

# **Alinta Energy Transmission (Roy Hill) Pty Ltd**

Electricity Integrated Regional Licence (EIRL6)  
2022 Performance Audit

Final report

April 2023



ASSURANCE  
ADVISORY  
GROUP

Level 11, 251 Adelaide Terrace  
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17 April 2023

Catherine Rousch  
Manager WA Retail Regulation  
Alinta Energy  
Level 18 Raine Square, 300 Murray Street  
Perth WA 6000

Dear Catherine

**Electricity Integrated Regional Licence (EIRL6) – 2022 Performance Audit report**

We have completed the Electricity Integrated Regional Licence Performance Audit report for Alinta Energy Transmission (Roy Hill) Pty Ltd for the period 1 October 2019 to 30 September 2022 and are pleased to submit our report to you.

I confirm that this report is an accurate presentation of the findings and conclusions from our audit procedures.

If you have any questions or wish to discuss anything raised in the report, please contact Andrew Baldwin at [abaldwin@assuranceadvisory.com.au](mailto:abaldwin@assuranceadvisory.com.au) or myself at [slinden@assuranceadvisory.com.au](mailto:slinden@assuranceadvisory.com.au).

Yours sincerely

**Assurance Advisory Group**



**Stephen Linden**

**Director**

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# 1. Independent assurance practitioner's report

## Modified opinion

We have undertaken a reasonable assurance engagement on Alinta Energy Transmission (Roy Hill) Pty Ltd's (AETRH) compliance, in all material respects, with the conditions of its Electricity Integrated Regional Licence (EIRL 6) (the **Licence**) and relevant legislative obligations for the period 1 October 2019 to 30 September 2022. Our evaluation was made against the licence obligations listed in the relevant versions of the Economic Regulation Authority's (the **ERA**) Electricity Compliance Reporting Manual (the **Reporting Manual**) and in accordance with the ERA's March 2019 Audit and Review Guidelines: Electricity and Gas Licences (the **Guidelines**).

In our opinion, based on the procedures we have performed and the evidence we have obtained, except for the effects of the matter described in the 'Basis for modified opinion' paragraph below, AETRH has complied, in all material respects, with its licence conditions and relevant legislative obligations for the period 1 October 2019 to 30 September 2022.

## Basis for modified opinion

During the period 1 October 2019 to 30 September 2022, AETRH did not comply with the following licence obligations, which are rated as having a minor effect on customers or third parties (per the Guidelines):

Reporting Manual number and Licence obligation		Description
319 320 326 327	<b><i>Metering Code</i></b> <u>Meters and Metering Installations</u> <b><i>Clause 3.1, 3.2(1), 3.5(1) and (2), 3.5(3)</i></b>	AETRH has not yet established a metering management plan or equivalent to address the requirements of the Metering Code concerning: <ul style="list-style-type: none"> <li>Installation and maintenance of meters in accordance with an applicable metrology procedure, the specifications of the National Measurement Institute under the National Measurements Act; and the functionality and testing requirements outlined in Part 3 of the Metering Code (obligations 319, 320, 326, 327 and 357)</li> <li>Compliance with all applicable agreements, rules, procedures, criteria and processes outlined in Part 6 of the Metering Code (obligations 448A and 448C).</li> </ul>
357	<u>Enhanced Technology of Metering Installations</u> <b><i>Clause 3.21(1)</i></b>	
448A 448C	<u>Network operator must establish documents</u> <b><i>Clause 6.2, 6.19A(1)</i></b>	
366	<b><i>Metering Code Clause 4.1(1)</i></b> A network operator must establish, maintain and administer a metering database containing standing data and energy data for each metering point on its network.	AETRH's CT and VT meters installed at the AETRH/AETC connection point had not been included on the AETRH metering database.

Reporting Manual number and Licence obligation		Description
369	<b>Metering Code clause 4.2(1)</b> A network operator must ensure that its registry complies with the Code and the prescribed clause of the market rules.	Obligation 370 - clause 4.3(1) of the Metering Code requires AETRH's metering database to contain the 30 specified standing data items. AETRH's metering database contained the prerequisite standing data item headings, but had not provided data or commentary on items: (4) Voltage at metering point, (5) Distribution loss factor, (14) NMI meter, (20) Summation scheme values and multipliers, (21) Data register coding details, (27) Algorithms.  Obligation 369 is non-compliant as a result of the metering registry not complying with the Code, per Obligation 370.
370	<b>Metering Code clause 4.3(1)</b> The standing data for a metering point must comprise at least the items specified.	

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3100 *Compliance Engagements (ASAE 3100)* issued by the Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

#### **AETRH's responsibility for compliance with the conditions of the Licence**

AETRH is responsible for:

- Compliance with the Licence as evaluated against the conditions within the Licence, for the period 1 October 2019 to 30 September 2022
- Identifying risks that threaten the conditions within the Licence identified above being met
- Identifying suitable compliance requirements as specified by the ERA
- Identifying, designing and implementing controls to enable the conditions within the Licence to be met and to monitor ongoing compliance.

#### **Our independence and quality control**

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We applied Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

#### **Our responsibilities**

Our responsibility is to express an opinion on AETRH's compliance, in all material respects, with the licence obligations as evaluated against its Licence Conditions for the period 1 October 2019 to 30 September 2022. ASAE 3100 requires that we plan and perform our procedures to obtain reasonable assurance about whether AETRH has complied, in all material respects, with the licence obligations as evaluated against its Licence Conditions for the period from 1 October 2019 to 30 September 2022.

A reasonable assurance engagement in accordance with ASAE 3100, to report on AETRH's compliance with the licence obligations as evaluated against its Licence Conditions involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the conditions within the Licence. The procedures selected depend on our judgement, including the identification and assessment of risks of material non-compliance with the licence obligations as evaluated against its Licence Conditions.

Our procedures included:

- Utilising the Audit Guidelines and the February 2022 Reporting Manual as a guide for development of a risk assessment and document review to assess controls
- Development of an Audit Plan for approval by the ERA and an associated work program, set out in Appendix A
- Interviews with and representations from relevant AETRH representatives to gain an understanding of process controls
- Review of documents and walkthrough of processes and controls to support the assessment of compliance and the effectiveness of the control environment in accordance with Licence obligations
- Sample testing where relevant.

### **Inherent Limitations**

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error or non-compliance with compliance requirements may occur and not be detected. A reasonable assurance engagement relating to the period from 1 October 2019 to 30 September 2022 does not provide assurance on whether compliance with the Licence will continue in the future.

### **Restricted use**

This report has been prepared for use by AETRH for the purpose of satisfying its obligation under Section 13 of the Electricity Industry Act 2004. We disclaim any assumption of responsibility for any reliance on this report to any person other than AETRH, or for any other purpose other than that for which it was prepared. We understand that a copy of the report will be provided to the ERA for the purpose of reporting on the performance audit for the Licence. We agree that a copy of this report will be given to the ERA in connection with this purpose, however we accept no responsibility to the ERA or to anyone who is provided with or obtains a copy of our report.

### **Assurance Advisory Group**

  
**Stephen Linden**  
**Director**

17 April 2023

## 2. Executive Summary

### 2.1 Introduction and Background

The Economic Regulation Authority (the **ERA**) has under the provisions of the Electricity Industry Act 2004 (the **Act**), issued to Alinta Energy Transmission (Roy Hill) Pty Ltd (**AETRH**) an Electricity Integrated Regional Licence (EIRL6) (the **Licence**).

The Licence relates to AETRH's operation of electricity generation, transmission, distribution and retail activity in relation to its supply of power from its Newman Power Station and transmission to customers in the Pilbara region of Western Australia. AETRH operates as a subsidiary within the Alinta Group and is supported by the resource and system capabilities of Alinta Energy.

Section 13 of the Act requires AETRH to provide to the ERA a performance audit (the **audit**) conducted by an independent expert acceptable to the ERA within 24 months after the commencement date, and every 24 months thereafter, unless otherwise approved by the ERA. With the ERA's approval, Assurance Advisory Group (**AAG**) has been appointed to conduct the audit for the period 1 October 2019 to 30 September 2022 (**audit period**).

The audit has been conducted in accordance with the ERA's March 2019 issue of the *Audit and Review Guidelines: Electricity and Gas Licences* (**Audit Guidelines**).

### 2.2 Observations

In considering AETRH's internal control procedures, structure and environment, its compliance culture and its information systems specifically relevant to those licence obligations subject to audit, we observed that:

- As a subsidiary of Alinta Energy, AETRH's processes and arrangements for managing its electricity licence obligations are provided by Alinta Energy
- For several Metering Code requirements that were rated by the previous audit as non-compliant, AETRH has made improvements to demonstrate greater compliance with those obligations
- AETRH remains in the process of addressing technical metering matters relating to its role as a network operator, which had previously been reported as minor non-compliances with the Metering Code
- Through Alinta Energy, AETRH has otherwise implemented and maintained an appropriate framework for managing compliance with the licence conditions, including information reporting obligations.

### 2.3 Findings

The following tables summarise the assessments made during the audit on AETRH's compliance and the adequacy of controls in place for AETRH to manage its compliance with the relevant obligations or conditions of the Licence.

Table 1 sets out the rating scale defined by the ERA in the Audit Guidelines for the assessment of the level of compliance with the conditions of the Licence. For the highest possible compliance rating to be achieved, AETRH was required to demonstrate it has maintained mature processes and controls, which facilitate compliance with relevant obligations.

Table 1: Control adequacy and compliance rating scale

Controls Rating		Compliance Rating	
Rating	Description	Rating	Description
A	Adequate controls – no improvement needed	1	Compliant
B	Generally adequate controls – improvement needed	2	Non-compliant – minor impact on customers or third parties
C	Inadequate controls – significant improvement required	3	Non-compliant – moderate impact on customers or third parties
D	No controls evident	4	Non-compliant – major impact on customers or third parties
N/P	Not performed – A controls rating was not required	N/R	Not rated – No activity took place during the audit period

**Table 5** at section 3 of this report provides further detail on the controls and compliance rating scales. The above rating scale is defined by the Audit Guidelines.

Table 2: Summary of findings, by **compliance and controls ratings**

		Compliance rating					Total
		1	2	3	4	N/R	
Controls rating	A	2					<b>2</b>
	B	5	10				<b>15</b>
	C						-
	D						-
	N/P	46				103	<b>149</b>
	Total	<b>53</b>	<b>10</b>	-	-	<b>103</b>	<b>166</b>

Table 3: Summary of findings, by **audit priority and controls rating**

Audit Priority	Controls rating					Total
	A	B	C	D	N/P	
Priority 1						-
Priority 2	2	11			1	<b>14</b>
Priority 3						
Priority 4		3			124	<b>127</b>
Priority 5		1			24	<b>25</b>
Total	<b>2</b>	<b>15</b>	-	-	<b>149</b>	<b>166</b>

Table 4: Summary of findings, by audit priority and compliance rating

Audit Priority	Compliance rating					Total
	1	2	3	4	N/R	
Priority 1						-
Priority 2	7	6			1	14
Priority 3						-
Priority 4	37	3			87	127
Priority 5	9	1			15	25
Total	53	10	-	-	103	166

Note that, in accordance with the Audit Guidelines:

- Obligations assessed as being “not applicable” to AETRH’s operations have not been included within this report
- A control rating is only provided
  - For those obligations with a Priority 1, 2 or 3 rating
  - Where an obligation is assessed as non-compliant
  - Where a control improvement opportunity is identified.

Specific assessments for each Licence obligation are summarised at Table 5 in the “Summary of findings” section of this report.

Detailed findings, including relevant observations, recommendations and action plans are located in section 4 “Detailed findings, recommendations and action plans”.

## 2.4 AETRH's response to previous audit recommendations

This audit considered AETRH's progress in completing the action plans detailed in the 2019 performance audit report.

Based on our examination of relevant documents, discussion with staff and consideration of the results of our testing against the associated licence obligations, we determined that AETRH has not yet fully completed the two action plans detailed in the 2019 report.

Refer to section 5 "Previous audit non-compliances and recommendations" for further detail.

## 2.5 Current audit non-compliances, recommendations and action plans

### A. Resolved during current audit period

Licence obligation ref no. / Recommendation ref from previous audit	Non-compliance / Controls improvement (Rating / Licence obligation / Details of non-compliance or inadequacy of controls)	Date resolved & action taken by the licensee	Auditor's comments
Not applicable - there are no non-compliances that were resolved during this audit period.			

### B. Unresolved at end of current audit period

Reference (no./year)	Non-compliance / Controls improvement (Rating / Licence obligation reference number and licence obligation / Details of noncompliance or inadequacy of controls)	Auditor's recommendation	Action taken
1/2022	<p><b>B2</b></p> <p><i>Obligations 319, 320, 326, 327, 357, 448A, 448C Metering Code clauses 3.1, 3.2(1), 3.5(1) and (2), 3.5(3), 3.21(1), 6.2 and 6.19A(1)</i></p> <p>The 2019 AETRH audit rated Metering Code Obligations 319, 320, 326, 327, 336, 337, 340, 342, 343, 344, 357, 422, 447, 448A as non-compliant and recommended each item be addressed in a Metering Management Plan once the EPWA regulatory framework design paper for the NWIS is formalised. AETRH's most recent advice to the ERA in February 2022 was that a new compliance team, recently established within the Alinta Merchant Energy business pillar, would assess AETRH's obligations under the Metering Code and oversee the development of a metering management plan. AETRH has not yet developed a Metering Management Plan as it had planned to take guidance from the release of the regulatory framework design for the NWIS (i.e. the Pilbara Network Rules), which may take account of the nature of AETRH's network arrangements and purpose, including the use of formal agreements with the small number of interested parties (i.e. related licence holders and customers).</p> <p>We conclude that where required, AETRH has adequately addressed obligations 336, 337, 340, 342, 343, 344, 422 and 447, which are now assessed as compliant or non-rateable.</p> <p>Obligations <b>319, 320, 326, 327, 357 and 448A</b> remain non-compliant, with minor (little to no) impact on AETRH's customers. This audit also concluded that obligation <b>448C</b> (similar to obligation 448A, but specific to the requirement to establish communication rules) is non-compliant.</p>	<p>AETRH:</p> <p>(a) Establish a plan and procedure for demonstrating how it will meet the Metering Code and the relevant clauses of its PPA and Interconnection Agreement. Consideration should be given to:</p> <ul style="list-style-type: none"> <li>Establishing a Metering Management Plan (which has the benefit of capturing all relevant obligations in one place); and/or</li> <li>Building on the PPA and Interconnection Agreement mechanism to be clearer on the agreed approach for managing meters and metering data to adequately meet the intent of the Metering Code, within the practicalities of AETRH's operating circumstances.</li> </ul> <p>(b) Take a clear position on those Metering Code obligations where AETRH accepts that it will continue to be non-compliant on the basis that it is not practical or useful to establish formal metrology procedures etc.</p>	None to date

Reference (no./year)	Non-compliance / Controls improvement (Rating / Licence obligation reference number and licence obligation / Details of noncompliance or inadequacy of controls)	Auditor's recommendation	Action taken
2/2022	<b>B2</b> <i>Obligation 366 Metering Code Clause 4.1(1)</i> AETRH's CT and VT meters installed at the AETRH/AETC connection point had not been included on the AETRH metering database.	AETRH update the metering database with standing data for its CT/VT meters installed at the AETRH/AETC connection point.	None to date
3/2022	<b>B2</b> <i>Obligation 369 Metering Code Clause 4.2(1)</i> <i>Obligation 370 Metering Code Clause 4.3(1)</i> Obligation 370 - clause 4.3(1) of the Metering Code requires AETRH's metering database to contain the 30 specified standing data items. AETRH's metering database contained the prerequisite standing data item headings, but had not provided data or commentary on items: (4) Voltage at metering point, (5) Distribution loss factor, (14) NMI meter, (20) Summation scheme values and multipliers, (21) Data register coding details, (27) Algorithms. Obligation 369 is non-compliant as a result of the metering registry not complying with the Code, per Obligation 370.	AETRH complete, or provide commentary on, the standing data omitted from its metering database.	None to date

## 2.6 Scope and objectives

We have conducted a reasonable assurance audit in order to state whether, in our opinion, based on our procedures, AETRH has complied, in all material respects, with the conditions of its Licence as outlined in the approved Audit Plan (dated October 2022) during the period 1 October 2019 to 30 September 2022.

Our engagement was conducted in accordance with Australian Standard on Assurance Engagements ASAE 3100 Compliance Engagements, issued by the Australian Auditing and Assurance Standards Board and provides reasonable assurance as defined in ASAE 3100. The procedures we performed are described in more detail in section 2.7 below.

A reasonable assurance engagement in accordance with ASAE 3100 involves performing procedures to obtain evidence about the compliance with the conditions of the Licence. The nature, timing and extent of procedures selected depend on the assurance practitioner's professional judgement, including the assessment of the risks of material misstatement in compliance with the conditions of the Licence. In making those risk assessments, we considered internal controls in relation to compliance with the conditions of the Licence.

ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

The ERA has summarised the requirements of the applicable legislation that it expects to be reported upon and included in the scope of this audit in its Electricity Compliance Reporting Manual.

The Audit Plan approved by the ERA for this audit sets out AETRH's Licence obligations confirmed to be included in the scope of the audit, along with the risk assessments and audit priority assigned to each licence obligation.

## 2.7 Approach

Our approach for this audit involved the following activities, which were undertaken during the period October 2022 to February 2023:

- Utilising the Guidelines and Reporting Manuals as a guide, developed a risk assessment, which involved discussions with key staff and document review to assess controls
- Developed an Audit Plan (see Appendix A) for approval by the ERA and an associated work program
- Interviewed relevant AETRH representatives to gain understanding of process controls (see Appendix B for staff involved)
- Reviewed relevant documentation and walked through processes and controls to assess overall compliance and effectiveness in accordance with Licence obligations (see Appendix B for reference listing)
- Sample tested relevant obligations where there was relevant activity to determine whether transactions complied with the requirements of the obligation
- Reported findings to AETRH for review and response.

### 3. Summary of Ratings

Table 1 in section 2 above sets out the rating scale defined by the ERA in the Audit Guidelines for the assessment of the level of compliance with the conditions of the Licence. For the highest possible compliance rating to be achieved, AETRH was required to demonstrate it has maintained effective processes and controls, which facilitate compliance with relevant obligations.

The remainder of this report provides:

- A summary of the findings for the compliance obligations (at Table 5 below)
- Detailed findings, including relevant observations and recommendations (at Section 4).

**Table 5: Compliance Ratings**

Refer to Detailed Findings at Section 4 and Audit Plan at Appendix A for descriptions of the obligations. Note that detailed findings are not presented for those obligations assessed to be not applicable to AETRH's operations for the period subject to audit - refer to the Audit Plan at Appendix A for further explanation.

No	Obligation reference	Audit Priority	Controls rating					Compliance rating				
			A	B	C	D	N/P	1	2	3	4	N/R
<b>12 Electricity Industry Act - Licence Conditions and Obligations</b>												
101	Section 13(1)	Priority 4					N/P	1				
102	Section 14(1)(a)	Priority 4					N/P	1				
103	Section 14(1)(b)	Priority 4					N/P					N/R
104	Section 14(1)(c)	Priority 4					N/P	1				
105	Section 17(1); ERA (Licensing Funding) Regulations 2014	Priority 4					N/P	1				
106	Section 31(3)	Priority 5					N/P	1				
107	Section 41(6)	Priority 4					N/P					N/R
<b>13 Electricity Licences – Licence Conditions and Obligations</b>												
119	Licence condition 4.3.1	Priority 4					N/P	1				
120	Licence condition 5.2.4	Priority 4					N/P					N/R
121	Licence condition 5.3.2	Priority 4					N/P	1				
122	Licence condition 5.1.5	Priority 4					N/P	1				
123	Licence condition 4.4.1	Priority 4					N/P					N/R
124	Licence condition 4.5.1	Priority 4					N/P	1				
125	Licence condition 3.8.1, 3.8.2	Priority 4					N/P					N/R
126	Licence condition 3.7.1	Priority 4					N/P	1				
<b>15 Electricity Industry Metering Code – Licence Conditions and Obligations</b>												
317	Clause 2.2(1)(a)	Priority 5					N/P	1				
318	Clause 2.2(1)(b)	Priority 4					N/P	1				
319	Clause 3.1	Priority 2		B					2			
320	Clause 3.2(1)	Priority 2		B					2			
321	Clause 3.3(1)	Priority 4					N/P					N/R
322	Clause 3.3(3)	Priority 4					N/P					N/R

Summary of ratings

No	Obligation reference	Audit Priority	Controls rating					Compliance rating				
			A	B	C	D	N/P	1	2	3	4	N/R
323	Clause 3.3A(1)	Priority 4					N/P	1				
324	Clause 3.3B	Priority 4					N/P					N/R
325	Clause 3.3C	Priority 4					N/P	1				
326	Clause 3.5(1) and (2)	Priority 2		B					2			
327	Clause 3.5(3)	Priority 2		B					2			
328	Clause 3.5(4)	Priority 4					N/P	1				
329	Clause 3.5(6)	Priority 4					N/P					N/R
330	Clause 3.5(9)	Priority 4					N/P					N/R
331	Clause 3.7	Priority 4					N/P					N/R
332	Clause 3.8	Priority 4					N/P	1				
333	Clause 3.9(3)	Priority 4					N/P	1				
334	Clause 3.9(7)	Priority 4					N/P					N/R
335	Clause 3.9(9)	Priority 4					N/P					N/R
336	Clause 3.10	Priority 2		B				1				
337	Clause 3.11(1)	Priority 2		B				1				
338	Clause 3.11(2)	Priority 4					N/P					N/R
339	Clause 3.11(3)	Priority 4					N/P					N/R
340	Clause 3.11A(1)	Priority 2		B				1				
341	Clause 3.11A(2)	Priority 4					N/P					N/R
342	Clause 3.12(1)	Priority 2		B				1				
343	Clause 3.12(2)	Priority 2		B				1				
344	Clause 3.12(3)	Priority 2	A					1				
345	Clause 3.12(4)	Priority 4					N/P	1				
346	Clause 3.13(1)	Priority 4					N/P	1				
347	Clause 3.13(3)(c)	Priority 4					N/P					N/R
348	Clause 3.13(4)	Priority 4					N/P	1				
349	Clause 3.14(3)	Priority 4					N/P					N/R
355	Clause 3.20(1)	Priority 4					N/P					N/R
356	Clause 3.20(3)	Priority 4					N/P					N/R
357	Clause 3.21(1)	Priority 2		B					2			
358	Clause 3.21(2)	Priority 4					N/P	1				
359	Clause 3.22	Priority 4					N/P	1				
360	Clause 3.23(a)	Priority 4					N/P					N/R
361	Clause 3.23(b)	Priority 4					N/P					N/R
364	Clause 3.27	Priority 4					N/P	1				
365	Clause 3.29	Priority 4					N/P					N/R
366	Clause 4.1(1)	Priority 4		B					2			
367	Clause 4.1(2)	Priority 4					N/P	1				
368	Clause 4.1(3)	Priority 4					N/P	1				

