Report was submitted late and all other reports during the audit period were submitted on or just prior to the due date. The Compliance	Action Plan 3/2018/ERL12 At the directive of the CEO, Bluewaters has allocated resources to and is progressing with a compliance

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		the ERA requires in connection with its functions under the Electricity Industry Act.			Monitoring Spreadsheet developed following the previous audit report was found to be ineffective in ensuring compliance. This finding was identified in the previous audit refer 2/2014. Develop a compliance process to ensure reporting requirements are adhered to.	review. The appropriate control processes will be developed as an outcome of this project. Bluewaters will implement the auditor's recommendation into its compliance framework and develop effective procedures to ensure this Report is embedded in organisational processes. Responsible Person: General Manager Finance and Accounting Target Date: 30/09/2018
4/2018/ERL12	339 408	COMPLIANT- CONTROLS IMPROVEMENT There is no formalised process established to record initial contact by a customer other than email for meter discrepancy queries or changes to site attributes. As such, currently there would be no other measurable way of determining communication as soon as practicable or whether the 1 business day rule has been met unless this initial contact is recorded. Further compliance with requirement is not captured in the Compliance Monitoring Spreadsheet.	4	BNR	Establish business process to ensure the initial contact made by a customer or contact made by BW1 Pty Ltd to customer or WPN is better tracked where the contact is made via telephone or verbal in nature. This will assist in ensuring compliance with clause 4.5(2) of the Metering Code.	Action Plan 4/2018/ERL12 Bluewaters will develop and implement a guidance document which outlines the organisation's key statutory and regulatory obligations. As a subset of each obligation, processes will be detailed to instruct the user how to comply with each requirement where applicable. Responsible Person: General Manager Finance and Accounting Target Date: 30/09/2018

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Reference Item	Compliance Manual Ref #	Requirement	Date Resolved	2018 Auditor Comment	Proposed Action
PREVIOUS (2014) AUDIT NON-COMPLIANCES AND RECOMMENDATIONS					
1/2014	19 48* 469 ** Note: Ref 48* is obsolete as of 31/10/2016 due to removal of Annex 6. Replaced by Ref 48A Ref 469** Now 448 refer Electricity Compliance Reporting Manual – July 2017	BP1 (i.e. BW1) develop simple guidance documents to assist in ensuring that relevant staff: • Are aware of BP1's obligations under the relevant Licence condition, Customer Transfer Code and Metering Code • Recognise instances which trigger those requirements, such as any new interaction with customers • Follow the correct procedures for complying with those requirements.	Unresolved	Further Action Required: YES The Licensee is currently progressing with a Compliance Review under the direction of the CEO and management of the GM of HR. It is understood that the requirements of ERL12 will form part of the control processes developed. The project has commenced and a time line for completion has been established. This was sighted during the audit.	Action Plan 1/2014 This reference item will be addressed by the proposed action plans 3/2018/ERL12 and 4/2018/ERL12 noted in the <i>Current (2018) Audit Non-Compliances and Recommendations</i> above.
2/2014	105 124	BP1 apply an effective compliance framework to its Licence obligations to enable:	Unresolved	Further Action Required: YES The Excel spreadsheet (Compliance Monitoring Spreadsheet) was developed but	Action Plan 2/2014 This reference item will be addressed by the proposed action plans 3/2018/ERL12 and

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		<ul style="list-style-type: none"> • Key compliance requirements to be recognised by all relevant staff • Key dates and actions required by applicable legislation to be monitored • Reminders to be set to ensure completion • If appropriate, an internal compliance audit process to be applied. 		was not implemented and the copies sighted during the audit were out of date. It was also not used on site by persons responsible for the obligations. The current Compliance Program implemented at the directive of the CEO that the organisation is undertaking should adequately address this recommendation. Refer 1/2014. It is noted that the General Manager Environment and Compliance is no longer responsible for this action.	4/2018/ERL12 noted in the <i>Current (2018) Audit Non-Compliances and Recommendations</i> above.
3/2014	53 123 126 475* *Now Ref 454	BP1 establish an effective records management framework and function to support (among other business needs) its requirements for maintaining records of correspondence and other key references relevant to its Licence obligations.	Unresolved	<p>Further Action Required: YES</p> <p>The Licensee is currently progressing with a Compliance Review under the direction of the CEO and management of the GM of HR. The Document Structure and Control System is being redone and a new system implemented. This will form part of the processes developed. The project has commenced and a time line for completion has been established. This was sighted during the audit.</p>	<p>Action Plan 3/2014</p> <p>At the directive of the CEO, Bluewaters has allocated resources to and is progressing with a compliance review. The appropriate control processes for records management will be developed and accountabilities assigned as an outcome of this project.</p> <p>Responsible Person: General Manager Human Resources Target Date: 31/01/2019</p>