Summary of ratings

No	Obligation reference	Audit Priority	Controls rating					Compliance rating				
			A	B	C	D	N/P	1	2	3	4	N/R
369	Clause 4.2(1)	Priority 4		B					2			
370	Clause 4.3(1)	Priority 2		B					2			
371	Clause 4.4(1)	Priority 5					N/P					N/R
372	Clause 4.5(1)	Priority 5					N/P	1				
373	Clause 4.5(2)	Priority 4					N/P					N/R
374	Clause 4.6(1)	Priority 4					N/P					N/R
375	Clause 4.6(2)	Priority 4					N/P					N/R
376	Clause 4.7(1)	Priority 4					N/P					N/R
377	Clause 4.8(3)	Priority 4					N/P					N/R
378	Clause 4.8(3A)	Priority 4					N/P					N/R
379	Clause 4.8(4)(a)	Priority 4					N/P	1				
380	Clause 4.8(4)(b)	Priority 4					N/P	1				
381	Clause 4.8(5)	Priority 4					N/P	1				
382	Clause 4.9	Priority 4					N/P	1				
383	Clause 5.1 (1)	Priority 5					N/P					N/R
384	Clause 5.1 (2)	Priority 5					N/P					N/R
385	Clause 5.3 (1)	Priority 4					N/P	1				
385A	Clause 5.3(2)	Priority 4					N/P	1				
386	Clause 5.4(1)	Priority 4					N/P	1				
387	Clause 5.1 (1A)	Priority 4					N/P	1				
388	Clause 5.4(2)	Priority 4					N/P					N/R
389	Clause 5.5(2)	Priority 4					N/P					N/R
390	Clause 5.5(2A)	Priority 4					N/P					N/R
391	Clause 5.6(1)	Priority 4					N/P					N/R
391A	Clause 5.6(3)	Priority 4					N/P					N/R
391B	Clause 5.6(5)	Priority 4					N/P					N/R
392	Clause 5.7	Priority 4					N/P					N/R
393	Clause 5.8	Priority 4					N/P					N/R
394	Clause 5.9	Priority 4					N/P					N/R
397	Clause 5.12(1)	Priority 4					N/P					N/R
398	Clause 5.13	Priority 4					N/P					N/R
399	Clause 5.14(3)	Priority 4					N/P					N/R
400	Clause 5.15	Priority 4					N/P					N/R
401	Clause 5.16	Priority 4					N/P					N/R
402	Clause 5.17(1)	Priority 4					N/P	1				
403	Clause 5.17A(1)	Priority 4					N/P					N/R
404	Clause 5.17A(3)	Priority 4					N/P					N/R
405	Clause 5.18	Priority 4					N/P					N/R
406	Clause 5.19(1)	Priority 5					N/P					N/R

Summary of ratings

No	Obligation reference	Audit Priority	Controls rating					Compliance rating				
			A	B	C	D	N/P	1	2	3	4	N/R
407	Clause 5.19(2)	Priority 5					N/P					N/R
408	Clause 5.19(3)	Priority 4					N/P					N/R
409	Clause 5.19(5)	Priority 4					N/P					N/R
410	Clause 5.19(6)	Priority 5					N/P					N/R
411	Clause 520(1)	Priority 4					N/P					N/R
412	Clause 520(2)	Priority 4					N/P	1				
413	Clause 520(4)	Priority 4					N/P					N/R
414	Clause 521(2)	Priority 4					N/P					N/R
415	Clause 521(4)	Priority 4					N/P					N/R
416	Clause 5.21(5)	Priority 4					N/P					N/R
417	Clause 5.21(6)	Priority 4					N/P					N/R
418	Clause 5.21(8)	Priority 4					N/P					N/R
419	Clause 5.21(9)	Priority 4					N/P					N/R
420	Clause 5.21(11)	Priority 4					N/P					N/R
421	Clause 5.21(12)	Priority 4					N/P					N/R
422	Clause 5.22(1)	Priority 2	A					1				
423	Clause 5.22(2)	Priority 4					N/P	1				
424	Clause 5.22(3)	Priority 4					N/P					N/R
425	Clause 5.22(4)	Priority 4					N/P					N/R
426	Clause 5.22(5)	Priority 4					N/P					N/R
427	Clause 5.22(6)	Priority 4					N/P					N/R
428	Clause 5.23(1)	Priority 4					N/P					N/R
429	Clause 5.23(3)	Priority 4					N/P					N/R
430	Clause 5.24(1)	Priority 4					N/P					N/R
431	Clause 5.24(2)	Priority 4					N/P					N/R
432	Clause 5.24(3)	Priority 4					N/P					N/R
433	Clause 5.24(4)	Priority 4					N/P					N/R
434	Clause 5.25	Priority 4					N/P					N/R
435	Clause 5.27	Priority 4					N/P					N/R
441	Clause 5.37(1)(a)	Priority 4					N/P					N/R
442	Clause 5.37(1)(b)	Priority 4					N/P					N/R
443	Clause 5.37(1)(c)	Priority 4					N/P					N/R
444	Clause 5.37(2)	Priority 4					N/P					N/R
445	Clause 5.37(3)	Priority 4					N/P					N/R
446	Clause 5.38	Priority 4					N/P					N/R
447	Clause 6.1(1)	Priority 2					N/P					N/R
448	Clause 6.1(2)	Priority 4					N/P					N/R
448A	Clause 6.2	Priority 4		B					2			
448B	Clause 6.18	Priority 5					N/P					N/R

No	Obligation reference	Audit Priority	Controls rating					Compliance rating				
			A	B	C	D	N/P	1	2	3	4	N/R
448C	Clause 6.19A(1)	Priority 5		B					2			
448D	Clause 6.19B(1)	Priority 5					N/P					N/R
449	Clause 6.20(4)	Priority 5					N/P					N/R
450	Clause 6.20(5)	Priority 4					N/P					N/R
451	Clause 7.2(1)	Priority 5					N/P	1				
452	Clause 7.2(2)	Priority 4					N/P	1				
453	Clause 7.2(4)	Priority 4					N/P					N/R
454	Clause 7.2(5)	Priority 4					N/P					N/R
455	Clause 7.5	Priority 4					N/P					N/R
456	Clause 7.6(1)	Priority 4					N/P					N/R
457	Clause 8.1(1)	Priority 5					N/P					N/R
458	Clause 8.1(2)	Priority 5					N/P					N/R
459	Clause 8.1(3)	Priority 5					N/P					N/R
460	Clause 8.1(4)	Priority 4					N/P					N/R
461	Clause 8.3(2)	Priority 5					N/P					N/R
<b>16 Electricity Industry (Network Quality and Reliability of Supply) Code – Licence Conditions and Obligations</b>												
462	Clause 5(1)	Priority 5					N/P	1				
463	Clause 8	Priority 5					N/P					N/R
464	Clause 9	Priority 5					N/P	1				
465	Clause 10(1)	Priority 5					N/P	1				
466	Clause 10(2)	Priority 5					N/P					N/R
468	Clause 13(2)	Priority 5					N/P	1				
469	Clause 13(3)	Priority 4					N/P	1				
470	Clause 14(8)	Priority 4					N/P					N/R
471	Clause 15(2)	Priority 4					N/P	1				
477	Clause 23(1)	Priority 5					N/P	1				
478	Clause 23(2)	Priority 4					N/P					N/R
479	Clause 24(3)	Priority 4					N/P					N/R
480	Clause 24(4)	Priority 4					N/P					N/R

## 4. Detailed findings and recommendations

This section has been structured in subsections for the relevant Codes and Regulations against which we assessed AETRH's compliance. The sections are:

- 4.1 Electricity Industry Act – Licence Conditions and Obligations
- 4.2 Electricity Licences – Licence Conditions and Obligations
- 4.3 Electricity Industry Metering Code – Licence Conditions and Obligations.
- 4.4 Electricity Industry (Network Quality and Reliability of Supply) Code – Licence Conditions and Obligations

Each section contains:

- **Assessment of compliance and control adequacy** – the conclusions from our audit procedures and our assessment of AETRH's compliance with the applicable obligations
- **Findings** – the auditor's understanding of the process and any issues that have been identified during the audit
- **Recommendations** – for improvement or enhancement of the process or control.

The compliance and control adequacy ratings have been summarised below for each sub-section.

Controls adequacy rating						Compliance rating					
A	B	C	D	NP	Total	1	2	3	4	NR	Total
4.1 Electricity Industry Act											
				7	7	5				2	7
4.2 Electricity Licences											
				8	8	5				3	8
4.3 Electricity Industry Metering Code											
2	15			121	138	36	10			92	138
4.4 Electricity Industry (Network Quality and Reliability of Supply) Code											
				13	13	7				6	13
2	15	-	-	149	166	53	10	-	-	103	166

#### 4.1 Electricity Industry Act – Licence Conditions and Obligations

No	Obligation under Condition	Findings
101	<i>Electricity Industry Act Section 13(1)</i> A licensee must provide the ERA with a performance audit conducted by an independent expert acceptable to the ERA, not less than once every 24 months.	Deloitte prepared the 2019 Performance Audit report in December 2019. With the ERA's approval, Assurance Advisory Group (AAG) was appointed to undertake AETRH's performance audit for the period 1 October 2019 to 30 September 2022.
	Priority 4	
102	<i>Electricity Industry Act Section 14(1)(a)</i> A licensee must provide for an asset management system.	Through discussion with the Head of Operations, and consideration of Alinta Energy's asset management framework and AETRH's asset management plans in operation during the period 1 October 2019 to 30 September 2022, we determined that AETRH had provided for a functioning asset management system during the audit period.  The EIRL6 2022 Asset Management System Review report provides further detail on the effectiveness of AETRH's asset management system during the audit period.
	Priority 4	
103	<i>Electricity Industry Act Section 14(1)(b)</i> A licensee must notify details of the asset management system and any substantial changes to it to the ERA.	The Manager, WA Retail Regulation, Alinta Energy confirmed that there had been no substantial change to AETRH's asset management system under the licence during the audit period. Therefore, this obligation was not relevant to AETRH's activities during the audit period.
	Priority 4	
104	<i>Electricity Industry Act Section 14(1)(c)</i> A licensee must provide the ERA with a report by an independent expert about the effectiveness of its asset management system every 24 months, or such longer period as determined by the ERA.	Deloitte prepared the 2019 Asset Management System Review report in November 2019. With the ERA's approval, AAG was appointed to undertake AETRH's Asset Management System Review for the period 1 October 2019 to 30 September 2022.
	Priority 4	
105	<i>Electricity Industry Act Section 17(1); ERA (Licensing Funding) Regulations 2014</i> A licensee must pay the prescribed licence fees to the ERA within one month after the day of grant or renewal of its licence and within one month after each anniversary of that day over the term of the licence according to clauses 6, 7 and 8 of the <i>Economic Regulation Authority (Licensing Funding) Regulations 2014</i> .	We sighted evidence (copies of ERA invoices and extracts of bank statements) that AETRH paid its: <ul style="list-style-type: none"> <li>• 2018/19, 2019/20 and 2020/21 annual licence fees by the due date of 1 November</li> <li>• Quarterly standing charges for Q3 2019/20 and Q2 2020/21 (our selected sample) by the due date.</li> </ul>
	Priority 4	
106	<i>Electricity Industry Act Section 31(3)</i> A licensee must take reasonable steps to minimise the extent, or duration, of any interruption, suspension or restriction of the supply of electricity due to an accident, emergency, potential danger or other unavoidable cause.	Through discussion with the Head of Operations, Alinta Energy; and consideration of AETRH's documented policies, procedures, plans and contracted PPA arrangements with its customer, we determined that AETRH continues to maintain appropriate emergency and incident response and business continuity systems to minimise the impact of any supply interruptions (which have occurred during the audit period as part of the general asset operating process).
	Priority 5	

No	Obligation under Condition	Findings
107	<p><i>Electricity Industry Act Section 41(6)</i> A licensee must pay the costs of taking an interest in land or an easement over land.</p>	<p>The Head of Operations, Alinta Energy confirmed that AETRH had not acquired an interest in land or an easement over land during the audit period. Therefore, this obligation was not relevant to AETRH's activities during the audit period.</p>
	Priority 4	Controls rating: N/P
	Compliance rating: N/R	

## 4.2 Electricity Licences – Licence Conditions and Obligations

No	Obligation under Condition	Findings	
119	<p><i>Licence condition 4.3.1</i></p> <p>A licensee and any related body corporate must maintain accounting records that comply with the Australian Accounting Standards Board Standards or equivalent International Accounting Standards.</p>	<p>Through our examination of the consolidated/general purpose financial statements of AETRH's parent entity Alinta Energy Pty Ltd for the financial years ending 30 June 2020, 30 June 2021 and 30 June 2022, we determined that the financial statements were prepared in accordance with the requirements of the Australian Accounting Standards. Those financial statements were audited by Deloitte (2020 and 2021) and KPMG (2022) in accordance with the Corporations Act 2001. The consolidated financial statements incorporate the assets, liabilities and results of subsidiaries including AETRH.</p> <p>The Financial Accountant, Alinta Energy confirmed that for the period 1 July 2022 to 30 September 2022, there were no significant accounting transactions and/or items thought to jeopardise AETRH's on-going compliance with Australian Accounting Standards.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: 1
120	<p><i>Licence condition 5.2.4</i></p> <p>A licensee must comply with any individual performance standards prescribed by the ERA.</p>	<p>The Manager WA Retail Regulation, Alinta Energy confirmed that, for the period 1 October 2019 to 30 September 2022, AETRH was not prescribed any individual performance standards by the ERA.</p> <p>Therefore, this obligation was not relevant to AETRH's activities during the audit period.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: N/R
121	<p><i>Licence condition 5.3.2</i></p> <p>A licensee must comply, and require its auditor to comply, with the ERA's standard audit guidelines for a performance audit</p>	<p><i>Obligations 121 and 122</i></p> <p>Through examination of the 2019 Performance Audit and Asset Management System Review reports, we determined that the audit and review were conducted in accordance with the prescribed Reporting Guidelines (the April 2014 Audit Guidelines: Electricity and Gas Licences) and Reporting Manuals issued by the ERA.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: 1
122	<p><i>Licence condition 5.1.5</i></p> <p>A licensee must comply, and must require the licensee's expert to comply, with the relevant aspects of the ERA's standard audit guidelines for an asset management system review.</p>	<p>Note that for the 2022 performance audit and asset management system review, the audit and review plans approved by the ERA in November 2022 commit AETRH and AAG (auditor and expert) to comply with the prescribed audit and review guidelines and reporting manual issued by the ERA.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: 1

No	Obligation under Condition	Findings	
123	<p><i>Licence condition 4.4.1</i></p> <p>In the manner prescribed, a licensee must notify the ERA, if it is under external administration or if there is a significant change in the circumstances that the licence was granted which may affect the licensee’s ability to meet its obligations.</p>	<p>Licence condition 4.4.1 requires AETRH to report to the ERA within prescribed timeframes any of the following:</p> <ul style="list-style-type: none"> <li>(a) If AETRH was under external administration</li> <li>(b) Any change in AETRH’s corporate, financial, or technical circumstances in which the Licence was granted, and if that change materially affected AETRH’s ability to meet its obligations</li> <li>(c) Any change in the Licensee’s name, ABN or address (within 10 business days of the change occurring).</li> </ul> <p>The Manager WA Retail Regulation, Alinta Energy confirmed that during the audit period, AETRH had:</p> <ul style="list-style-type: none"> <li>• Not been under external administration</li> <li>• Not undergone any significant change in it’s corporate, financial or technical circumstances which would affect its ability to meet its obligations</li> <li>• Not changed its name, ABN or address.</li> </ul> <p>Therefore, this obligation was not relevant to AETC’s operations during the audit period</p>	
	Priority 4	Controls rating: N/P	Compliance rating: N/R
124	<p><i>Licence condition 4.5.1</i></p> <p>A licensee must provide the ERA, in the manner prescribed, with any information that the ERA requires in connection with its functions under the Electricity Industry Act.</p>	<p>We observed that:</p> <ul style="list-style-type: none"> <li>• All communication from the ERA to AETRH are through the Manager WA Retail Regulation, Alinta Energy</li> <li>• In accordance with its obligation to submit annual compliance reports to the ERA by 31 August each year, AETRH submitted its 2019/20, 2020/21 and 2021/22 reports by the due date</li> <li>• In accordance with its obligation to submit standing charge data to the ERA by 30 September each year, AETRH submitted its 2019, 2020 and 2021 standing charge data by the due date.</li> </ul> <p>The Manager WA Retail Regulation, Alinta Energy confirmed that the ERA did not request any other information from AETRH in connection with its functions under the Electricity Industry Act.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: 1
125	<p><i>Licence condition 3.8.1 and 3.8.2</i></p> <p>A licensee must publish any information as directed by the ERA to publish, within the timeframes specified.</p>	<p>The Manager WA Retail Regulation, Alinta Energy confirmed that AETRH was not required by the ERA to publish any information during the audit period.</p> <p>Therefore, this obligation was not relevant to AETRH’s activities during the audit period.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: N/R
126	<p><i>Licence condition 3.7.1</i></p> <p>All notices must be in writing, unless otherwise specified.</p>	<p>Through discussion with the Manager WA Retail Regulation, Alinta Energy and examination of relevant communications, we determined that AETRH’s regulatory records management is contained within Alinta Energy’s established document management system that maintains records within its corporate network for all formal communication with the ERA.</p> <p>The Manager WA Retail Regulation, Alinta Energy confirmed that all notices to the ERA were given in writing and sent via email.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: 1

### 4.3 Electricity Industry Metering Code – Licence Conditions and Obligations

#### Summary findings

The 2019 AETRH audit rated Metering Code Obligations **319, 320, 326, 327, 336, 337, 340, 342, 343, 344, 357, 422, 447, 448A** as non-compliant and recommended each item be addressed in a Metering Management Plan once the EPWA regulatory framework design paper for the NWIS is formalised.

AETRH's most recent advice to the ERA in February 2022 was that a new compliance team, recently established within the Alinta Merchant Energy business pillar, would assess AETRH's obligations under the Metering Code and oversee the development of a metering management plan.

AETRH has not yet developed a Metering Management Plan as it had planned to take guidance from the release of the regulatory framework design for the NWIS (i.e. the Pilbara Network Rules), which may take account of the nature of AETRH's network arrangements and purpose, including the use of formal agreements with the small number of interested parties (i.e. related licence holders and customers).

Although AETRH is not covered by the NWIS/PNR framework and therefore cannot seek exemption under those arrangements, it may look to the Pilbara Network ISO's determination of Alinta DEWAP's planned exemption application as a guide on how to address those metering code obligations where there is no impact on customers, and where there are formal agreements in place which adequately cover the metering requirements of all interested parties.

The various PPAs and Interconnection Agreements in place do provide some additional coverage of the relevant metering obligations, however those agreements remain high level and also reference the need to comply with the Metering Code. Additional supporting plans or procedures are needed to demonstrate how AETRH will comply with its various agreements and the Metering Code.

Note that AETRH has addressed obligations **336, 337, 340, 342, 343, 344, 422, 447**, which were previously assessed as non-compliant and are now assessed as compliant or non-rateable. Refer to the detailed findings below.

In summary:

- Obligations **319, 320, 326, 327, 357 and 448A** remain non-compliant. This audit also concluded that obligation **448C** (similar to obligation 448A, but specific to the requirement to establish communication rules) is non-compliant
- Even in the event that there are comparable exemptions from establishing a Metrology Procedure, Model Service Level Agreement etc, AETRH will still need to establish a clear plan and procedure for demonstrating how it will meet the Metering Code and the relevant clauses of its PPA and Interconnection Agreement, within the practicalities of AETRH's operating circumstances. Such a plan or procedure should capture all relevant obligations, not just those that have been assessed as non-compliant.

#### Recommendation 1/2022

AETRH:

- (a) Establish a plan and procedure for demonstrating how it will meet the Metering Code and the relevant clauses of its PPA and Interconnection Agreement. Consideration should be given to:
  - Establishing a Metering Management Plan (which has the benefit of capturing all relevant obligations in one place); and/or
  - Building on the PPA and Interconnection Agreement mechanism to be clearer on the agreed approach for managing meters and metering data to adequately meet the intent of the Metering Code, within the practicalities of AETRH's operating circumstances.
- (b) Take a clear position on those Metering Code obligations where AETRH accepts that it will continue to be non-compliant on the basis that it is not practical or useful to establish formal metrology procedures etc.

No	Obligation under Condition	Findings
317	<p><i>Electricity Metering Code Clause 2.2(1)(a)</i></p> <p>A network operator must treat all Code participants that are its associates on an arms-length basis.</p>	<p><i>Obligations 317 and 318</i></p> <p>During the period subject to audit, AETRH was compliant as appropriate formal arrangements were in place with AETC (Interconnection Agreement), AEC (Intercompany PPA) and AETRH's commercial customers (PPAs).</p>
Priority 5	Controls rating: N/P	
318	<p><i>Electricity Metering Code Clause 2.2(1)(b)</i></p> <p>A network operator must ensure that no Code participant that is its associate receives a benefit in respect of the Code, unless the benefit is attributable to an arm's length application of the Code or is also made available to all other Code participants on the same terms and conditions.</p>	
Priority 4	Controls rating: N/P	
319	<p><i>Electricity Metering Code Clause 3.1</i></p> <p>A network operator must ensure that its meters meet the requirements specified in the applicable metrology procedure and comply with any applicable specifications or guidelines, including any transitional arrangements, specified by the National Measurement Institute under the National Measurement Act.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and examination of AETRH's metering processes, we determined that:</p> <ul style="list-style-type: none"> <li>Although AETRH has demonstrated that it has maintained its meters to the satisfaction of its customers throughout the audit period, it has not completed Action Plan 2/2019 from the previous audit, regarding the creation of a metering management plan (in lieu of a metrology procedure) to demonstrate its compliance with the specifications of the National Measurement Institute under the National Measurements Act</li> <li>The establishment of a metrology procedure to demonstrate its meters comply with the National Measurement Act appears to be impractical for AETRH's circumstances and has minor (little to no) impact on its customers.</li> </ul> <p><i>Refer to Summary findings and Recommendation 1/2022 above.</i></p>
Priority 2	Controls rating: B	Compliance rating: 2

No	Obligation under Condition	Findings			
320	<p><i>Electricity Metering Code Clause 3.2(1)</i></p> <p>An accumulation meter must at least conform to the requirements specified in the applicable metrology procedure and display, or permit access to a display of the measurements that are specified in subclauses 3.2(1)(a)(b) using dials, a cyclometer, an illuminated display panel or some other visual means.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH's metering processes, we determined that:</p> <ul style="list-style-type: none"> <li>As AETRH does not have a metrology procedure, there is no procedure to comply with</li> <li>The remaining compliance requirement relates to the display of electricity production at the metering point (per clause 3.2(1)(b))</li> <li>With the exception of the meters at interconnection points, all meters have a visual display that permits measurements to be obtained (evidenced in photos)</li> <li>While the new CT/VT meters at the AETRH/AETC connection point (as required by the relevant Interconnection Agreement) measure the "quantity of electricity determined from readings registered by the metering equipment at the metering point (metered data)" (per the Interconnection Agreement), they do not have a physical display, which does not comply with Clause 3.2(1)</li> <li>We note that the intent behind having a visual display on accumulation meters is to enable energy data to be readily observed without accessing the metering database. This intent is not relevant in the current circumstances where the volume of electricity flow at the interconnection point is not used.</li> </ul> <p><i>Refer to Summary findings and Recommendation 1/2022 above.</i></p>			
	<table border="1"> <tr> <td>Priority 2</td> <td>Controls rating: B</td> <td>Compliance rating: 2</td> </tr> </table>	Priority 2	Controls rating: B	Compliance rating: 2	
Priority 2	Controls rating: B	Compliance rating: 2			
321	<p><i>Electricity Metering Code Clause 3.3(1)</i></p> <p>An interval meter must at least have an interface to allow the interval energy data to be downloaded in the manner prescribed using an interface compatible with the requirements specified in the applicable metrology procedure.</p>	<p>The Head of Operations, Alinta Energy confirmed that during the period subject to audit AETRH's meters were classified and operated as accumulation meters (i.e. not interval meters).</p> <p>Therefore, this obligation was not relevant to AETRH's operations during the audit period.</p>			
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
322	<p><i>Electricity Metering Code Clause 3.3(3)</i></p> <p>If a metering installation is required to include a communications link, the link must, where necessary, include a modem and isolation device approved under the relevant telecommunications regulations that allows the interval energy data to be downloaded in the manner prescribed.</p>	<p>The Head of Operations, Alinta Energy confirmed that AETRH's meters operate with internal communications systems and are therefore not required to comply with telecommunications regulations.</p> <p>Therefore, this obligation was not relevant to AETRH's operations during the audit period.</p>			
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
323	<p><i>Electricity Metering Code Clause 3.3A(1)</i></p> <p>A network operator must ensure that bi-directional electricity flows do not occur at a metering point unless the metering installation for the metering point is capable of separately measuring and recording electricity flows in each direction.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH's metering arrangements, we determined that AETRH meters are capable of separately measuring and recording electricity flows in each direction.</p>			
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: 1</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: 1	
Priority 4	Controls rating: N/P	Compliance rating: 1			

No	Obligation under Condition	Findings			
324	<p><i>Electricity Metering Code Clause 3.3B</i></p> <p>If a user is aware of bi-directional electricity flows at a metering point that was not previously subject to a bi-directional flows or any changes in a customer's or user's circumstances in a metering point that will result in bi-directional flows, the user must notify the network operator within 2 business days.</p>	<p>The Head of Operations, Alinta Energy confirmed that, as a user of the AETC transmission network, AETRH was not aware of circumstances in which metering points had commenced providing for bi-directional flow during the audit period.</p> <p>Therefore, this obligation was not relevant to AETRH's operations during the audit period.</p>			
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
325	<p><i>Electricity Metering Code Clause 3.3C</i></p> <p>An accumulation meter or an interval meter that separately measures and records bi-directional electricity flows at the metering point must record:</p> <ul style="list-style-type: none"> <li>the net electricity production transferred into the network; and</li> <li>the net electricity consumption transferred out of the network.</li> </ul>	<p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH's metering arrangements, we determined that:</p> <ul style="list-style-type: none"> <li>AETRH's electricity supply arrangements under its PPA with Roy Hill provide only for electricity to be transferred out of the network at the point of connection to the Roy Hill mine site. Accordingly, no bi-directional electricity flows have occurred at those metering points during the period subject to audit</li> <li>Energy data is stored in the Honeywell Experion system for the Roy Hill Mine Supply Tariff meters</li> <li>Electricity supply can now enter the AETRH network from the AETC network (AEC Solar Farm excess supply). Meters installed at the point of interconnection record energy flows in both directions.</li> </ul>			
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: 1</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: 1	
Priority 4	Controls rating: N/P	Compliance rating: 1			
326	<p><i>Electricity Metering Code Clause 3.5(1) and (2)</i></p> <p>A network operator must ensure that there is a metering installation at every connection point on its network that is not an unmetered connection point. Unless it is a Type 7 metering installation, the metering installation must meet the functionality requirements prescribed.</p>	<p><i>Obligations 326 and 327</i></p> <p>Through discussion with the Head of Operations, Alinta Energy and examination of AETRH's metering arrangements, we determined that:</p> <ul style="list-style-type: none"> <li>AETRH has no Type 7 connection points (street lights etc).</li> <li>AETRH has meters for each connection point on its network</li> <li>AETRH maintains a schematic which outlines the location of its meters</li> <li>Each of AETRH's tariff quality meters meet the functionality requirements specified at Clause 3.5(2), including the need to contain a visual display</li> <li>AETRH's newest CT/VT meters at the AETRH/AETC connection point (as required by the relevant Interconnection Agreement) meet the functionality requirements specified at Clause 3.5(2), except for the requirement for a physical display per Clause 3.5(2)(b).</li> </ul> <p>This non-compliance has minor (little to no) impact on customers.</p> <p><a href="#">Refer to Summary findings and Recommendation 1/2022 above.</a></p>			
	<table border="1"> <tr> <td>Priority 2</td> <td>Controls rating: B</td> <td>Compliance rating: 2</td> </tr> </table>	Priority 2	Controls rating: B	Compliance rating: 2	
Priority 2	Controls rating: B	Compliance rating: 2			
327	<p><i>Electricity Metering Code Clause 3.5(3)</i></p> <p>For each metering installation on its network, a network operator must provide, install, operate and, subject to subclause 3.5(7), maintain the metering installation in the manner prescribed, unless otherwise agreed.</p>	<p>This non-compliance has minor (little to no) impact on customers.</p> <p><a href="#">Refer to Summary findings and Recommendation 1/2022 above.</a></p>			
	<table border="1"> <tr> <td>Priority 2</td> <td>Controls rating: B</td> <td>Compliance rating: 2</td> </tr> </table>	Priority 2	Controls rating: B	Compliance rating: 2	
Priority 2	Controls rating: B	Compliance rating: 2			
328	<p><i>Electricity Metering Code Clause 3.5(4)</i></p> <p>Except for a Type 7 metering installation, a network operator must ensure that the metering point for a revenue metering installation is located as close as practicable to the connection point in accordance with good electricity industry practice.</p>	<p>The Head of Operations, Alinta Energy confirmed that AETRH's meters are located as close as practicable to the connection points within the network, being the Roy Hill mine and the interconnection/delivery points under AETRH/AETC Interconnection Agreement &amp; AETRH/AEC PPA.</p>			
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: 1</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: 1	
Priority 4	Controls rating: N/P	Compliance rating: 1			

No	Obligation under Condition	Findings
329	<p><i>Electricity Metering Code Clause 3.5(6)</i></p> <p>A network operator may only impose a charge for providing, installing, operating or maintaining a metering installation in accordance with the applicable service level agreement that it has with the user.</p>	<p>The Head of Operations, Alinta Energy confirmed that AETRH:</p> <ul style="list-style-type: none"> <li>Operates under PPAs with its customers which do not provide for AETRH to impose a charge for providing, installing, operating or maintaining its meters</li> <li>Has not imposed such a charge during the period subject to audit.</li> </ul> <p>Therefore, this obligation is not relevant to AETRH’s operations during the audit period.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
330	<p><i>Electricity Metering Code Clause 3.5(9)</i></p> <p>If a network operator becomes aware that a metering installation does not comply with the Code, it must advise affected parties of the non-compliance and arrange for the non-compliance to be corrected as soon as practicable.</p>	<p>Through discussion with the Head Operations, Alinta Energy and consideration of AETRH’s metering arrangements, we determined that as AETRH was not explicitly aware that its meters installed at the interconnection points were not compliant with the Code, this obligation was not rateable for AETRH during the audit period.</p> <p><b>Improvement Opportunity</b></p> <p><i>AETRH should now address this requirement by considering the need to advise affected parties and what corrective action to take (if any).</i></p> <p><i>This matter was discussed with AETRH staff as an improvement opportunity.</i></p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
331	<p><i>Electricity Metering Code Clause 3.7</i></p> <p>All devices that may be connected to a telecommunications network must be compatible with the telecommunications network and comply with all applicable State and Commonwealth enactments.</p>	<p>The Head of Operations, Alinta Energy confirmed AETRH meters operate with internal communication systems only.</p> <p>Therefore, this obligation is not relevant to AETRH’s operations during the audit period.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
332	<p><i>Electricity Metering Code Clause 3.8</i></p> <p>Subject to clause 3.27, a network operator must ensure that, consistent with the standards of good electricity industry practice, each metering installation on its network is secured by devices or methods that hinder unauthorized access and enable unauthorized access to be detected.</p>	<p>The Head of Operations, Alinta Energy confirmed that AETRH’s meters were secured to prevent and detect unauthorised access.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
333	<p><i>Electricity Metering Code Clause 3.9(3)</i></p> <p>Subject to subclauses 3.9(4), 3.9(5) and 3.9(7), each metering installation must meet at least the requirements for that type of metering installation as specified in Table 3 in Appendix 1 of the Code for metering installations on the SWIN or in Table 3A in Appendix 1 for metering installations on a network other than the SWIN.</p>	<p>The Head of Operations, Alinta Energy confirmed that:</p> <ul style="list-style-type: none"> <li>AETRH’s meters were designed to meet the accuracy requirements for type 1 meters</li> <li>AETRH maintained a metering database containing calibration tables that apply to each metering installation to achieve installation accuracy in accordance with the accuracy requirements in Part 3A of the metering code (Appendix 1, Table 3A)</li> <li>All metering installations met the requirements under the Metering Code for Type 1 installations (annual throughput above 1,000 GWh).</li> </ul> <p>We observed AETRH’s Revenue Meter Calibration Test Report for December 2020 which indicated that the meters at the Roy Hill substation met accuracy requirements for voltage, current and power.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	

No	Obligation under Condition	Findings
334	<p><i>Electricity Metering Code Clause 3.9(7)</i></p> <p>A metering installation used to supply a customer with requirements above 1000 volts that requires a VT and whose annual consumption is below 750MWh must meet the relevant accuracy requirements of a Type 3 metering installation for active energy only.</p>	<p>During the audit period, AETRH did not have any customers with annual consumption below 750 MWh.</p> <p>Therefore, this obligation was not relevant to AETRH’s operations during the audit period.</p>
Priority 4	Controls rating: N/P	Compliance rating: N/R
335	<p><i>Electricity Metering Code Clause 3.9(9)</i></p> <p>If compensation is carried out within the meter, then the resultant metering system error must be as close as practicable to zero.</p>	<p>The Head of Operations, Alinta Energy confirmed that no compensation was carried out within AETRH’s meters during the period subject to audit.</p> <p>Therefore, this obligation was not relevant to AETRH’s operations during the audit period.</p>
Priority 4	Controls rating: N/P	Compliance rating: N/R
336	<p><i>Electricity Metering Code Clause 3.10</i></p> <p>A network operator must ensure that any programmable settings in any of its metering installations, data loggers or peripheral devices, which may affect the resolution of displayed or stored data, satisfy the relevant requirements specified in the applicable metrology procedure and comply with any applicable instructions by the National Measurement Institute under the National Measurement Act.</p>	<p><i>Obligations 336 and 337</i></p> <p>Through discussion with the Head of Operations, Alinta Energy and examination of AETRH’s metering arrangements, we determined that, although AETRH does not have a metrology procedure, we consider AETRH to be compliant with these obligations due to:</p> <ul style="list-style-type: none"> <li>• Each of AETRH’s tariff quality meters continuing to operate consistently and in compliance with the requirements of the Code, National Measurement Act and applicable PPAs</li> <li>• Specific to Clause 3.10 – the new CT and VT meters are not impacted by any effect on displayed data as they do not have displays.</li> </ul>
Priority 2	Controls rating: B	Compliance rating: 1
337	<p><i>Electricity Metering Code Clause 3.11(1)</i></p> <p>A network operator must ensure that a metering installation on its network is operating consistently with good electricity industry practice to measure and record data, and permits the collection of data within the time specified in the applicable service level agreement, for at least the percentages of the year specified.</p>	<p><i>Controls improvement opportunity</i></p> <p><i>In the absence of a metrology procedure and SLA, a supportive metering management plan or equivalent would make it easier for AETRH to comprehensively demonstrate compliance with the accuracy requirements of the Code and National Measurement Act.</i></p> <p><i>This matter was discussed with AETRH staff as an improvement opportunity.</i></p>
Priority 2	Controls rating: B	Compliance rating1
338	<p><i>Electricity Metering Code Clause 3.11(2)</i></p> <p>If an outage or malfunction occurs to a metering installation, the network operator must repair the metering installation in accordance with the applicable service level agreement.</p>	<p>The Head of Operations, Alinta Energy confirmed that AETRH has not made repairs to its meters during the period subject to audit.</p> <p>Therefore, this obligation is not relevant to AETRH’s operations during the audit period.</p>
Priority 4	Controls rating: N/P	Compliance rating: N/R
339	<p><i>Electricity Metering Code Clause 3.11(3)</i></p> <p>A Code participant who becomes aware of an outage or malfunction of a metering installation must advise the network operator as soon as practicable.</p>	<p>The Head of Operations, Alinta Energy confirmed that AETRH was not aware of any outages or malfunctions of metering installations on the AETC transmission network.</p> <p>Therefore, this obligation was not relevant to AETRH’s operations during the audit period.</p>
Priority 4	Controls rating: N/P	Compliance rating: N/R

No	Obligation under Condition	Findings
340	<p><i>Electricity Metering Code Clause 3.11A(1)</i></p> <p>A network operator must ensure that the meters on its network are systematically sampled and tested for accuracy in accordance with AS 1284.13.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and examination of AETRHR’s metering arrangements, we determined that:</p> <ul style="list-style-type: none"> <li>• AETRHR’s tariff meters are inspected and calibrated every 12 months, driven by scheduled work orders</li> <li>• The December 2020 calibration testing report concluded that AETRHR’s meters were compliant, with some recommended improvements.</li> </ul> <p><b>Controls improvement opportunity</b></p> <p><i>Although we conclude that AETRHR has complied with this obligation, a supportive metering management plan or equivalent would make it easier for AETRHR to continue to demonstrate that its inspection and calibration regime meets the systematic sampling and testing requirements of Australian Standard 1284.13 – Electricity metering – Part 13: Inservice compliance testing.</i></p> <p><i>This matter was discussed with AETRHR staff as an improvement opportunity.</i></p>
Priority 2	Controls rating: B	Compliance rating: 1
341	<p><i>Electricity Metering Code Clause 3.11A(1)</i></p> <p>Subject to clause 3.11A(3), if a “population” of meters is deemed to have failed under AS 1284.13, the network operator must ensure that all the meters that make up the population are removed and replaced with new meters within 3 years of the testing of the population.</p>	<p>The Head of Operations, Alinta Energy confirmed that AETRHR has not identified any of its meters as failing during the audit period.</p> <p>Therefore, this obligation was not relevant to AETRHR’s operations during the audit period.</p>
Priority 4	Controls rating: N/P	Compliance rating: N/R
342	<p><i>Electricity Metering Code Clause 3.12 (1)</i></p> <p>A network operator must ensure that each metering installation complies with at least the prescribed design requirements.</p>	<p><i>Obligations 342 and 343</i></p> <p>The obligations of clauses 3.12(1) and (2) relate to specific technical design requirements. Through discussion with the Head of Operations, Alinta Energy, consideration of AETRHR’s metering arrangements and examination of supporting references, we determined that:</p> <ul style="list-style-type: none"> <li>• At the time of initial installation, AETRHR required that all meters (and instrument transformers within the meters) supplied to AETRHR comply with the design requirements of the Metering Code and National Measurement Act</li> <li>• AETRHR’s EPC contract with Downer referenced that requirement for AETRHR’s newest CT/VT meters at the AETRHR/AETC connection point.</li> </ul>
Priority 2	Controls rating: B	Compliance rating: 1
343	<p><i>Electricity Metering Code Clause 3.12(2)</i></p> <p>A network operator must ensure that instrument transformers in its metering installations comply with the relevant requirements of any applicable specifications or guidelines, including any transitional arrangements, specified by the National Measurement Institute under the National Measurement Act and any requirements specified in the applicable metrology procedure</p>	<p><b>Controls improvement opportunity</b></p> <p><i>Although we conclude that AETRHR has complied with these obligations, a supportive metering management plan or equivalent would make it easier for AETRHR to continue to demonstrate that its meters comply with the specific technical design requirements outlined in the Metering Code.</i></p> <p><i>This matter was discussed with AETRHR staff as an improvement opportunity.</i></p>
Priority 2	Controls rating: B	Compliance rating: N/R

No	Obligation under Condition	Findings
344	<p><i>Electricity Metering Code Clause 3.12(3)</i></p> <p>A network operator must provide isolation facilities of a standard consistent with good electricity industry practice, to facilitate testing and calibration of the metering installation.</p>	<p>Through discussion with the Head of Operations, Alinta Energy, consideration of AETRH's metering arrangements and examination of supporting references, we determined that during the audit period, isolation facilities have been appropriately maintained to facilitate testing and calibration.</p>
	<p>Priority 2</p> <p>Controls rating: A</p> <p>Compliance rating: 1</p>	
345	<p><i>Electricity Metering Code Clause 3.12(4)</i></p> <p>A network operator must maintain drawings and supporting information, of a standard consistent with good electricity industry practice, to detail the metering installation for maintenance and auditing purposes.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and examination of meter drawings and supporting information, we determined that throughout the audit period, AETRH had appropriately maintained relevant meter drawings and supporting information, to detail the meters for maintenance and auditing purposes</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
346	<p><i>Electricity Metering Code Clause 3.13(1)</i></p> <p>A network operator must procure the user, or the user's customer, to install, or arrange for the installation of, a full check metering installation or partial check metering installation in accordance with the prescribed requirements.</p>	<p><i>Obligations 346 to 348</i></p> <p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH's metering arrangements, we determined that:</p> <ul style="list-style-type: none"> <li>AETRH uses parallel check meters for each of its metering installations, which are Type 1 metering installations</li> <li>AETRH does not use partial check meters, therefore Clause 3.13(3)(c) was not relevant to AETRH's operations during the audit period</li> <li>AETRH's parallel check metering arrangements meet the requirements of clause 3.13(4)(b) of the Metering Code.</li> </ul>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
347	<p><i>Electricity Metering Code Clause 3.13(3)(c)</i></p> <p>A partial check metering installation must be physically arranged in a manner determined by the network operator, acting in accordance with good electricity industry practice.</p>	
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
348	<p><i>Electricity Metering Code Clause 3.13(4)</i></p> <p>A check metering installation for a metering point must comply with the prescribed requirements.</p>	
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
349	<p><i>Electricity Metering Code Clause 3.14(3)</i></p> <p>If, under clause 3.14(2), a metering installation uses metering class CTs and VTs that do not comply with the Table 3 or Table 3A in Appendix 1, (as applicable), then the network operator must take the actions specified in order to achieve the accuracy requirements in Table 3 or Table 3A in Appendix 1 (as applicable).</p>	<p>As this audit has determined that AETRH's CT/VT meters at the AETRH/AETC connection point comply with the accuracy requirements in Part 3A of the metering code (Appendix 1, Table 3A), this obligation was not relevant to AETRH's operations during the audit period.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
355	<p><i>Electricity Metering Code Clause 3.20(1)</i></p> <p>If reasonably requested by a Code participant, a network operator must provide enhanced technology features in a metering installation.</p>	<p>The Head of Operations, Alinta Energy confirmed that AETRH had not been requested by a Code participant to provide enhanced technology features in a metering installation during the period subject to audit.</p> <p>Therefore, this obligation was not relevant to AETRH's operations during the audit period.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	

No	Obligation under Condition	Findings
356	<p><i>Electricity Metering Code Clause 3.20(3)</i></p> <p>A network operator may only impose a charge for the provision of metering installations with enhanced technology features in accordance with its applicable service level agreement with the user.</p>	<p>The Head of Operations, Alinta Energy confirmed that:</p> <ul style="list-style-type: none"> <li>AETRH 's PPAs with its customers does not provide for AETRH to impose a charge for providing, installing, operating or maintaining its meters</li> <li>AETRH did not impose such a charge during the audit period.</li> </ul> <p>Therefore, this obligation was not relevant to AETRH's operations during the audit period.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
357	<p><i>Electricity Metering Code Clause 3.21(1)</i></p> <p>Meters containing an internal real time clock must maintain time accuracy as prescribed. Time drift must be measured over a period of 1 month.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH's metering arrangements, we determined that:</p> <ul style="list-style-type: none"> <li>AETRH's meters contain an internal real time clock</li> <li>AETRH has not retained evidence that the time accuracy of its meters has been maintained, or that drift is measured over a period of 1 month.</li> </ul> <p>This non-compliance has minor (little to no) impact on customers.</p> <p><i>Refer to Summary findings and Recommendation 1/2022 above.</i></p>
	<p>Priority 2</p> <p>Controls rating: B</p> <p>Compliance rating: 2</p>	
358	<p><i>Electricity Metering Code Clause 3.21(2)</i></p> <p>If a metering installation includes measurement elements and an internal data logger at the same site, it must include facilities on-site for storing the interval energy data for the periods prescribed.</p>	<p>The Head of Operations, Alinta Energy confirmed that AETRH's on-site facilities and systems appropriately provide for interval energy data to be stored.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
359	<p><i>Electricity Metering Code Clause 3.22</i></p> <p>A network operator providing one or more metering installations with enhanced technology features must be licensed to use, and access, the metering software applicable to all devices being installed and be able to program the devices and set parameters.</p>	<p>The Head of Operations, Alinta Energy confirmed that AETRH held the required licence for using and accessing the metering software associated with its meters and had trained and qualified personnel who were able to program devices and set parameters.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
360	<p><i>Electricity Metering Code Clause 3.23(a)</i></p> <p>Where signals are provided from the meter for the user or the user's customer, a network operator must ensure that signals are isolated by relays or electronic buffers to prevent accidental or malicious damage to the meter.</p>	<p><i>Obligations 360 and 361</i></p> <p>The Head of Operations, Alinta Energy confirmed that during the period subject to audit, no signals were provided from the meter to the user or customer.</p> <p>Therefore, this obligation was not relevant to AETRH's operations during the audit period.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
361	<p><i>Electricity Metering Code Clause 3.23(b)</i></p> <p>Where signals are provided from the meter for the user or the user's customer, a network operator must provide the user, or the user's customer, with sufficient details of the signal specification to enable compliance with clause 3.23(c) of the Code.</p>	
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	

No	Obligation under Condition	Findings
364	<p><i>Electricity Metering Code Clause 3.27</i></p> <p>A person must not install a metering installation on a network unless the person is the network operator or a registered metering installation provider for the network operator doing the type of work authorised by its registration.</p>	<p>The Head of Operations, Alinta Energy confirmed that AETRH installed the new CT/VT meters under contractual arrangements between Alinta Energy and Downer at the time of constructing the new interconnection infrastructure (additional 220KV bay installed at the Alinta Roy Hill Substation) and supporting equipment.</p> <p>We assessed this obligation as compliant as the meters were effectively installed by the network operator and not “another person” or registered metering installation provider.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
365	<p><i>Electricity Metering Code Clause 3.29</i></p> <p>A network operator must publish a list of registered metering installation providers, including the prescribed details, and update the list at least annually.</p>	<p>We determined that there is no requirement or expectation for AETRH to use other metering installation providers.</p> <p>Therefore, this obligation was not relevant to AETRH’s operations during the audit period.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
366	<p><i>Electricity Metering Code Clause 4.1(1)</i></p> <p>A network operator must establish, maintain and administer a metering database containing standing data and energy data for each metering point on its network.</p>	<p>Through discussion with the Head of Operations and examination of AETRH’s metering database we determined that:</p> <ul style="list-style-type: none"> <li>With the <u>exception of AETRH’s CT and VT meters installed at the AETRH/AETC connection point</u>, AETRH has maintained a metering database containing standing data for each point on its network</li> <li>Energy data from each of AETRH’s meters is captured within Alinta’s Honeywell Experion system.</li> </ul> <p><b>Recommendation 2/2022</b></p> <p><a href="#">AETRH update the metering database with standing data for its CT/VT meters installed at the AETRH/AETC connection point.</a></p>
	<p>Priority 4</p> <p>Controls rating: B</p> <p>Compliance rating: 2</p>	
367	<p><i>Electricity Metering Code Clause 4.1(2)</i></p> <p>A network operator must ensure that its metering database with its associated links, circuits, information storage and processing systems are secured by devices or methods consistent with a good industry practice (to hinder unauthorised access and enable unauthorised access to be detected).</p>	<p>The Head of Operations, Alinta Energy confirmed that AETRH’s Honeywell Experion system is appropriately secured through physical and logical means to prevent and/or detect unauthorised access.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
368	<p><i>Electricity Metering Code Clause 4.1(3)</i></p> <p>A network operator must prepare and, if applicable, implement a disaster recovery plan to ensure that it is able, to rebuild the metering database and provide energy data to Code participants within 2 business days after the day of any disaster.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH’s IT security and data management arrangements, we determined that AETRH:</p> <ul style="list-style-type: none"> <li>Has established appropriate capabilities to restore the Honeywell Experion system within two business days to ensure energy data will continue to be captured</li> <li>Backs up the metering database every evening to its server, which allows AETRH to recover the database should it need.</li> </ul>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	

No	Obligation under Condition	Findings		
369	<p><i>Electricity Metering Code Clause 4.2(1)</i></p> <p>A network operator must ensure that its registry complies with the Code and the prescribed clause of the market rules.</p>	<p><i>Obligations 369 and 370</i></p> <p>Clause 4.3(1) of the Metering Code (Obligation 370) requires AETRH’s metering database to contain the 30 specified standing data items.</p> <p>Although we recognise that AETRH advised that its metering database was updated in January 2020 to provide commentary on standing data items 4, 5, 14, 20, 21 and 27, our examination of AETRH’s metering database made available to this audit determined that the database contained the prerequisite standing data item headings, but still had not provided data or commentary on items: (4) Voltage at metering point, (5) Distribution loss factor, (14) NMI meter, (20) Summation scheme values and multipliers, (21) Data register coding details, (27) Algorithms.</p> <p>As a result of the metering registry not complying with the Code (Obligation 370), AETRH is also not compliant with Clause 4.3(1) of the Metering Code (Obligation 369).</p> <p><b>Recommendation 3/2022</b></p> <p>AETRH complete, or provide commentary on, the standing data omitted from its metering database.</p>		
	Priority 4	Controls rating: B	Compliance rating: 2	
370	<p><i>Electricity Metering Code Clause 4.3(1)</i></p> <p>The standing data for a metering point must comprise at least the items specified.</p>	<p><b>Recommendation 3/2022</b></p> <p>AETRH complete, or provide commentary on, the standing data omitted from its metering database.</p>		
	Priority 2	Controls rating: B	Compliance rating: 2	
371	<p><i>Electricity Metering Code Clause 4.4(1)</i></p> <p>If there is a discrepancy between energy data held in a metering installation and in the metering database, the affected Code participants and the network operator must liaise to determine the most appropriate way to resolve the discrepancy.</p>	<p><i>Obligations 371 and 372</i></p> <p>AETRH is a Code participant of the Alinta Energy Transmission Chichester (EATC) transmission network, which commenced operations in June 2021.</p> <p>The Head of Operations, Alinta Energy confirmed that during the period subject to this audit:</p> <ul style="list-style-type: none"> <li>AETRH has not accessed any other network for the purpose of its Licence</li> <li>There have been no known discrepancies between energy data held in a meter and in the metering database for either of AETRH’s network or AETC’s network. Therefore, Obligation 371 was not relevant to AETRH’s operations during the audit period</li> <li>AETRH has not knowingly permitted the AETC network operator’s registry to be materially inaccurate.</li> </ul>		
	Priority 5	Controls rating: N/P	Compliance rating: N/R	
372	<p><i>Electricity Metering Code Clause 4.5(1)</i></p> <p>A Code participant must not knowingly permit the registry to be materially inaccurate.</p>	<p><b>Recommendation 3/2022</b></p> <p>AETRH complete, or provide commentary on, the standing data omitted from its metering database.</p>		
	Priority 5	Controls rating: N/P	Compliance rating: 1	
373	<p><i>Electricity Metering Code Clause 4.5(2)</i></p> <p>Subject to subclause 5.19(6), if a Code participant, other than a network operator, becomes aware of a change to, or inaccuracy in, an item of standing data in the registry, then it must notify the network operator and provide details of the change or inaccuracy within the timeframes prescribed</p>	<p><i>Obligations 373 to 376</i></p> <p>The Head of Operations, Alinta Energy confirmed that during the period subject to audit:</p> <ul style="list-style-type: none"> <li>AETRH had not become aware of any inaccuracy in an item of standing data in relation to AETC’s metering database</li> <li>No code participant had made AETRH aware of any inaccuracy in an item of standing data in AETRH’s metering database</li> </ul> <p>Therefore these obligations were not relevant to AETRH’s operations during the audit period.</p>		
	Priority 4	Controls rating: N/P	Compliance rating: N/R	
374	<p><i>Electricity Metering Code Clause 4.6(1)</i></p> <p>If the network operator is notified of a change to, or inaccuracy in, an item of standing data by a Code participant that is the designated source for the item of standing data under Table 2 in clause 4.3(1) then the network operator must update the registry to address the issue.</p>	<p><b>Recommendation 3/2022</b></p> <p>AETRH complete, or provide commentary on, the standing data omitted from its metering database.</p>		
	Priority 4	Controls rating: N/P	Compliance rating: N/R	

No	Obligation under Condition	Findings			
375	<p><i>Electricity Metering Code Clause 4.6(2)</i></p> <p>If a network operator is notified of a change to, or inaccuracy in, an item of standing data by a Code participant which is not the designated source for the item of standing data, or otherwise becomes aware of a change to or inaccuracy in an item of standing data, then the network operator must determine whether the registry should be updated, and update the registry as required.</p> <table border="1" data-bbox="280 391 1059 438"> <tr> <td data-bbox="280 391 510 438">Priority 4</td> <td data-bbox="510 391 781 438">Controls rating: N/P</td> <td data-bbox="781 391 1059 438">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
376	<p><i>Electricity Metering Code Clause 4.7(1)</i></p> <p>If standing data for a metering point is updated in the registry, the network operator must, within 2 business days after the update (or such other time as is specified in the applicable service level agreement) notify the update to the current user and each previous user, if the updated standing data relates to a period or periods when the previous user was the current user.</p> <table border="1" data-bbox="280 639 1059 687"> <tr> <td data-bbox="280 639 510 687">Priority 4</td> <td data-bbox="510 639 781 687">Controls rating: N/P</td> <td data-bbox="781 639 1059 687">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
377	<p><i>Electricity Metering Code Clause 4.8 (3)</i></p> <p>A network operator must allow a user who is a retailer or a generator to have local and, where a suitable communications link is installed, remote access to the energy data for metering points at its associated connection points, using a password provided by the network operator that provides 'read only' access.</p> <table border="1" data-bbox="280 888 1059 936"> <tr> <td data-bbox="280 888 510 936">Priority 4</td> <td data-bbox="510 888 781 936">Controls rating: N/P</td> <td data-bbox="781 888 1059 936">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	<p><i>Obligations 377 and 388</i></p> <p>During the period subject to audit, no other retailers or generators had access to AETRH's transmission and distribution network.</p> <p>Therefore these obligations were not relevant to AETRH's operations during the audit period.</p>
Priority 4	Controls rating: N/P	Compliance rating: N/R			
378	<p><i>Electricity Metering Code Clause 4.8(3A)</i></p> <p>A network operator must allow a user who is a retailer or a generator to have access to data held in its metering database for metering points at its associated connection points, by the prescribed methods, using a password provided by the network operator which provides 'read only' access.</p> <table border="1" data-bbox="280 1112 1059 1157"> <tr> <td data-bbox="280 1112 510 1157">Priority 4</td> <td data-bbox="510 1112 781 1157">Controls rating: N/P</td> <td data-bbox="781 1112 1059 1157">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			

No	Obligation under Condition	Findings
379	<p><i>Electricity Metering Code Clause 4.8(4)(a)</i></p> <p>A network operator must have devices and methods in place to ensure that energy data held in its metering installation is secured from unauthorised local or remote access using the methods prescribed.</p>	<p><i>Obligations 379 to 381</i></p> <p>Through discussion with the Head of Operations, Alinta Energy, consideration of AETRH's metering arrangements and examination of Alinta Energy's IT Security Policy and password policy system parameters, we determined that:</p> <ul style="list-style-type: none"> <li>AETRH has appropriate devices and methods in place to ensure energy data held in its meters is appropriately secured to prevent and/or detect unauthorised access</li> <li>AETRH has appropriate devices and methods in place to ensure that data held in its metering database and Honeywell system is secure</li> <li>Alinta Energy business systems are appropriately protected through passwords and other system securities to prevent unauthorised access.</li> </ul>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
380	<p><i>Electricity Metering Code Clause 4.8(4)(b)</i></p> <p>A network operator must have devices and methods in place to ensure that the data held in its metering database is secured from unauthorised local, or remote, access using the methods prescribed.</p>	
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
381	<p><i>Electricity Metering Code Clause 4.8(5)</i></p> <p>Without limiting subclause 4.8(4), a network operator must ensure that electronic passwords and other electronic security controls are only issued to the specified authorised personnel and otherwise keep its records of electronic passwords, and other electronic security controls, secure from unauthorised access.</p>	
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
382	<p><i>Electricity Metering Code Clause 4.9</i></p> <p>A network operator must retain energy data in its metering database for each metering point on its network, including any energy data that has been replaced under subclause 5.24, for at least the periods, and with the level of accessibility, prescribed.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH's metering arrangements, we determined that AETRH's Honeywell Experion system is designed to ensure that relevant energy data is retained in a readily accessible format for at least 13 months and once archived, indefinitely (i.e. in excess of five years and 11 months) in a format that is accessible within a reasonable period of time.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
383	<p><i>Electricity Metering Code Clause 5.1(1)</i></p> <p>A network operator must use all reasonable endeavours to accommodate another Code participant's requirement to obtain a metering service and requirements in connection with the negotiation of a service level agreement.</p>	<p><i>Obligations 383 and 384</i></p> <p>During the period subject to audit, no other retailers, generators, network operators or users (collectively Code Participants) had access to AETRH's transmission network, or an opportunity to obtain a metering service.</p> <p>Therefore clause 5.1 of the Metering Code did not apply to AETRH's circumstances during the period subject to audit.</p>
	<p>Priority 5</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
384	<p><i>Electricity Metering Code Clause 5.1(2)</i></p> <p>Without limiting subclause 5.1(1), a network operator must:</p> <ul style="list-style-type: none"> <li>expeditiously and diligently process all requests for a service level agreement;</li> <li>negotiate in good faith with a Code participant regarding the terms for an agreement; and</li> <li>to the extent reasonably practicable in accordance with good electricity industry practice, permit a Code participant to acquire a metering</li> </ul>	

No	Obligation under Condition	Findings	
	service containing only those elements of the metering service which the Code participant wishes to acquire.		
	Priority 5	Controls rating: N/P	Compliance rating: N/R
385	<p><i>Electricity Metering Code Clause 5.3(1)</i></p> <p>A network operator must, for each metering point on its network, obtain energy data from the metering installation and transfer the energy data into its metering database by no later than 2 business days after the date for the scheduled meter reading for the metering point (or such other time as is specified in the applicable service level agreement).</p>	<p><i>Obligations 385 to 387</i></p> <p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH's metering arrangements, we determined that:</p> <ul style="list-style-type: none"> <li>Energy data collected from meters is immediately transferred to Alinta's Honeywell system</li> <li>For AETRH's meters where bi-directional electricity flows have occurred (since June 2021), the energy data collected from meters includes a separate measurement of each of the electricity production and the electricity consumption at that metering point</li> <li>Actual meter readings are undertaken on a continuous basis and in 30 minute intervals</li> <li>AETRH's use of check meters accommodates the required energy data validation processes</li> <li>Meter readings are only performed by appointed AETRH personnel.</li> </ul>	
	Priority 4	Controls rating: N/P	Compliance rating: 1
385A	<p><i>Electricity Metering Code Clause 5.3(2)</i></p> <p>Energy data obtained and transferred under clause 5.3(1) must include:</p> <ul style="list-style-type: none"> <li>for a metering point at which bi-directional electricity flows occur, a separate measurement of each of the electricity production and the electricity consumption at that metering point; and</li> <li>on and from five-minute settlement commencement, five-minute interval energy data in respect of SMS meters [this point is only applicable to the SWIN].</li> </ul>		
	Priority 4	Controls rating: N/P	Compliance rating: 1
386	<p><i>Electricity Metering Code Clause 5.4(1)</i></p> <p>A network operator must, for each meter on its network, at least once in every 12-month period undertake a meter reading that provides an actual value that passes the validation processes in Appendix 2.</p>		
	Priority 4	Controls rating: N/P	Compliance rating: 1
387	<p><i>Electricity Metering Code Clause 5.4(1A)</i></p> <p>The meter reading referred to in clause 5.4(1) must not be undertaken by the customer associated with the meter, and must be undertaken by a person who is employed or appointed by the network operator and who is suitably skilled in accordance with good electricity industry practice to carry out meter readings.</p>		
	Priority 4	Controls rating: N/P	Compliance rating: 1
388	<p><i>Electricity Metering Code Clause 5.4(2)</i></p> <p>A user must, when reasonably requested by a network operator, assist the network operator to comply with the network operator's obligation under subclause 5.4(1)</p>	<p>AETRH is a Code participant of the AETC transmission network, which commenced operations in June 2021.</p> <p>The Head of Operations, Alinta Energy confirmed that AETRH had not received a request to assist the AETC network operator comply with its obligations for reading meters.</p> <p>Therefore this obligation was not relevant to AETRH's operations during the audit period.</p>	
	Priority 4	Controls rating: N/P	Compliance rating: N/R

No	Obligation under Condition	Findings	
389	<p><i>Electricity Metering Code Clause 5.5(2)</i>                      Subject to subclause 5.5(2A)(b), a network operator may impose a charge for the provision of data, but only if</p> <ul style="list-style-type: none"> <li>• a user has requested the energy data to the extent permitted by, and in accordance with the applicable service level agreement between it and the user; and</li> <li>• if a customer has given a direction under subclause 5.17A(1), in accordance with the prescribed conditions.</li> </ul>	<p><i>Obligations 389 and 390</i></p> <p>The Head of Operations, Alinta Energy confirmed that:</p> <ul style="list-style-type: none"> <li>• AETRH’S PPA with its customer does not allow for it to impose a charge for providing energy data or standing data on request</li> <li>• AETRH has not imposed such a charge during the period subject to audit.</li> </ul> <p>Therefore, these obligations were not relevant to AETRH’s operations during the audit period.</p>	
Priority 4	Controls rating: N/P		Compliance rating: N/R
390	<p><i>Electricity Metering Code Clause 5.5(2A)</i>                      A network operator must not impose a charge for the provision of standing data and for the provision of energy data if another enactment prohibits it doing so.</p>		
Priority 4	Controls rating: N/P		Compliance rating: N/R
391	<p><i>Electricity Metering Code Clause 5.6(1)</i>                      Subject to subclause 5.6(2), a network operator must provide validated, and where necessary, substituted or estimated energy data for a metering point to the user for the metering point and the IMO within the timeframes prescribed in subclause 5.6(1)(2).</p>	<p><i>Obligations 391 to 392</i></p> <p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH’s metering arrangements and AETRH’s PPAs with its customer, we determined that:</p> <ul style="list-style-type: none"> <li>• AETRH provides energy data to its customer in accordance with the PPA</li> <li>• As AETRH’s network is not part of an electricity market there is no requirement to provide information to an Independent Market Operator or the Australian Energy Market Operator (AEMO).</li> </ul> <p>Therefore, these obligations were not relevant to AETRH’s operations during the audit period.</p>	
Priority 4	Controls rating: N/P		Compliance rating: N/R
391A +	<p><i>Electricity Metering Code Clause 5.6(3)</i>                      A network operator must provide validated, and where necessary substituted or estimated, interval energy data for a metering point to AEMO before 5pm on the first business day after the network operator obtains energy data for the metering point under clause 5.3(1)(a), or such other time as agreed in writing.</p>		
Priority 4	Controls rating: N/P		Compliance rating: N/R
391B +	<p><i>Electricity Metering Code Clause 5.6(5)</i>                      Energy data provided under clauses 5.6(1) and 5.6(3) must include:</p> <ul style="list-style-type: none"> <li>• for a metering point at which bi-directional electricity flows occur, a separate measurement of each of the electricity production and the electricity consumption at that metering point; and</li> <li>• on and from five-minute settlement commencement, five-minute interval energy data in respect of SMS meters [this point is only applicable to the SWIN].</li> </ul>		
Priority 4	Controls rating: N/P	Compliance rating: N/R	

No	Obligation under Condition	Findings			
392	<p><i>Electricity Metering Code Clause 5.7</i></p> <p>If a replacement energy data value is inserted in a metering database for a metering point, the network operator must provide replacement energy data to the user for the metering point and the IMO within the timeframes prescribed.</p> <table border="1" data-bbox="280 328 1059 368"> <tr> <td data-bbox="280 328 488 368">Priority 4</td> <td data-bbox="488 328 757 368">Controls rating: N/P</td> <td data-bbox="757 328 1059 368">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
393	<p><i>Electricity Metering Code Clause 5.8</i></p> <p>A network operator must provide a user with whatever information the network operator has that is necessary to enable the user to comply with its obligations under the Code of Conduct, within the time necessary for the user to comply with the obligations.</p> <table border="1" data-bbox="280 536 1059 576"> <tr> <td data-bbox="280 536 488 576">Priority 4</td> <td data-bbox="488 536 757 576">Controls rating: N/P</td> <td data-bbox="757 536 1059 576">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	<p>Clause 5.8 relates to a user’s obligations under the Code of Conduct for Small Use Customers. As there are no users of AETRH’s network with obligations under the Code of Conduct for Small Use Customers, this obligation was not relevant to AETRH’s operations during the audit period.</p>
Priority 4	Controls rating: N/P	Compliance rating: N/R			
394	<p><i>Electricity Metering Code Clause 5.9</i></p> <p>A network operator must provide standing data, provided to or obtained by it under this Code, to users where required to do so under any enactment.</p> <table border="1" data-bbox="280 679 1059 719"> <tr> <td data-bbox="280 679 488 719">Priority 4</td> <td data-bbox="488 679 757 719">Controls rating: N/P</td> <td data-bbox="757 679 1059 719">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	<p><i>Obligations 394, 397 to 400</i></p> <p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH’s metering arrangements and AETRH’s PPA with its customer, we determined that:</p>
Priority 4	Controls rating: N/P	Compliance rating: N/R			
397	<p><i>Electricity Metering Code Clause 5.12(1)</i></p> <p>If a user gives a network operator an energy data request for a metering point in accordance with the communication rules, and the energy data request relates only to a time or times for which the user was the current user at the metering point, then the network operator must provide a user with a complete set of energy data for the metering point within the timeframes prescribed.</p> <table border="1" data-bbox="280 943 1059 983"> <tr> <td data-bbox="280 943 488 983">Priority 4</td> <td data-bbox="488 943 757 983">Controls rating: N/P</td> <td data-bbox="757 943 1059 983">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	<ul style="list-style-type: none"> <li>• Any related metering information (including dates for the purpose of invoicing) is required to be provided to AETRH’s customer in accordance with the PPA</li> <li>• Through the interconnection agreement between AETRH and AETC, the AETC network operator became a user of AETRH’s network in June 2021</li> <li>• During the period subject to audit, no other users had access to AETRH’s transmission network</li> <li>• No requests for energy data, standing data or bulk standing data were received by AETRH during the period subject to audit.</li> </ul>
Priority 4	Controls rating: N/P	Compliance rating: N/R			
398	<p><i>Electricity Metering Code Clause 5.13</i></p> <p>If the current user for a metering point gives the network operator a standing data request for the metering point in accordance with the communication rules then the network operator must:</p> <ul style="list-style-type: none"> <li>• provide the current user with a complete current set of standing data for a metering point; and</li> <li>• advise whether there is a communications link for the metering point, within 2 business days after the receipt of the request.</li> </ul> <table border="1" data-bbox="280 1246 1059 1286"> <tr> <td data-bbox="280 1246 488 1286">Priority 4</td> <td data-bbox="488 1246 757 1286">Controls rating: N/P</td> <td data-bbox="757 1246 1059 1286">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	<p>Therefore, these obligations were not relevant to AETRH’s operations during the audit period.</p>
Priority 4	Controls rating: N/P	Compliance rating: N/R			
399	<p><i>Electricity Metering Code Clause 5.14(3)</i></p> <p>If a user makes a bulk standing data request, the network operator must in accordance with the communication rules, acknowledge receipt of the request and provide the requested standing data within the timeframes prescribed.</p> <table border="1" data-bbox="280 1445 1059 1489"> <tr> <td data-bbox="280 1445 488 1489">Priority 4</td> <td data-bbox="488 1445 757 1489">Controls rating: N/P</td> <td data-bbox="757 1445 1059 1489">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			

No	Obligation under Condition	Findings
400	<p><i>Electricity Metering Code Clause 5.15</i></p> <p>If a network operator provides energy data to a user or the IMO it must also provide the date of the meter reading in accordance with the requirements specified.</p>	
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
401	<p><i>Electricity Metering Code Clause 5.16</i></p> <p>If a user collects or receives energy data from a metering installation then the user must provide the network operator with the energy data (in accordance with the communication rules) within the timeframes prescribed.</p>	<p>The Head of Operations, Alinta Energy confirmed that as a user of the AETC transmission network, AETRH had not collected or received data from an AETC network meter.</p> <p>Therefore this obligation was not relevant to AETRH's operations during the audit period.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
402	<p><i>Electricity Metering Code Clause 5.17(1)</i></p> <p>A user must provide standing data and validated, and where necessary substituted or estimated, energy data to the user's customer to which that information relates where the user is required by an enactment or an agreement to do so for billing purposes or for the purpose of providing metering services to the customer.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH's metering arrangements, we determined that standing data and validated energy data is provided to AETRH's customer in accordance with the PPA, for the purpose of invoicing.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
403	<p><i>Electricity Metering Code Clause 5.17A(1)</i></p> <p>A network operator must provide data for a metering point from its metering database to a person if (and to the extent that) the customer associated with the metering point gives the network operator a direction to do so that complies with subclause 5.17A(2).</p>	<p><i>Obligations 403 and 404</i></p> <p>The Head of Operations, Alinta Energy confirmed that AETRH provides energy data to its customers in accordance with their PPA's and did not receive any directions from its customers to provide additional data.</p> <p>Therefore these obligations were not relevant to AETRH's operations during the audit period.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
404	<p><i>Electricity Metering Code Clause 5.17A(3)</i></p> <p>A network operator must comply with a direction under subclause 5.17A(1) within the timeframes prescribed.</p>	
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
405	<p><i>Electricity Metering Code Clause 5.18</i></p> <p>If a user collects or receives information regarding a change in the energisation status of a metering point then the user must provide the network operator with the prescribed information, including the stated attributes, within the timeframes prescribed.</p>	<p><i>Obligations 405 to 410</i></p> <p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH's network access arrangements, we determined that during the audit period:</p> <ul style="list-style-type: none"> <li>As a user of the AETC transmission network only for the purpose of an interconnection arrangement, AETRH had no possible obligations relating to energisation status of meters, or provision of customer information</li> </ul>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
406	<p><i>Electricity Metering Code Clause 5.19(1)</i></p> <p>A user must, when requested by the network operator acting in accordance with good electricity industry practice, use reasonable endeavours to collect information from customers, if any, that assists the network operator in</p>	<ul style="list-style-type: none"> <li>Similarly, a user of the AETRH transmission network only for the purpose of an interconnection arrangement, AETC had no possible obligations relating to provision of customer information</li> </ul>

No	Obligation under Condition	Findings	
	meeting its obligations described in the Code and elsewhere, and provide that information to the network operator		
	Priority 5	Controls rating: N/P	Compliance rating: N/R
407	<i>Electricity Metering Code Clause 5.19(2)</i> A user must, to the extent that it is able, collect and maintain a record of the prescribed information in relation to the site of each connection point with which the user is associated		
	Priority 5	Controls rating: N/P	Compliance rating: N/R
408	<i>Electricity Metering Code Clause 5.19(3)</i> Subject to subclauses 5.19(3A) and 5.19(6), the user must, within 1 business day after becoming aware of any change in an attribute described in subclause 5.19(2), notify the network operator of the change.		
	Priority 4	Controls rating: N/P	Compliance rating: N/R
409	<i>Electricity Metering Code Clause 5.19(5)</i> A network operator must give notice to a user, or (if there is a different current user) the current user, acknowledging receipt of any customer, site or address attributes from the user within the timeframes prescribed.		
	Priority 4	Controls rating: N/P	Compliance rating: N/R
410	<i>Electricity Metering Code Clause 5.19(6)</i> The user must use reasonable endeavours to ensure that it does not notify the network operator of a change in an attribute described in subclause 5.19(2) that results from the provision of standing data by the network operator to the user		
	Priority 5	Controls rating: N/P	Compliance rating: N/R
411	<i>Electricity Metering Code Clause 5.20(1)</i> A network operator must, by not later than 6 months after the date this Code applies to the network operator, develop, in accordance with the communication rules, an Energy Data Verification Request Form.		
	Priority 4	Controls rating: N/P	Compliance rating: N/R
412	<i>Electricity Metering Code Clause 5.20(2)</i> An Energy Data Verification Request Form must require a Code participant to provide the information prescribed.		
	Priority 4	Controls rating: N/P	Compliance rating: 1
413	<i>Electricity Metering Code Clause 5.20(4)</i> If a Code participant requests verification of energy data under subclause 5.20(3), the network operator must, in accordance with the metrology procedure:		
		<p><b>Findings</b></p> <ul style="list-style-type: none"> <li>AETRH had not accessed any other network for the purpose of its Licence and no other users accessed AETRH's network.</li> </ul> <p>Therefore obligations under Clauses 5.18 and 5.19 of the Metering Code were not relevant to AETRH's operations during the audit period.</p>	
		<p><b>Obligations 411 and 412</b></p> <p>Through discussion with the Head of Operations, Alinta Energy and examination of AETRH's Energy Data Verification Request Form, we determined that:</p> <ul style="list-style-type: none"> <li>AETRH maintained an Energy Data Verification Request Form during the audit period. As this form was developed prior to this audit period, Obligation 411 was not relevant to AETRH's operations during this audit period</li> <li>The Request Form contains the communication rule requirements prescribed by section 5.20(1) (2) of the Metering Code.</li> </ul>	
		<p><b>Obligations 413 to 415</b></p> <p>The Head of Operations, Alinta Energy confirmed that AETRH did not receive any request for verification of energy data during the audit period.</p>	

No	Obligation under Condition	Findings
	<ul style="list-style-type: none"> <li>subject to subclause 5.20(5), use reasonable endeavours to verify energy data; and</li> <li>inform the requesting Code participant of the result of the verification and provide the verified energy data to that Code participant within the timeframes prescribed.</li> </ul>	<p>Therefore, these obligations were not relevant to AETRH’s operations during the audit period.</p>
414	<p><i>Electricity Metering Code Clause 5.21(2)</i> A network operator must comply with any reasonable request under subclause 5.21(1).</p>	
	<p>Priority 4      Controls rating: N/P      Compliance rating: N/R</p>	
415	<p><i>Electricity Metering Code Clause 5.21(4)</i> A test or audit under subclause 5.21(1) is to be conducted in accordance with the metrology procedure and the applicable service level agreement.</p>	
	<p>Priority 4      Controls rating: N/P      Compliance rating: N/R</p>	
416	<p><i>Electricity Metering Code Clause 5.21(5)</i> A Code participant must not request a test or audit under subclause 5.21(1) unless the Code participant is a user and the test or audit relates to a time or times at which the user was the current user or the Code participant is the IMO.</p>	
417	<p><i>Electricity Metering Code Clause 5.21(6)</i> A Code participant must not make a request under subclause 5.21(1) that is inconsistent with any access arrangement or agreement.</p>	
	<p>Priority 4      Controls rating: N/P      Compliance rating: N/R</p>	
418	<p><i>Electricity Metering Code Clause 5.21(8)</i> A network operator may only impose a charge for the testing of the metering installations, or auditing of information from the meters associated with the metering installations, or both, in accordance with the applicable service level agreement between it and the user.</p>	<p><i>Obligations 418 to 421</i> Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH’s network access arrangements, we determined that:</p> <ul style="list-style-type: none"> <li>AETRH’s PPA with its customer does not impose a charge for meter testing or auditing of associated information</li> <li>No requests were received from a user of AETRH’s network to test the accuracy of meters or audit associated information.</li> </ul> <p>Therefore, these obligations were not relevant to AETRH’s operations during the audit period.</p>
419	<p><i>Electricity Metering Code Clause 5.21(9)</i> Any written service level agreement entered into under subclause 5.21(7) must include a provision that no charge is to be imposed if the test or audit reveals a non-compliance with this Code.</p>	
	<p>Priority 4      Controls rating: N/P      Compliance rating: N/R</p>	

No	Obligation under Condition	Findings	
420	<p><i>Electricity Metering Code Clause 5.21(11)</i></p> <p>If a test or audit shows that the accuracy of the metering installation or information from the meter associated with the metering installation does not comply with the requirements under this Code, the network operator must:</p> <ul style="list-style-type: none"> <li>advise the affected parties as soon as practicable of errors detected under a test or audit, the possible duration of the errors; and</li> <li>must restore the accuracy of the metering installation in accordance with the applicable service level agreement.</li> </ul>		
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>		Priority 4
Priority 4	Controls rating: N/P	Compliance rating: N/R	
421	<p><i>Electricity Metering Code Clause 5.21(12)</i></p> <p>The original stored error correction data in a meter must not be altered except during accuracy testing and calibration of a metering installation.</p>		
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>		Priority 4
Priority 4	Controls rating: N/P	Compliance rating: N/R	
422	<p><i>Electricity Metering Code Clause 5.22(1)</i></p> <p>A network operator must validate energy data in accordance with this Code applying, as a minimum, the prescribed rules and procedures set out in Appendix 2 and must, where necessary, substitute and estimate energy data under this Code applying, as a minimum, the prescribed rules and procedures set out in Appendix 3.</p>	<p>Through discussions with the Head of Operations, Alinta Energy, and examination of AETRH's data validation processes (as outlined in AETRH's PPA with its customer), we determined that:</p> <ul style="list-style-type: none"> <li>AETRH uses parallel check meters for each of its metering installations, which are Type 1 metering installations</li> <li>Energy data is validated in accordance with the prescribed rules and procedures as set out in Appendix 2 of the Metering Code</li> <li>AETRH applies energy data validation processes in accordance with its obligations under the PPA with its customer.</li> </ul>	
	<table border="1"> <tr> <td>Priority 2</td> <td>Controls rating: A</td> <td>Compliance rating: 1</td> </tr> </table>		Priority 2
Priority 2	Controls rating: A	Compliance rating: 1	
423	<p><i>Electricity Metering Code Clause 5.22(2)</i></p> <p>The network operator must use check metering data, where available, to validate energy data provided that the check metering data has been appropriately adjusted for differences in metering installation accuracy in accordance with subclause 3.13.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH's metering arrangements, we determined that :</p> <ul style="list-style-type: none"> <li>AETRH uses parallel check meters for each of its metering installations, which are Type 1 metering installations</li> <li>AETRH does not use partial check meters</li> <li>AETRH's parallel check metering arrangements meet the requirements of clause 3.13(4)(b) of the Metering Code.</li> </ul>	
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: 1</td> </tr> </table>		Priority 4
Priority 4	Controls rating: N/P	Compliance rating: 1	
424	<p><i>Electricity Metering Code Clause 5.22(3)</i></p> <p>If a check meter is not available or energy data cannot be recovered from the metering installation within the time required under this Code, or if clause 5.22(7) applies, then the network operator must prepare substitute values using a method contained in Appendix 3 (or in the case of a substitution under clause 5.22(7), a method contained in the metrology procedure) and agreed where necessary with the relevant Code participants.</p>	<p>The Head of Operations, Alinta Energy confirmed that there were no instances of data substitution during the audit period.</p> <p>Therefore, this obligation was not relevant to AETRH's operations during the audit period.</p>	
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>		Priority 4
Priority 4	Controls rating: N/P	Compliance rating: N/R	

No	Obligation under Condition	Findings			
425	<p><i>Electricity Metering Code Clause 5.22(4)</i></p> <p>If a network operator detects a loss of energy data or incorrect energy data from a metering installation, it must notify each affected Code participant of the loss or error within 24 hours after detection.</p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	<p><i>Obligations 425 to 429</i></p> <p>The Head of Operations, Alinta Energy confirmed that during the audit period, there were no instances in which:</p> <ul style="list-style-type: none"> <li>• AETRH detected a loss of energy data from a metering installation</li> <li>• Substitution or estimation of energy data was required due to energy data being missing, unavailable or corrupted.</li> </ul> <p>Therefore, these obligations were not relevant to AETRH's operations during the audit period.</p>
Priority 4	Controls rating: N/P	Compliance rating: N/R			
426	<p><i>Electricity Metering Code Clause 5.22(5)</i></p> <p>Substitution or estimation of energy data is required when energy data is missing, unavailable or corrupted, including in the circumstances described in this subclause.</p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
427	<p><i>Electricity Metering Code Clause 5.22(6)</i></p> <p>A network operator must review all validation failures before undertaking any substitution.</p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
428	<p><i>Electricity Metering Code Clause 5.23(1)</i></p> <p>If a network operator determines that there is no possibility of determining an actual value for a metering point, then the network operator must designate an estimated or substituted value for the metering point to be a deemed actual value for the metering point.</p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
429	<p><i>Electricity Metering Code Clause 5.23(3)</i></p> <p>If a network operator has designated a deemed actual value for a metering point then the network operator must:</p> <ul style="list-style-type: none"> <li>• repair or replace the meter or one or more of components of metering equipment (as appropriate) at the metering point; and</li> <li>• subclauses 5.24(3)(c) and 5.24(4) apply in respect of the estimated or substituted value which was designated to be the deemed actual value</li> </ul> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
430	<p><i>Electricity Metering Code Clause 5.24(1)</i></p> <p>If a network operator uses an actual value (first value) for energy data for a metering point, and a better quality actual or deemed actual value is available (second value), the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice.</p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
431	<p><i>Electricity Metering Code Clause 5.24(2)</i></p>	<p><i>Obligations 430 to 434</i></p> <p>The Head of Operations, Alinta Energy confirmed that during the audit period, there were no instances in which:</p> <ul style="list-style-type: none"> <li>• Better quality data became available</li> <li>• Substitution or estimation of energy data was required</li> <li>• A code participant requested an estimated or substituted data value to be replaced.</li> </ul> <p>Therefore these obligations were not relevant to AETRH's operations during the audit period.</p>			

No	Obligation under Condition	Findings			
	<p>If a network operator uses a deemed actual value (first value) for energy data for a metering point, and a better quality deemed actual value is available (second value), then the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice.</p>				
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
432	<p><i>Electricity Metering Code Clause 5.24(3)</i></p> <p>If a network operator uses an estimated or substituted value (first value) for energy data for a metering point, and a better quality actual, deemed, estimated or substituted value is available (second value), then the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice or the user and its customer jointly request it to do so.</p>				
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
433	<p><i>Electricity Metering Code Clause 5.24(4)</i></p> <p>A network operator (acting in accordance with good electricity industry practice) must consider any reasonable request from a Code participant for an estimated or substituted value to be replaced under subclause 5.24.</p>				
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
434	<p><i>Electricity Metering Code Clause 5.25</i></p> <p>A network operator must ensure the accuracy of estimated energy data in accordance with the methods in its metrology procedure and ensure that any transformation or processing of data preserves its accuracy in accordance with the metrology procedure.</p>				
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
435	<p><i>Electricity Metering Code Clause 5.27</i></p> <p>Upon request from a network operator, the current user for a connection point must provide the network operator with customer attribute information that it reasonably believes are missing or incorrect within the timeframes prescribed.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH's network access arrangements, we determined that during the audit period:</p> <ul style="list-style-type: none"> <li>As a user of the AETC transmission network only for the purpose of an interconnection arrangement, AETRH had no possible obligations relating to provision of customer information</li> <li>AETRH had not accessed any other network for the purpose of its Licence.</li> </ul> <p>Therefore this obligation was not relevant to AETRH's operations during the audit period.</p>			
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
441	<p><i>Electricity Metering Code Clause 5.37(1)(a)</i></p> <p>A network operator must for the year ending on each 30 June, prepare a report setting out the information listed in subclause 5.37(2) for each metering service it was requested during the year to provide or scheduled during the year to carry out.</p>	<p><i>Obligations 441 to 446</i></p> <p>During the period subject to audit, the requirements of Division 5.5 of the Metering Code were not relevant to AETRH's network operations as AETRH did not have any small use customers connected to its network and it was not contracted to provide metering services at one or more connection points on its network.</p>			

No		Obligation under Condition		Findings
	Priority 4	Controls rating: N/P	Compliance rating: N/R	Therefore, clauses 5.37 and 5.38 of the Metering Code were not relevant to AETRH's operations during the audit period.
442	<p><i>Electricity Metering Code Clause 5.37(1)(b)</i>                      A network operator must provide a copy of the report described in subclause 5.37(1)(a) to the Minister and the ERA not less than 5 business days before it is published under subclause 5.37(3).</p>			
	Priority 4	Controls rating: N/P	Compliance rating: N/R	
443	<p><i>Electricity Metering Code Clause 5.37(1)(c)</i>                      A network operator must publish the report described in subclause 5.37(1) within 3 months after the year ends.</p>			
	Priority 4	Controls rating: N/P	Compliance rating: N/R	
444	<p><i>Electricity Metering Code Clause 5.37(2)</i>                      The report prepared by the network operator must include the information prescribed.</p>			
	Priority 4	Controls rating: N/P	Compliance rating: N/R	
445	<p><i>Electricity Metering Code Clause 5.37(3)</i>                      For each relevant metering service, the information in subclause 5.37(2) must be reported separately for the specified classes of connection point.</p>			
	Priority 4	Controls rating: N/P	Compliance rating: N/R	
446	<p><i>Electricity Metering Code Clause 5.38</i>                      A network operator must keep such records of information as are required for the purposes of subclause 5.37, and must retain the information (in a format that is accessible within a reasonable period of time) for at least 7 years after the day on which a report containing the information is published under subclause 5.37(1)(c).</p>			
	Priority 4	Controls rating: N/P	Compliance rating: N/R	
447	<p><i>Electricity Metering Code Clause 6.1(1)</i>                      A network operator must, in relation to its network, comply with the agreements, rules, procedures, criteria and processes prescribed.</p>			This clause refers to AETRH's compliance with any of the formal documents specified by the Metering Code, including any network model service level agreement, communications rules, metrology procedure, mandatory link criteria and registration process.  As AETRH has not established any such document, there are no relevant compliance obligations and we do not make a control assessment.
	Priority 2	Controls rating: N/P	Compliance rating: N/R	
448	<p><i>Electricity Metering Code Clause 6.1(2)</i>                      A user must, in relation to a network on which it has an access contract, comply with the rules, procedures, agreements and criteria prescribed.</p>			The AETC network does not impose any such formal obligations on AETRH as a user.  Therefore this obligation was not relevant to AETRH's operations during the audit period.
	Priority 4	Controls rating: N/P	Compliance rating: N/R	

No	Obligation under Condition	Findings
448A	<p><i>Electricity Metering Code Clause 6.2</i></p> <p>A network operator must, as soon as practicable and in any event no later than 6 months after the date this Code applies to it, submit to the ERA for its approval the prescribed documents in subclauses 6.2(a)-(d).</p>	<p>In its role of a network operator, AETRH has not complied with clause 6.2(a)-(d) of the Metering Code, which required the following documents to be submitted by June 2013 to the ERA for approval:</p> <ul style="list-style-type: none"> <li>Proposed model service level agreement</li> <li>Proposed metrology procedure</li> <li>Proposed mandatory link criteria.</li> </ul> <p>AETRH has not implemented recommendation 2/2019 of the previous audit regarding the creation of a metering management plan which would demonstrate compliance in this area. This obligation remains non-compliant.</p> <p><i>Refer to Summary findings and Recommendation 1/2022 above.</i></p>
	<p>Priority 4</p> <p>Controls rating: B</p> <p>Compliance rating: 2</p>	
448B	<p><i>Electricity Metering Code Clause 6.18</i></p> <p>A network operator must publish the document within 10 business days after notification of the ERA’s approval under subclauses 6.13(1)(a)(i), 6.16 or 6.17.</p>	<p>As AETRH has not submitted any of the prescribed documents listed at Obligation 448A above, this obligation has not yet been triggered and is not relevant to AETRH’s operations during the audit period.</p>
	<p>Priority 5</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
448C	<p><i>Electricity Metering Code Clause 6.19A(1)</i></p> <p>A network operator must publish its communication rules as soon as practicable, and in any event within 6 months after the date this Code applies to it.</p>	<p>In its role of a network operator, AETRH has not complied with clause 6.19A(1) of the Metering Code, which requires communication rules to be established and published within 6 months of the Code applying.</p> <p>Note that the previous audit had not recognised this obligation to establish communication rules (rather, it focussed only on the requirement to publish those rules, which did not exist), therefore did not rate AETRH’s compliance with this obligation.</p> <p><i>Refer to Summary findings and Recommendation 1/2022 above.</i></p>
	<p>Priority 5</p> <p>Controls rating: B</p> <p>Compliance rating: 2</p>	
448D	<p><i>Electricity Metering Code Clause 6.19B(1)</i></p> <p>Once communication rules have been published for a network under clause 6.19A, or amended under clause 6.21(3), the communication rules may only be amended thereafter in accordance with the communication rules made under subclause 6.7(1)(k) or clause 6.19C.</p>	<p>AS AETRH has not established communication rules, this obligation is not relevant to AETRH’s operations during the audit period.</p>
	<p>Priority 5</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
449	<p><i>Electricity Metering Code Clause 6.20(4)</i></p> <p>A network operator must amend any document in accordance with the ERA’s final recommendation.</p>	<p><i>Obligations 449 and 450</i></p> <p>As AETRH has not submitted any of the prescribed documents listed at Obligation 448A above, these obligations have not yet been triggered and are not relevant to AETRH’s operations during the audit period.</p>
	<p>Priority 5</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
450	<p><i>Electricity Metering Code Clause 6.20(5)</i></p> <p>The network operator must publish any document that has been amended under subclause 6.20(4).</p>	
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	

No	Obligation under Condition	Findings
451	<p><i>Electricity Metering Code Clause 7.2(1)</i></p> <p>Code participants must use reasonable endeavours to ensure that they can send and receive a notice by post, facsimile and electronic communication and must notify the network operator of a telephone number for voice communication in connection with the Code.</p>	AETRH maintains electronic, facsimile and voice communication channels commensurate with the expectations of a major business, and has notified the AETC network operator of its telephone contact details.
	<p>Priority 5</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
452	<p><i>Electricity Metering Code Clause 7.2(2)</i></p> <p>A network operator must notify each Code participant of its initial contact details and of any change to its contact details at least 3 business days before the change takes effect.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH's network access arrangements, we determined that during the audit period:</p> <ul style="list-style-type: none"> <li>Through the interconnection agreement between AETRH and AETC, AETRH became a user of the AETC network in June 2021. AETRH had notified AETC of its contact details prior to commencement of the interconnection agreement</li> <li>There have been no changes to AETRH's contact details</li> <li>AETRH has not received any requests to provide its contact details.</li> </ul>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: 1</p>	
453	<p><i>Electricity Metering Code Clause 7.2(4)</i></p> <p>If requested by a network operator with whom it has entered into an access contract, the Code participant must notify its contact details to a network operator within 3 business days after the request.</p>	<p><i>Obligations 453 and 454</i></p> <p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH's network access arrangements, we determined that during the audit period:</p> <ul style="list-style-type: none"> <li>There have been no changes to AETRH's contact details</li> <li>AETRH has not received any requests to provide its contact details.</li> </ul>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
454	<p><i>Electricity Metering Code Clause 7.2(5)</i></p> <p>A Code participant must notify any affected network operator of any change to the contact details it notified to the network operator under subclause 7.2(4) at least 3 business days before the change takes effect.</p>	Therefore, these obligations were not relevant to AETRH's operations during the audit period.
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
455	<p><i>Electricity Metering Code Clause 7.5</i></p> <p>A Code participant must subject to subclauses 5.17A and 7.6 not disclose, or permit the disclosure of, confidential information provided to it under or in connection with the Code and may only use or reproduce confidential information for the purpose for which it was disclosed or another purpose contemplated by the Code</p>	<p><i>Obligations 455 and 456</i></p> <p>The Head of Operations, Alinta Energy confirmed that:</p> <ul style="list-style-type: none"> <li>AETRH was aware of the confidentiality obligations</li> <li>AETRH's PPA with its customer contains detailed confidentiality clauses</li> <li>During the audit period, AETRH was not required to disclose confidential information under a provision in the Metering Code.</li> </ul> <p>Therefore, these obligations were not relevant to AETRH's operations during the audit period.</p>
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	
456	<p><i>Electricity Metering Code Clause 7.6(1)</i></p> <p>A Code participant must disclose or permit the disclosure of confidential information that is required to be disclosed by the Code.</p>	
	<p>Priority 4</p> <p>Controls rating: N/P</p> <p>Compliance rating: N/R</p>	

No	Obligation under Condition	Findings			
457	<p><i>Electricity Metering Code Clause 8.1(1)</i></p> <p>If any dispute arises between any Code participants then (subject to subclause 8.2(3)) representatives of disputing parties must meet within 5 business days after a notice given by a disputing party to the other disputing parties and attempt to resolve the dispute by negotiations in good faith.</p> <table border="1" data-bbox="280 336 1059 379"> <tr> <td data-bbox="280 336 510 379">Priority 5</td> <td data-bbox="510 336 781 379">Controls rating: N/P</td> <td data-bbox="781 336 1059 379">Compliance rating: N/R</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: N/R	<p><i>Obligations 457 to 461</i></p> <p>For the purposes of the Metering Code, ‘disputes’ refers to metering disputes between AETRH as a code participant and as a network operator, another retailer, another generator, another network operator, a user or the IMO.</p> <p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH’s network access arrangements, we determined that:</p> <ul style="list-style-type: none"> <li>• AETRH, in its role as a network operator is governed by the provisions of its customer PPA when settling disputes</li> <li>• AETRH in its role as a user of the AETC network is governed by the provisions of its Interconnection Agreement when settling disputes</li> <li>• There were no metering disputes during the audit period.</li> </ul> <p>Therefore, these obligations were not relevant to AETRH’s operations during the audit period.</p>
Priority 5	Controls rating: N/P	Compliance rating: N/R			
458	<p><i>Electricity Metering Code Clause 8.1(2)</i></p> <p>If a dispute is not resolved within 10 business days after the dispute is referred to representative negotiations, the disputing parties must refer the dispute to a senior management officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.</p> <table border="1" data-bbox="280 555 1059 598"> <tr> <td data-bbox="280 555 510 598">Priority 5</td> <td data-bbox="510 555 781 598">Controls rating: N/P</td> <td data-bbox="781 555 1059 598">Compliance rating: N/R</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: N/R	
Priority 5	Controls rating: N/P	Compliance rating: N/R			
459	<p><i>Electricity Metering Code Clause 8.1(3)</i></p> <p>If the dispute is not resolved within 10 business days after the dispute is referred to senior management negotiations, the disputing parties must refer the dispute to the senior executive officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.</p> <table border="1" data-bbox="280 774 1059 817"> <tr> <td data-bbox="280 774 510 817">Priority 5</td> <td data-bbox="510 774 781 817">Controls rating: N/P</td> <td data-bbox="781 774 1059 817">Compliance rating: N/R</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: N/R	
Priority 5	Controls rating: N/P	Compliance rating: N/R			
460	<p><i>Electricity Metering Code Clause 8.1(4)</i></p> <p>If the dispute is resolved by representative negotiations, senior management negotiations or CEO negotiations, the disputing parties must prepare a written and signed record of the resolution and adhere to the resolution.</p> <table border="1" data-bbox="280 960 1059 1003"> <tr> <td data-bbox="280 960 510 1003">Priority 4</td> <td data-bbox="510 960 781 1003">Controls rating: N/P</td> <td data-bbox="781 960 1059 1003">Compliance rating: N/R</td> </tr> </table>	Priority 4	Controls rating: N/P	Compliance rating: N/R	
Priority 4	Controls rating: N/P	Compliance rating: N/R			
461	<p><i>Electricity Metering Code Clause 8.3(2)</i></p> <p>The disputing parties must at all times conduct themselves in a manner which is directed towards achieving the objective in subclause 8.3(1)</p> <table border="1" data-bbox="280 1120 1059 1171"> <tr> <td data-bbox="280 1120 510 1171">Priority 5</td> <td data-bbox="510 1120 781 1171">Controls rating: N/P</td> <td data-bbox="781 1120 1059 1171">Compliance rating: N/R</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: N/R	
Priority 5	Controls rating: N/P	Compliance rating: N/R			

4.4 Electricity Industry (Network Quality and Reliability of Supply) Code – Licence Conditions and Obligations

No	Obligation under Condition	Findings		
462	<p><i>Electricity Industry (Network Quality and Reliability of Supply) Code Clause 5(1)</i>                      A distributor or transmitter must, as far as reasonably practicable, ensure that electricity supply to a customer’s electrical installations complies with prescribed standards.</p>	<p>Through discussion with the Head of Operations and consideration of AETRH’s transmission network operations and the PPA with its customer, we determined that during the audit period, AETRH had ensured that electricity supply to its customers’ electrical installations complied with the prescribed standards and in accordance with the PPA.</p>		
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: N/P</td> <td>Compliance rating: 1</td> </tr> </table>		Priority 5	Controls rating: N/P
Priority 5	Controls rating: N/P	Compliance rating: 1		
463	<p><i>Electricity Industry (Network Quality and Reliability of Supply) Code Clause 8</i>                      A distributor or transmitter must, so far as reasonably practicable, disconnect the supply of electricity to installations or property in specified circumstances, unless it is in the interest of the customer to maintain the supply.</p>	<p>The Head of Operations, Alinta Energy confirmed that there were no occasions during the audit period where AETRH knowingly disconnected the supply of electricity to its customers other than in line with the agreed transmission line maintenance arrangements in the relevant PPA. Therefore this obligation was not relevant to AETRH’s operations during the audit period</p>		
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>		Priority 5	Controls rating: N/P
Priority 5	Controls rating: N/P	Compliance rating: N/R		
464	<p><i>Electricity Industry (Network Quality and Reliability of Supply) Code Clause 9</i>                      A distributor or transmitter must, as far as reasonably practicable, ensure that the supply of electricity is maintained and the occurrence and duration of interruptions is kept to a minimum.</p>	<p><i>Obligations 464 to 466, 468 and 469</i></p> <p>Through discussion with the Head of Operations and consideration of AETRH’s transmission network operations and the PPA with its customer, we determined that during the audit period:</p> <ul style="list-style-type: none"> <li>AETRH’s customer’s PPA prescribe voltage fluctuation, harmonic and reliability requirements, plus obligations upon AETRH for managing interruptions</li> <li>As far as reasonably practicable, AETRH had ensured that the supply of electricity to its customer was maintained and the occurrence and duration of interruptions was kept to a minimum. The total duration of forced system outages during the audit period was 104 minutes</li> <li>There were no instances in which an alternate supply of electricity was viable in the event of its customer being affected by a proposed interruption. Therefore <b>Obligation 466</b> was not relevant to AETRH’s operations during the audit period</li> <li>AETRH’s customer PPA addresses the requirements of clause 13 of the Network Quality and Reliability of Supply Code in relation to the duration of interruptions.</li> </ul>		
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: N/P</td> <td>Compliance rating: 1</td> </tr> </table>		Priority 5	Controls rating: N/P
Priority 5	Controls rating: N/P		Compliance rating: 1	
465	<p><i>Electricity Industry (Network Quality and Reliability of Supply) Code Clause 10(1)</i>                      A distributor or transmitter must, so far as reasonably practicable, reduce the effect of any interruption on a customer.</p>			
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: N/P</td> <td>Compliance rating: 1</td> </tr> </table>		Priority 5	Controls rating: N/P
Priority 5	Controls rating: N/P		Compliance rating: 1	
466	<p><i>Electricity Industry (Network Quality and Reliability of Supply) Code Clause 10(2)</i>                      A distributor or transmitter must consider whether, in specified circumstances, it should supply electricity by alternative means to a customer who will be affected by a proposed interruption.</p>			
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: N/P</td> <td>Compliance rating: N/R</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: N/R
Priority 5	Controls rating: N/P	Compliance rating: N/R		
468	<p><i>Electricity Industry (Network Quality and Reliability of Supply) Code Clause 13(2)</i>                      A distributor or transmitter must, so far as reasonably practicable, ensure that customers in specified areas do not have average total lengths of interruptions of supply greater than specified durations.</p>			
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: N/P</td> <td>Compliance rating: 1</td> </tr> </table>	Priority 5	Controls rating: N/P	Compliance rating: 1
Priority 5	Controls rating: N/P	Compliance rating: 1		

No	Obligation under Condition	Findings	
469	<p><i>Electricity Industry (Network Quality and Reliability of Supply) Code Clause 13(3)</i></p> <p>The average total length of interruptions of supply is to be calculated using the specified method.</p>		
	<table border="1"> <tr> <td data-bbox="280 320 510 363">Priority 4</td> <td data-bbox="510 320 784 363">Controls rating: N/P</td> <td data-bbox="784 320 1052 363">Compliance rating: 1</td> </tr> </table>		Priority 4
Priority 4	Controls rating: N/P	Compliance rating: 1	
470	<p><i>Electricity Industry (Network Quality and Reliability of Supply) Code Clause 14(8)</i></p> <p>A distributor or transmitter must, on request, provide to an affected customer a free copy of an instrument issued by the Minister and of any notice given under section 14(7) of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005.</p>	<p>During the audit period, there were no such instruments issued by the Minister in relation to the Network Quality and Reliability of Supply Code.</p> <p>Therefore this obligation was not relevant to AETRH’s operations during the audit period</p>	
	<table border="1"> <tr> <td data-bbox="280 560 510 608">Priority 4</td> <td data-bbox="510 560 784 608">Controls rating: N/P</td> <td data-bbox="784 560 1052 608">Compliance rating: N/R</td> </tr> </table>		Priority 4
Priority 4	Controls rating: N/P	Compliance rating: N/R	
471	<p><i>Electricity Industry (Network Quality and Reliability of Supply) Code Clause 15(2)</i></p> <p>A distributor or transmitter that agrees with a customer to exclude or modify certain provisions must set out the advantages and disadvantages to the customer of doing so in their agreement.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH’s operations and the PPA with its customer, we determined that:</p> <ul style="list-style-type: none"> <li>• AETRH’s PPA with its customer appropriately sets out all provisions related to quality and reliability standards</li> <li>• Those provisions were amended and restated to take account of AETRH’s contractual agreement with Alinta Energy Chichester, relating to the provision of solar generated electricity.</li> </ul>	
	<table border="1"> <tr> <td data-bbox="280 804 510 852">Priority 4</td> <td data-bbox="510 804 784 852">Controls rating: N/P</td> <td data-bbox="784 804 1052 852">Compliance rating: 1</td> </tr> </table>		Priority 4
Priority 4	Controls rating: N/P	Compliance rating: 1	
477	<p><i>Electricity Industry (Network Quality and Reliability of Supply) Code Clause 23(1)</i></p> <p>A distributor or transmitter must take all such steps as are reasonably necessary to monitor the operation of its network to ensure compliance with specified requirements.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH’s transmission network operations and the PPA with its customer, we determined that during the audit period, AETRH had monitored its network operations to ensure compliance with PPA obligations and Technical Rules prescribed by the Network Quality and Reliability of Supply Code.</p>	
	<table border="1"> <tr> <td data-bbox="280 1015 510 1062">Priority 5</td> <td data-bbox="510 1015 784 1062">Controls rating: N/P</td> <td data-bbox="784 1015 1052 1062">Compliance rating: 1</td> </tr> </table>		Priority 5
Priority 5	Controls rating: N/P	Compliance rating: 1	
478	<p><i>Electricity Industry (Network Quality and Reliability of Supply) Code Clause 23(2)</i></p> <p>A distributor or transmitter must keep records of information regarding its compliance with specific requirements for the period specified.</p>	<p>Through discussion with the Head of Operations, Alinta Energy and consideration of AETRH’s business practices, we determined that AETRH uses:</p> <ul style="list-style-type: none"> <li>• A range of systems to analyse and report network performance, including Experion, PIO, InControl and Tableau</li> <li>• SharePoint to maintain formal records of information regarding its network quality and reliability performance for a minimum of 7 years.</li> </ul>	
	<table border="1"> <tr> <td data-bbox="280 1230 510 1278">Priority 4</td> <td data-bbox="510 1230 784 1278">Controls rating: N/P</td> <td data-bbox="784 1230 1052 1278">Compliance rating: N/R</td> </tr> </table>		Priority 4
Priority 4	Controls rating: N/P	Compliance rating: N/R	
479	<p><i>Electricity Industry (Network Quality and Reliability of Supply) Code Clause 24(3)</i></p> <p>A distributor or transmitter must complete a quality investigation requested by a customer in accordance with specified requirements.</p>	<p><i>Obligations 479 and 480</i></p> <p>The Head of Operations, Alinta Energy confirmed that during the audit period, there were no customer requests for AETRH to complete a quality investigation.</p> <p>Therefore these obligations were not relevant to AETRH’s operation during the audit period.</p>	
	<table border="1"> <tr> <td data-bbox="280 1417 510 1460">Priority 4</td> <td data-bbox="510 1417 784 1460">Controls rating: N/P</td> <td data-bbox="784 1417 1052 1460">Compliance rating: N/R</td> </tr> </table>		Priority 4
Priority 4	Controls rating: N/P	Compliance rating: N/R	

No	Obligation under Condition			Findings
480	<i>Electricity Industry (Network Quality and Reliability of Supply) Code Clause 24(4)</i> A distributor or transmitter must report the results of an investigation to the customer concerned.			
	Priority 4	Controls rating: N/P	Compliance rating: N/R	

## 5. Status of recommendations addressing non-compliances from the previous audit

Reference (no./year)	Non-compliance / Controls improvement Rating / Licence obligation reference number and licence obligation / Details of noncompliance or inadequacy of controls)	Auditor's recommendation or action planned	Further action required (Yes/No/Not Applicable) Details of further action required (including current recommendation reference, if applicable)
<b>A. Resolved during current audit period</b>			
There were no resolved non-compliances during the audit period.			
<b>B. Unresolved at end of current audit period</b>			
1/2019	<p><b>B2</b> <b>Obligation 370: Electricity Industry (Metering) Code 2021 Clause 4.3(1)</b> The 2016 Audit reported that Alinta needed to establish a metering database including all relevant metering information. Alinta had since implemented the database, however some prerequisite standing data was not included.</p>	<p>Alinta should complete, or provide commentary on, the standing data omitted from its metering database, including:</p> <ul style="list-style-type: none"> <li>• Item 4: Voltage at metering point</li> <li>• Item 5: Distribution loss factor</li> <li>• Item 14: NMI</li> <li>• Item 20: Summation scheme values and multipliers</li> <li>• Item 21: Data register coding details</li> <li>• Item 27: Algorithms.</li> </ul>	<p>Yes, action not fully implemented – refer to finding/recommendation 2/2022.</p>
2/2019	<p><b>B2</b> <b>Obligations 319, 320, 326, 327, 336, 337, 340, 342-344, 357, 422, 447, 448A: Electricity Industry (Metering) Code 2012 various clauses</b> The 2016 Audit reported that Alinta had not established a clear metering management plan concerning:</p> <ul style="list-style-type: none"> <li>• Installations and maintenance of meters in accordance with a metrology procedure, specifications under the National Measurements Act and the functionality and testing requirements under Part 3 of the Metering Code (obligations 319, 320, 326, 327, 336, 337, 340, 342- 344, 357)</li> <li>• Management of validated energy data (obligation 422)</li> <li>• Compliance with all applicable agreements, rules, procedures, criteria and processes outlined on Part 6 of the Metering Code (obligations 447 &amp; 448A).</li> </ul>	<p>Alinta should complete a metering management plan to incorporate the technical requirements of the Metering Code relevant to Alinta's metering operations.</p>	<p>Yes, further action required to resolve this matter – refer to finding/recommendation 1/2022.</p>

## Appendix A – Audit Plan

## **Alinta Energy Transmission (Roy Hill) Pty Ltd**

Electricity Integrated Regional Licence (EIRL6)

2022 Performance Audit

Audit Plan

October 2022

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# Introduction

## Overview

The Economic Regulation Authority (the **ERA**) has under the provisions of the Electricity Industry Act 2004 (the **Act**), issued to Alinta Energy Transmission (Roy Hill) Pty Ltd (**AETRH or Alinta**) Electricity Integrated Regional Licence (EIRL 6) (the **Licence**).

Section 13 of the Act requires AETRH to provide to the ERA a performance audit (the **audit**), conducted by an independent expert acceptable to the ERA within 24 months after the commencement date, and every 24 months thereafter, unless otherwise approved by the ERA. With the ERA's approval, Assurance Advisory Group (**AAG**) has been appointed to conduct the 2022 audit for the Licence for the three year period 1 October 2019 to 30 September 2022 (**audit period**).

The Licence relates to AETRH's electricity generation, transmission, distribution and retail activity in relation to its supply of power from its Newman Power Station to the Roy Hill mine site, all located in the Pilbara region of Western Australia. AETRH operates as a subsidiary within the Alinta Group and is supported by the resource and system capabilities of Alinta Energy.

The audit will be conducted in accordance with the ERA's March 2019 issue of the *Audit and Review Guidelines: Electricity and Gas Licences* (**Audit Guidelines**). In accordance with the Audit Guidelines this document represents the Audit Plan (the **Plan**) that is to be agreed upon by AAG and AETRH and presented to the ERA for approval.

## Objective

A performance audit is defined as an examination of the measures taken by AETRH to meet the performance criteria specified in its Licence. The purpose of the audit is to assess the effectiveness of measures taken by AETRH to meet the conditions of its Licence.

The audit will specifically consider the following:

- *Process compliance* - the effectiveness of systems and procedures in place throughout the audit period, including the adequacy of internal controls
- *Outcome compliance* - the actual performance against standards prescribed in the Licence throughout the audit period
- *Output compliance* - the existence of the output from systems and procedures throughout the audit period (specifically, proper records which provide assurance that procedures are consistently followed and controls are maintained)
- *Integrity of performance* - the completeness and accuracy of the compliance and performance report provided to the ERA
- *Compliance with any individual licence conditions* – the actual performance against the requirements imposed on AETRH by the ERA or specific matters raised by the ERA.

## Scope

The ERA provides guidance on those aspects of the Licence and AETRH's performance criteria, which it expects to be reported upon and included in the scope of the performance audit in its *Electricity Compliance Reporting Manual* (**Reporting Manual**).

The audit approach applies the singular audit priority assessment approach to identify all applicable licence obligations. Each of the compliance requirements identified in the Reporting Manual have been evaluated for applicability to AETRH's operations and used as the basis for determining the performance criteria to be considered for the audit. All applicable compliance requirements are listed at **Appendix 2**.

The audit period is 1 October 2019 to 30 September 2022. The Reporting Manual has undergone two revisions during the audit period to reflect changes in electricity licensees' obligations. The revised versions of the Reporting Manual were issued in June 2020 and February 2022.

The audit will address all relevant obligations contained in each of the July 2018, June 2020 and February 2022 versions of the Reporting Manual. As the changes to integrated regional licence obligations throughout the period subject to audit were not substantial, this audit will use the current February 2022 version of the Reporting Manual as the primary audit reference.

**Table 1** below outlines the compliance requirements that apply to AETRH's electricity operations during the period subject to audit. Where necessary, further explanation is provided to describe the obligation application. Note that due to AETRH's current operating arrangements, a number of those obligations are not likely to be triggered during the period subject to audit. In such instances, the obligation remains applicable to the scope of this audit, with the audit report to identify and describe instances where an obligation cannot be assessed and rated.

**Table 1 – Application of legislative elements to AETRH's electricity operations**

Legislative element	Application to AETRH's electricity operations
Electricity Industry (Customer Transfer) Code Electricity Industry (Obligation to Connect) Regulations Electricity Industry (Customer Contracts) Regulations Code of Conduct	None of the Code or Regulation obligations are applicable to AETRH's operations as: <ul style="list-style-type: none"> <li>• The Licence excludes AETRH from supplying to small use customers</li> <li>• Under current arrangements, AETRH's customers are not contestable, nor does it have access to contestable customers.</li> </ul>
Electricity Industry Act 2004	Seven of the 11 Electricity Industry Act obligations are applicable to AETRH's electricity operations. The remaining obligations are not applicable as the Licence excludes AETRH from supplying to small use customers.
Electricity Licences	Ten of the 14 Electricity Licence obligations are applicable to AETRH's electricity operations. The remaining obligations are not applicable as the Licence excludes AETRH from supplying to small use customers and exempts AETRH from the requirement to maintain a Priority Restoration Register.
Electricity Industry Metering Code	140 of the 159 Metering Code obligations are applicable to AETRH's electricity operations. The remaining obligations are not applicable to AETRH's operations due to their application to: <ul style="list-style-type: none"> <li>• Operations within the South West Interconnected Network, which is not applicable to AETRH's licenced areas</li> <li>• The Electricity Generation and Retail Corporation (Synergy) or Electricity Networks Corporation (Western Power) only</li> <li>• Use of pre-payment meters, which is not applicable to AETRH's licence and operations</li> <li>• Supply to small use customers, which is not applicable to AETRH's licence.</li> </ul>
Electricity Industry (Network Quality and Reliability of Supply) Code – Licence Conditions and Obligations	13 of the 28 Electricity Industry Code obligations are applicable to AETRH's electricity operations. The remaining obligations are not applicable as the Licence excludes AETRH from supplying to small use customers.

## **AETRH's responsibility for compliance with the conditions of the Licence**

AETRH is responsible for:

- Compliance with the Licence
- Identifying risks that threaten the conditions within the Licence being met
- Identifying suitable compliance requirements as specified by the ERA
- Identifying, designing and implementing controls to enable the conditions within the Licence to be met and to monitor ongoing compliance
- Implementing corrective actions for any instances of non-compliance.

## **AAG's responsibility**

Our responsibility is to express an opinion on AETRH's compliance, in all material respects, with the licence obligations as evaluated against its Licence Conditions for the period from 1 October 2019 to 30 September 2022. We will conduct our engagement in accordance with the Audit Guidelines and the Standard on Assurance Engagements ASAE 3100 Compliance Engagements (**ASAE 3100**) issued by the Auditing and Assurance Standards Board.

ASAE 3100 requires that we plan and perform our procedures to obtain reasonable assurance about whether AETRH has complied, in all material respects, with the licence obligations as evaluated against its Licence Conditions. This assurance engagement will involve performing procedures to obtain evidence about the compliance activity and controls implemented to meet the conditions within the Licence. The procedures selected depend on our judgement, including the identification and assessment of risks of material noncompliance with the relevant licence conditions.

## **Limitations of use**

Our report will be produced solely for the information and internal use of AETRH and is not intended to be and should not be used by any other person or entity. No other person or entity is entitled to rely, in any manner or for any purpose, on our report.

We understand that a copy of our report will be provided to the ERA for the purpose of meeting AETRH's reporting requirements of section 13 of the Act. We agree that a copy of our report may be provided to the ERA for its information in connection with this purpose, however we accept no responsibility to the ERA or to anyone who is provided with or obtains a copy of our report.

## **Inherent limitations**

Reasonable assurance means a high but not absolute level of assurance. Absolute assurance is very rarely attainable as a result of factors such as: the use of selective testing, the inherent limitations of internal control, the fact that much of the evidence available to us is persuasive rather than conclusive and the use of judgement in gathering and evaluating evidence and forming conclusions based on that evidence.

We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud.

Accordingly, readers of our report should not rely on the report to identify all potential instances of non-compliance which may occur.

An assurance engagement relating to the period from 1 October 2019 to 30 September 2022 will not provide assurance on whether compliance with the Licence will continue in the future.

## **Independence**

In conducting our engagement, we will comply with the independence requirements of the Australian professional accounting bodies.

# Approach

The audit will be conducted in three distinct phases, being a risk assessment, system analysis/walkthrough and testing and review. From the audit results, the report will be produced to outline findings, overall compliance assessments and recommendations for improvement in line with the Audit Guidelines. Each step of the audit is discussed in detail below.

## Risk assessment

The audit will focus on identifying or assessing those activities and management control systems to be examined and the matters subject to audit. Therefore, the purpose of conducting the risk assessment as a preliminary phase enables the auditor to focus on pertinent/high risk areas of AETRH’s licence obligations. The risk assessment considers any changes to AETRH’s systems and processes and any matters of significance raised by the ERA and/or AETRH. The levels of risk and materiality of the process determine the level of audit required, i.e. the greater the materiality and the higher the risk, the more audit effort to be applied.

The first step of the risk assessment is the rating of the potential consequences of AETRH not complying with its licence obligations, in the absence of mitigating controls.

As the Reporting Manual is prescriptive in its criteria for classifying the consequences of non-compliance (refer to Appendix 1-1) the risk assessment applies the Reporting Manual’s classifications for each obligation subject to audit.

Once the consequence has been determined, the likelihood of AETRH not complying with its obligations is assessed using the likelihood rating listed at Table 17 of the Audit Guidelines (refer to Appendix 1-2). The assessment of likelihood is based on the expected frequency of AETRH’s non-compliance with the relevant licence obligation over a period of time.

Table 2 below (sourced from the Audit Guidelines) outlines the combination of consequence and likelihood ratings to determine the level of inherent risk associated with each individual obligation.

**Table 2: Inherent risk rating**

	Consequence		
Likelihood	Minor	Moderate	Major
Likely	Medium	High	High
Probable	Low	Medium	High
Unlikely	Low	Medium	High

Once the level of inherent risk has been determined, the adequacy of existing controls is assessed in order to determine the level of control risk. Controls are assessed and prioritised as weak, moderate or strong dependant on their suitability to mitigate the risks identified. The control adequacy ratings used by this risk assessment are aligned to the ratings specified in the Audit Guidelines (refer to Appendix 1-3). Once inherent risks and control risks are established, the audit priority can then be determined using the matrix specified in the Audit Guidelines (refer to Table 3 below). Essentially, the higher the level of risk the more substantive testing is required.

**Table 3: Assessment of Audit Priority**

		Preliminary adequacy of existing controls		
Inherent Risk	Weak	Moderate	Strong	
High	Audit priority 1	Audit Priority 2		
Medium	Audit priority 3	Audit Priority 4		
Low	Audit Priority 5			

The following table outlines the audit requirement for each level of audit priority. Testing can range from extensive substantive testing around the controls and activities of processes to confirming the existence of controls through discussions with relevant staff.

**Table 4: Audit Priority Table**

Priority rating	Audit requirement
Audit Priority 1	<ul style="list-style-type: none"> <li>• Via interview and walkthrough, understand relevant processes and controls</li> <li>• Examine relevant documents, including compliance registers and reports</li> <li>• Obtain evidence of policies, procedures and controls being in place and working effectively</li> <li>• Extensive substantive testing of activities and/or transactions</li> <li>• Follow-up and if necessary, re-test matters previously reported.</li> </ul>
Audit Priority 2	<ul style="list-style-type: none"> <li>• Via interview and walkthrough, understand relevant processes and controls</li> <li>• Examine relevant documents, including compliance registers and reports</li> <li>• Obtain evidence of policies, procedures and controls being in place and working effectively</li> <li>• Moderate substantive testing of activities and/or transactions</li> <li>• Follow-up and if necessary, re-test matters previously reported.</li> </ul>
Audit Priority 3	<ul style="list-style-type: none"> <li>• Via interview and walkthrough, understand relevant processes and controls</li> <li>• Examine relevant documents, including compliance registers and reports</li> <li>• Limited controls testing (moderate sample size) to assess whether policies, procedures and controls are in place and working effectively</li> <li>• Follow-up of matters previously reported.</li> </ul>
Audit Priority 4	<ul style="list-style-type: none"> <li>• Confirmation of existing controls via walk through of key processes and examination of key documents including policies and procedures, compliance/breach registers and reports</li> <li>• Follow-up of matters previously reported.</li> </ul>
Audit Priority 5	<ul style="list-style-type: none"> <li>• Confirmation of existing controls via observation, discussions with key staff and/or reliance on key references including policies and procedures, compliance/breach registers and reports (“desktop review”).</li> </ul>

The risk assessment has been discussed with AETRH representatives to gain their input as to the appropriateness and factual accuracy of risk and control ratings and associated explanations. The key sources considered in reaching our preliminary assessment of the risk and control ratings were based on:

- Review of annual compliance reports lodged by AETRH for each of the years 2019/20 to 2021/22.
- Our understanding of AETRH's regulatory environment
- Any other factors that may influence the level or strength of controls
- Consideration of relevant circumstances and activity that trigger specific compliance obligations.

At this stage, the risk assessment can only be a preliminary assessment based on reading of documentation and interviews by the auditors. It is possible that the ratings and risk assessment comments may be revised as we conduct our work and new evidence comes to light. The performance audit risk assessment is attached at Appendix 2.

### **System analysis / walkthrough**

The systems analysis required will be determined utilising the audit priority scale outlined above. Once the priority level has been defined, the testing component will take place by way of interviewing key operational and administrative staff who will outline information that displays compliance with the Licence requirements.

In performing this analysis/walkthrough, we will consider the following:

- The control environment: AETRH's management philosophy and operating style, organisational structure, assignment of authority and responsibilities, the use of internal audit, the use of information technology and the skills and experience of key staff members
- Information systems: The appropriateness of AETRH's information systems to record the information needed to comply with the Licence, the accuracy of data, the security of data and documentation describing the information system
- Control procedures: The presence of systems and procedures to ensure compliance with the Licence, effectiveness of AETRH's internal control structure to detect and correct non-compliance. Specific consideration will be given to significant changes in relevant systems and procedures implemented during the period subject to audit
- Compliance attitude: Action taken by AETRH in response to any previous non-compliances. Consideration will be given to the timing of action taken during the period subject to audit and whether the action has a permanent impact on AETRH's level of compliance
- Outcome compliance: Actual performance against standards prescribed in the Licence throughout the audit period.

Where required, an observation of processes, procedures and operations and review of key documents will occur to assist in the determination of AETRH's compliance with Licence obligations. Key documents, which may be subject to audit, are not specifically disclosed in this plan. A list of documents examined will be included in the audit report.

## Testing/review

Using the results of the risk assessment and systems analysis, detailed testing and analysis will be performed to compare those standards maintained by AETRH with the relevant sections and schedules of the Licence.

Control testing is performed for those licence obligations with an audit priority 3 and above, and where there is relevant activity. This method of testing will involve:

- Understanding the population of transactions
- Selecting a sample of transactions to examine compliance with relevant sections of applicable legislation, codes and regulations
- Comparing the sample selected to expected requirements as mandated by relevant sections of applicable legislation, codes and regulations.

A full work program will be completed to record the specific aspects of our testing and analyses for each licence obligation. This work program will be based on:

- The audit priority determined by the risk assessment applicable to each licence obligation
- The results of the systems analysis performed, as described above
- AAG's sampling methodology, which is in accordance with ASA 530 (Audit Sampling) and takes account of the volume and frequency (e.g. daily, weekly, monthly, annual) of relevant transactions. Sample sizes typically range from 1 to 30, increasing with the volume and frequency of transactions
- The location of personnel and transactions to be tested.

Audit fieldwork will include meetings with staff at Alinta Energy's office in the Perth CBD, plus a visit to facilities at the Newman Power Station and the Roy Hill mine site in relation to metering activities.

## Reporting

The performance audit report will also be structured to address all of the minimum contents specified in section 5 of the Audit Guidelines.

In accordance with the Audit Guidelines, all aspects of compliance with the Licence will be assessed according to the rating scale based on the work performed. Refer to **Table 5** below for the compliance levels that will be used for the performance audit.

**Table 5: Compliance and control rating scales**

Controls Rating		Compliance Rating	
Rating	Description	Rating	Description
A	Adequate controls – no improvement needed	1	Compliant
B	Generally adequate controls – improvement needed	2	Non-compliant – minor impact on customers or third parties
C	Inadequate controls – significant improvement required	3	Non-compliant – moderate impact on customers or third parties
D	No controls evident	4	Non-compliant – major impact on customers or third parties
N/P	Not performed – A controls rating was not required	N/R	Not rated – No activity took place during the audit period

AETRH is responsible for providing a separate post audit implementation plan, if required.

# Resources and team

## Key AETRH contacts

The key contacts for this audit are:

- Operations Manager, Pilbara
- Manager, Merchant Compliance
- Head of Operations
- Manager, WA Retail Regulation.

## AAG Staff

AAG staff who will be involved with this assignment are:

- Margaret-Mary Gauci      Senior Consultant
- Andrew Baldwin          Executive Director
- Stephen Linden          Director (QA review).

Resumes for key AAG staff are outlined in the proposal accepted by AETRH and subsequently presented to the ERA.

## Timing

The initial risk assessment phase was completed on 20 October 2022, after which the draft audit plan and risk assessment were submitted to the ERA for review and approval.

The remainder of the fieldwork phase is scheduled to be performed over the period October to early December 2022, enabling a draft and final report to be submitted to the ERA by the due dates of 21 December 2022 and 21 January 2023 respectively.

AAG time and staff commitment to the completion of the audit is outlined in the proposal accepted by AETRH. In summary, the estimated time allocated to performance audit activity is as follows:

- Planning (including risk assessment): 9 hours
- Fieldwork (including system analysis/walkthrough and testing/review): 30 hours
- Reporting: 16 hours.

# Appendix 1 - Risk assessment key

## 1-1 Criteria for classification of compliance obligations

Source: Electricity Compliance Reporting Manual February 2022

Rating (type)	Classification of Non-Compliance	Criteria for classification
1	Major	Classified on the bases that: <ul style="list-style-type: none"> <li>The consequences of non-compliance would cause major damage, loss or disruption to customers; or</li> <li>The consequences of non-compliance would endanger or threaten to endanger the safety or health of a person.</li> </ul>
2	Moderate	Classified on the basis that: <ul style="list-style-type: none"> <li>The consequences of non-compliance will affect the efficiency and effectiveness of the licensee's operations or service provision, but will not cause major damage, loss or disruption to customers, or</li> <li>The regulatory obligation is not otherwise classified as Type 1 or Type NR non-compliance.</li> </ul> Reclassification of Type 2 to Type 1 may occur in circumstances of systemic non-compliance.
NR (not reportable)	Minor	Classified on the basis that: <ul style="list-style-type: none"> <li>The consequences of non-compliance are relatively minor – i.e. non-compliance will have minimal effect on the licensee's operations or service provision and do not cause damage, loss or disruption to customers;</li> <li>Compliance with the obligation is immeasurable;</li> <li>The non-compliance is required to be reported to the ERA under another instrument, guideline or code;</li> <li>The non-compliance is identified by a party other than the licensee; or</li> <li>The licensee only needs to use its reasonable or best endeavours to achieve compliance, or where the obligation does not otherwise impose a firm obligation on the licensee.</li> </ul> Reclassification of Type NR to Type 2 may occur in circumstances of: <ul style="list-style-type: none"> <li>Systemic non-compliance, or</li> <li>A failure to resolved non-compliance promptly.</li> </ul>

## 1-2 Likelihood ratings

Source: Audit Guidelines: Electricity and Gas Licences March 2019

	Level	Criteria
A	Likely	Non-compliance is expected to occur at least once or twice a year
B	Probable	Non-compliance is expected to occur every three years
C	Unlikely	Non-compliance is expected to occur at least once every 10 years or longer

## 1-3 Preliminary adequacy ratings for existing controls

Source: Audit Guidelines: Electricity and Gas Licences March 2019

Level	Description
Strong	Controls mitigate the identified risks to a suitable level
Moderate	Controls only cover significant risks; improvement required
Weak	Controls are weak or non-existent and do little to mitigate the risks

## Appendix 2 - Risk assessment

Obligation numbers and references listed below are sourced from the February 2022 version of the Reporting Manual.

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
<b>9 Electricity Industry (Customer Transfer) Code – Licence Conditions and Obligations</b>								
All obligations (1-67) are not applicable to AETRH’s activities for the period subject to audit for the following reasons: <ul style="list-style-type: none"> <li>The Licence excludes AETRH from supplying to small use customers</li> <li>Under current arrangements, there is no practical possibility of a customer transfer.</li> </ul>								
<b>10 Electricity Industry (Obligation to Connect) Regulations – Licence Conditions and Obligations</b>								
Obligations 72-77A are not applicable to AETRH’s activities for the period subject to audit as the Licence excludes AETRH from supplying to small use customers.								
<b>11 Electricity Industry (Customer Contracts) Regulations – Licence Conditions and Obligations</b>								
All obligations (79-100) are not applicable to AETRH’s activities for the period subject to audit as the Licence excludes AETRH from supplying to small use customers.								
<b>12 Electricity Industry Act - Licence Conditions and Obligations</b>								
101	Section 13(1)	A licensee must provide the ERA with a performance audit conducted by an independent expert acceptable to the ERA, not less than once every 24 months (or any longer period that the ERA allows).	2	Moderate	Unlikely	Medium	Moderate	Priority 4
102	Section 14(1)(a)	A licensee must provide for an asset management system.	2	Moderate	Probable	Medium	Strong	Priority 4
103	Section 14(1)(b)	A licensee must notify details of the asset management system and any substantial changes to it to the ERA.	2	Moderate	Probable	Medium	Strong	Priority 4
104	Section 14(1)(c)	A licensee must provide the ERA with a report by an independent expert about the effectiveness of its asset management system every 24 months, or such longer period as determined by the ERA.	2	Moderate	Unlikely	Medium	Strong	Priority 5
105	ERA (Licensing Funding) Regulations 2014	A licensee must pay the prescribed licence fees to the ERA according to clauses 6, 7 and 8 of the <i>Economic Regulation Authority (Licensing Funding) Regulations 2014</i> .	2	Moderate	Probable	Medium	Moderate	Priority 4
106	Section 31(3)	A licensee must take reasonable steps to minimise the extent, or duration, of any interruption, suspension or restriction of the supply of electricity due to an accident, emergency, potential danger or other unavoidable cause.	NR	Minor	Probable	Low	Strong	Priority 5

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
107	Section 41(6)	A licensee must pay the costs of taking an interest in land or an easement over land.	2	Moderate	Probable	Medium	Strong	Priority 4
Obligations 108-111 are not applicable to AETRH's activities for the period subject to audit, as the Licence excludes AETRH from supplying to small use customers.								
<b>13. Electricity Licences – Licence Conditions and Obligations</b>								
Obligations 114 and 116-118 are not applicable to AETRH's activities for the period subject to audit, as the Licence excludes AETRH from supplying to small use customers.								
119	Licence condition 4.3.1	A licensee and any related body corporate must maintain accounting records that comply with the Australian Accounting Standards Board Standards or equivalent International Accounting Standards.	2	Moderate	Probable	Medium	Strong	Priority 4
120	Licence condition 5.2.4	A licensee must comply with any individual performance standards prescribed by the ERA.	2	Moderate	Unlikely	Medium	Strong	Priority 4
121	Licence condition 5.3.2	A licensee must comply, and require its auditor to comply, with the ERA's standard audit guidelines for a performance audit.	2	Moderate	Unlikely	Medium	Strong	Priority 4
122	Licence condition 5.1.5	A licensee must comply, and must require the licensee's expert to comply, with the relevant aspects of the ERA's standard audit guidelines for an asset management system review.	2	Moderate	Unlikely	Medium	Strong	Priority 4
123	Licence condition 4.4.1	In the manner prescribed, a licensee must notify the ERA, if it is under external administration or if there is a significant change in the circumstances that the licence was granted which may affect the licensee's ability to meet its obligations.	2	Moderate	Probable	Medium	Strong	Priority 4
124	Licence condition 4.5.1	A licensee must provide the ERA, in the manner prescribed, with any information that the ERA requires in connection with its functions under the Electricity Industry Act.	2	Moderate	Probable	Medium	Strong	Priority 4
125	Licence condition 3.8.1 and 3.8.2	A licensee must publish any information as directed by the ERA to publish, within the timeframes specified.	2	Moderate	Unlikely	Medium	Strong	Priority 4
126	Licence condition 3.7.1	All notices must be in writing, unless otherwise specified.	2	Moderate	Unlikely	Medium	Strong	Priority 4
Obligations 127 and 128 are not applicable to AETRH's activities for the period subject to audit, as the Licence excludes AETRH from the requirement to maintain a priority restoration register where the distribution system covered by the licence transports electricity to one customer only.								
<b>14 Code of Conduct – Licence Conditions and Obligations</b>								
All obligations (129-316) are not applicable to AETRH's activities for the period subject to audit as the Licence excludes AETRH from supplying to small use customers.								

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
<b>15 Electricity Industry Metering Code – Licence Conditions and Obligations</b>								
The following obligations are not applicable to AETRH’s activities for the period subject to audit due to their application to:								
<ul style="list-style-type: none"> <li>• Operations within the South West Interconnected Network, which is not applicable to AETRH’s licensed areas (<i>obligations 320A, 350-354A, 385B, 436, 437, 439 and 440</i>)</li> <li>• The Electricity Networks Corporation (Western Power) or the Electricity Generation and Retail Corporation (Synergy) only (<i>obligations 354, 438 and 450A</i>)</li> <li>• Use of pre-payment meters, which is not applicable to AETRH’s licence and operations (<i>obligations 362 and 363</i>)</li> <li>• Supply to small use customers, which is not applicable to AETRH’s licence (<i>obligations 395 and 396</i>).</li> </ul>								
+ Note that obligations 385A, 391A and 391B are applicable from January 2022 only.								
<b>Part 2 Code objectives and arms-length treatment</b>								
317	Clause 2.2(1)(a)	A network operator must treat all Code participants that are its associates on an arms-length basis.	NR	Minor	Unlikely	Low	Moderate	Priority 5
318	Clause 2.2(1)(b)	A network operator must ensure that no Code participant that is its associate receives a benefit in respect of the Code, unless the benefit is attributable to an arm’s length application of the Code or is also made available to all other Code participants on the same terms and conditions.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
<b>Part 3 Meters and metering installations</b>								
319	Clause 3.1	A network operator must ensure that its meters meet the requirements specified in the applicable metrology procedure and comply with any applicable specifications or guidelines, including any transitional arrangements, specified by the National Measurement Institute under the National Measurement Act.	2	Moderate	Likely	High	Moderate	Priority 2
320	Clause 3.2(1)	An accumulation meter must at least conform to the requirements specified in the applicable metrology procedure and display, or permit access to a display of the measurements that are specified in subclauses 3.2(1)(a)(b) using dials, a cyclometer, an illuminated display panel or some other visual means.	2	Moderate	Likely	High	Moderate	Priority 2
321	Clause 3.3(1)	An interval meter must at least have an interface to allow the interval energy data to be downloaded in the manner prescribed using an interface compatible with the requirements specified in the applicable metrology procedure.	2	Moderate	Probable	Medium	Moderate	Priority 4
322	Clause 3.3(3)	If a metering installation is required to include a communications link, the link must, where necessary, include a modem and isolation device approved under the relevant telecommunications regulations that allows the interval energy data to be downloaded in the manner prescribed.	2	Moderate	Probable	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
323	Clause 3.3A(1)	A network operator must ensure that bi-directional electricity flows do not occur at a metering point unless the metering installation for the metering point is capable of separately measuring and recording electricity flows in each direction.	2	Moderate	Probable	Medium	Moderate	Priority 4
324	Clause 3.3B	If a user is aware of bi-directional electricity flows at a metering point that was not previously subject to a bi-directional flows or any changes in a customer's or user's circumstances in a metering point that will result in bi-directional flows, the user must notify the network operator within 2 business days.	2	Moderate	Probable	Medium	Moderate	Priority 4
325	Clause 3.3C	An accumulation meter or an interval meter that separately measures and records bi-directional electricity flows at the metering point must record: <ul style="list-style-type: none"> <li>the net electricity production transferred into the network; and</li> <li>the net electricity consumption transferred out of the network.</li> </ul>	2	Moderate	Probable	Medium	Moderate	Priority 4
326	Clause 3.5(1) and (2)	A network operator must ensure that there is a metering installation at every connection point on its network that is not an unmetered connection point. Unless it is a Type 7 metering installation, the metering installation must meet the functionality requirements prescribed.	2	Moderate	Likely	High	Moderate	Priority 2
327	Clause 3.5(3)	For each metering installation on its network, a network operator must provide, install, operate and, subject to subclause 3.7(5), maintain the metering installation in the manner prescribed, unless otherwise agreed.	2	Moderate	Likely	High	Moderate	Priority 2
328	Clause 3.5(4)	Except for a Type 7 metering installation, a network operator must ensure that the metering point for a revenue metering installation is located as close as practicable to the connection point in accordance with good electricity industry practice.	2	Moderate	Probable	Medium	Moderate	Priority 4
329	Clause 3.5(6)	A network operator may only impose a charge for providing, installing, operating or maintaining a metering installation in accordance with the applicable service level agreement that it has with the user.	2	Moderate	Probable	Medium	Moderate	Priority 4
330	Clause 3.5(9)	If a network operator becomes aware that a metering installation does not comply with the Code, it must advise affected parties of the non-compliance and arrange for the non-compliance to be corrected as soon as practicable.	2	Moderate	Probable	Medium	Moderate	Priority 4
331	Clause 3.7	All devices that may be connected to a telecommunications network must be compatible with the telecommunications network and comply with all applicable State and Commonwealth enactments.	2	Moderate	Probable	Medium	Moderate	Priority 4
332	Clause 3.8	Subject to clause 3.27, a network operator must ensure that, consistent with the standards of good electricity industry practice, each metering installation on its network is secured by devices or methods that hinder unauthorized access and enable unauthorized access to be detected.	2	Moderate	Probable	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
333	Clause 3.9(3)	Subject to subclauses 3.9(4), 3.9(5) and 3.9(7), each metering installation must meet at least the requirements for that type of metering installation as specified in Table 3 in Appendix 1 of the Code for metering installations on the SWIN or in Table 3A in Appendix 1 for metering installations on a network other than the SWIN.	2	Moderate	Probable	Medium	Moderate	Priority 4
334	Clause 3.9(7)	A metering installation used to supply a customer with requirements above 1000 volts that requires a VT and whose annual consumption is below 750MWh must meet the relevant accuracy requirements of a Type 3 metering installation for active energy only.	2	Moderate	Probable	Medium	Moderate	Priority 4
335	Clause 3.9(9)	If compensation is carried out within the meter, then the resultant metering system error must be as close as practicable to zero.	2	Moderate	Probable	Medium	Moderate	Priority 4
336	Clause 3.10	A network operator must ensure that any programmable settings in any of its metering installations, data loggers or peripheral devices, which may affect the resolution of displayed or stored data, satisfy the relevant requirements specified in the applicable metrology procedure and comply with any applicable instructions by the National Measurement Institute under the National Measurement Act.	2	Moderate	Likely	High	Moderate	Priority 2
337	Clause 3.11(1)	A network operator must ensure that a metering installation on its network is operating consistently with good electricity industry practice to measure and record data, and permits the collection of data within the time specified in the applicable service level agreement, for at least the percentages of the year specified.	2	Moderate	Likely	High	Moderate	Priority 2
338	Clause 3.11(2)	If an outage or malfunction occurs to a metering installation, the network operator must repair the metering installation in accordance with the applicable service level agreement.	2	Moderate	Probable	Medium	Moderate	Priority 4
339	Clause 3.11(3)	A Code participant who becomes aware of an outage or malfunction of a metering installation must advise the network operator as soon as practicable.	2	Moderate	Probable	Medium	Moderate	Priority 4
340	Clause 3.11A(1)	A network operator must ensure that the meters on its network are systematically sampled and tested for accuracy in accordance with AS 1284.13.	2	Moderate	Likely	High	Moderate	Priority 2
341	Clause 3.11A(2)	Subject to clause 3.11A(3), if a “population” of meters is deemed to have failed under AS 1284.13, the network operator must ensure that all of the meters in that population are removed and replaced with new meters within 3 years of the testing of the population.	2	Moderate	Probable	Medium	Moderate	Priority 4
342	Clause 3.12(1)	A network operator must ensure that each metering installation complies with at least the prescribed design requirements.	2	Moderate	Likely	High	Moderate	Priority 2

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
343	Clause 3.12(2)	A network operator must ensure that instrument transformers in its metering installations comply with the relevant requirements of any applicable specifications or guidelines, including any transitional arrangements, specified by the National Measurement Institute under the National Measurement Act and any requirements specified in the applicable metrology procedure.	2	Moderate	Likely	High	Moderate	Priority 2
344	clause 3.12(3)	A network operator must provide isolation facilities of a standard consistent with good electricity industry practice, to facilitate testing and calibration of the metering installation.	2	Moderate	Likely	High	Moderate	Priority 2
345	clause 3.12(4)	A network operator must maintain drawings and supporting information, of a standard consistent with good electricity industry practice, to detail the metering installation for maintenance and auditing purposes.	2	Moderate	Probable	Medium	Moderate	Priority 4
346	clause 3.13(1)	A network operator must procure the user, or the user's customer, to install, or arrange for the installation of, a full check metering installation or partial check metering installation in accordance with the prescribed requirements.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
347	clause 3.13(3)(c)	A partial check metering installation must be physically arranged in a manner determined by the network operator, acting in accordance with good electricity industry practice.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
348	clause 3.13(4)	A check metering installation for a metering point must comply with the prescribed requirements.	2	Moderate	Probable	Medium	Moderate	Priority 4
349	clause 3.14(3)	If, under clause 3.14(2), a metering installation uses metering class CTs and VTs that do not comply with the Table 3 or Table 3A in Appendix 1, (as applicable), then the network operator must take the actions specified in order to achieve the accuracy requirements in Table 3 or Table 3A in Appendix 1 (as applicable).	2	Moderate	Probable	Medium	Moderate	Priority 4
355	Clause 3.20(1)	If reasonably requested by a Code participant, a network operator must provide enhanced technology features in a metering installation,	2	Moderate	Unlikely	Medium	Moderate	Priority 4
356	Clause 3.20(3)	A network operator may only impose a charge for the provision of metering installations with enhanced technology features in accordance with its applicable service level agreement with the user.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
357	Clause 3.21(1)	Meters containing an internal real time clock must maintain time accuracy as prescribed. Time drift must be measured over a period of 1 month.	2	Moderate	Likely	High	Moderate	Priority 2
358	Clause 3.21(2)	If a metering installation includes measurement elements and an internal data logger at the same site, it must include facilities on-site for storing the interval energy data for the periods prescribed.	2	Moderate	Unlikely	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
359	Clause 3.22	A network operator providing one or more metering installations with enhanced technology features must be licensed to use, and access, the metering software applicable to all devices being installed and be able to program the devices and set parameters.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
360	Clause 3.23(a)	Where signals are provided from the meter for the user or the user's customer, a network operator must ensure that signals are isolated by relays or electronic buffers to prevent accidental or malicious damage to the meter.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
361	Clause 3.23(b)	Where signals are provided from the meter for the user or the user's customer, a network operator must provide the user, or the user's customer, with sufficient details of the signal specification to enable compliance with clause 3.23(c) of the Code.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
364	Clause 3.27	A person must not install a metering installation on a network unless the person is the network operator or a registered metering installation provider for the network operator doing the type of work authorised by its registration.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
365	Clause 3.29	A network operator must publish a list of registered metering installation providers, including the prescribed details, and update the list at least annually.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
366	Clause 4.1(1)	A network operator must establish, maintain and administer a metering database containing standing data and energy data for each metering point on its network.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
367	Clause 4.1(2)	A network operator must ensure that its metering database with its associated links, circuits, information storage and processing systems are secured by devices or methods consistent with a good industry practice (to hinder unauthorised access and enable unauthorised access to be detected).	2	Moderate	Probable	Medium	Moderate	Priority 4
368	Clause 4.1(3)	A network operator must prepare and, if applicable, implement a disaster recovery plan to ensure that it is able, to rebuild the metering database and provide energy data to Code participants within 2 business days after the day of any disaster.	2	Moderate	Probable	Medium	Moderate	Priority 4
369	Clause 4.2(1)	A network operator must ensure that its registry complies with the Code and the prescribed clause of the market rules.	2	Moderate	Probable	Medium	Moderate	Priority 4
370	Clause 4.3(1)	The standing data for a metering point must comprise at least the items specified.	2	Moderate	Likely	High	Moderate	Priority 2
371	Clause 4.4(1)	If there is a discrepancy between energy data held in a metering installation and in the metering database, the affected Code participants and the network operator must liaise to determine the most appropriate way to resolve the discrepancy.	NR	Minor	Probable	Low	Moderate	Priority 5

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
372	Clause 4.5(1)	A Code participant must not knowingly permit the registry to be materially inaccurate.	NR	Minor	Probable	Low	Moderate	Priority 5
373	Clause 4.5(2)	Subject to subclause 5.19(6), if a Code participant, other than a network operator, becomes aware of a change to, or inaccuracy in, an item of standing data in the registry, then it must notify the network operator and provide details of the change or inaccuracy within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
374	Clause 4.6(1)	If the network operator is notified of a change to, or inaccuracy in, an item of standing data by a Code participant that is the designated source for the item of standing data under Table 2 in clause 4.3(1) then the network operator must update the registry to address the issue.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
375	Clause 4.6(2)	If a network operator is notified of a change to, or inaccuracy in, an item of standing data by a Code participant which is not the designated source for the item of standing data, or otherwise becomes aware of a change to or inaccuracy in an item of standing data, then the network operator must determine whether the registry should be updated, and update the registry as required.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
376	Clause 4.7(1)	If standing data for a metering point is updated in the registry, the network operator must, within 2 business days after the update (or such other time as is specified in the applicable service level agreement) notify the update to the current user and each previous user, if the updated standing data relates to a period or periods when the previous user was the current user.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
377	Clause 4.8(3)	A network operator must allow a user who is a retailer or a generator to have local and, where a suitable communications link is installed, remote access to the energy data for metering points at its associated connection points, using a password provided by the network operator that provides 'read only' access.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
378	Clause 4.8(3A)	A network operator must allow a user who is a retailer or a generator to have access to data held in its metering database for metering points at its associated connection points, by the prescribed methods, using a password provided by the network operator which provides 'read only' access.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
379	Clause 4.8(4)(a)	A network operator must have devices and methods in place to ensure that energy data held in its metering installation is secured from unauthorised local or remote access using the methods prescribed	2	Moderate	Probable	Medium	Moderate	Priority 4
380	Clause 4.8(4)(b)	A network operator must have devices and methods in place to ensure that the data held in its metering database is secured from unauthorised local, or remote, access using the methods prescribed.	2	Moderate	Probable	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
381	Clause 4.8(5)	Without limiting subclause 4.8(4), a network operator must ensure that electronic passwords and other electronic security controls are only issued to the specified authorised personnel and otherwise keep its records of electronic passwords, and other electronic security controls, secure from unauthorised access.	2	Moderate	Probable	Medium	Moderate	Priority 4
382	Clause 4.9	A network operator must retain energy data in its metering database for each metering point on its network, including any energy data that has been replaced under subclause 5.24, for at least the periods, and with the level of accessibility, prescribed.	2	Moderate	Probable	Medium	Moderate	Priority 4
Part 5 Metering Services								
383	Clause 5.1 (1)	A network operator must use all reasonable endeavours to accommodate another Code participant's requirement to obtain a metering service and requirements in connection with the negotiation of a service level agreement.	NR	Minor	Unlikely	Low	Moderate	Priority 5
384	Clause 5.1 (2)	Without limiting subclause 5.1(1), a network operator must: <ul style="list-style-type: none"> <li>expeditiously and diligently process all requests for a service level agreement;</li> <li>negotiate in good faith with a Code participant regarding the terms for an agreement; and</li> <li>to the extent reasonably practicable in accordance with good electricity industry practice, permit a Code participant to acquire a metering service containing only those elements of the metering service which the Code participant wishes to acquire.</li> </ul>	NR	Minor	Unlikely	Low	Moderate	Priority 5
385	Clause 5.3 (1)	A network operator must, for each metering point on its network, obtain energy data from the metering installation and transfer the energy data into its metering database by no later than 2 business days after the date for the scheduled meter reading for the metering point (or such other time as is specified in the applicable service level agreement).	2	Moderate	Probable	Medium	Moderate	Priority 4
385A +	Clause 5.3(2)	Energy data obtained and transferred under clause 5.3(1) must include: <ul style="list-style-type: none"> <li>for a metering point at which bi-directional electricity flows occur, a separate measurement of each of the electricity production and the electricity consumption at that metering point; and</li> <li>on and from five-minute settlement commencement, five-minute interval energy data in respect of SMS meters [this point is only applicable to the SWIN].</li> </ul>	2	Moderate	Probable	Medium	Moderate	Priority 4
386	Clause 5.4(1)	A network operator must, for each meter on its network, at least once in every 12-month period undertake a meter reading that provides an actual value that passes the validation processes in Appendix 2.	2	Moderate	Unlikely	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
387	Clause 5.1 (1A)	The meter reading referred to in clause 5.4(1) must not be undertaken by the customer associated with the meter, and must be undertaken by a person who is employed or appointed by the network operator and who is suitably skilled in accordance with good electricity industry practice to carry out meter readings.	2	Moderate	Probable	Medium	Moderate	Priority 4
388	Clause 5.4(2)	A user must, when reasonably requested by a network operator, assist the network operator to comply with the network operator's obligation under subclause 5.4(1)	2	Moderate	Unlikely	Medium	Moderate	Priority 4
389	Clause 5.5(2)	Subject to subclause 5.5(2A)(b), a network operator may impose a charge for the provision of data, but only if <ul style="list-style-type: none"> <li>a user has requested the energy data to the extent permitted by, and in accordance with the applicable service level agreement between it and the user; and</li> <li>if a customer has given a direction under subclause 5.17A(1), in accordance with the prescribed conditions.</li> </ul>	2	Moderate	Unlikely	Medium	Moderate	Priority 4
390	Clause 5.5(2A)	A network operator must not impose a charge for the provision of standing data and for the provision of energy data if another enactment prohibits it doing so.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
391	clause 5.6(1)	Subject to subclause 5.6(2), a network operator must provide validated, and where necessary, substituted or estimated energy data for a metering point to the user for the metering point and the IMO within the timeframes prescribed in subclause 5.6(1)(2).	2	Moderate	Unlikely	Medium	Moderate	Priority 4
391A +	Clause 5.6(3)	A network operator must provide validated, and where necessary substituted or estimated, interval energy data for a metering point to AEMO before 5pm on the first business day after the network operator obtains energy data for the metering point under clause 5.3(1)(a), or such other time as agreed in writing.	2	Moderate	Probable	Medium	Moderate	Priority 4
391B +	Clause 5.6(5)	Energy data provided under clauses 5.6(1) and 5.6(3) must include: <ul style="list-style-type: none"> <li>for a metering point at which bi-directional electricity flows occur, a separate measurement of each of the electricity production and the electricity consumption at that metering point; and</li> <li>on and from five-minute settlement commencement, five-minute interval energy data in respect of SMS meters [this point is only applicable to the SWIN]</li> </ul>	2	Moderate	Probable	Medium	Moderate	Priority 4
392	Clause 5.7	If a replacement energy data value is inserted in a metering database for a metering point, the network operator must provide replacement energy data to the user for the metering point and the IMO within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
393	Clause 5.8	A network operator must provide a user with whatever information the network operator has that is necessary to enable the user to comply with its obligations under the Code of Conduct, within the time necessary for the user to comply with the obligations.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
394	Clause 5.9	A network operator must provide standing data, provided to or obtained by it under this Code, to users where required to do so under any enactment.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
397	Clause 5.12(1)	If a user gives a network operator an energy data request for a metering point in accordance with the communication rules, and the energy data request relates only to a time or times for which the user was the current user at the metering point, then the network operator must provide a user with a complete set of energy data for the metering point within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
398	Clause 5.13	If the current user for a metering point gives the network operator a standing data request for the metering point in accordance with the communication rules then the network operator must: <ul style="list-style-type: none"> <li>provide the current user with a complete current set of standing data for a metering point; and</li> <li>advise whether there is a communications link for the metering point, within 2 business days after the receipt of the request.</li> </ul>	2	Moderate	Unlikely	Medium	Moderate	Priority 4
399	Clause 5.14(3)	If a user makes a bulk standing data request, the network operator must in accordance with the communication rules, acknowledge receipt of the request and provide the requested standing data within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
400	Clause 5.15	If a network operator provides energy data to a user or the IMO it must also provide the date of the meter reading in accordance with the requirements specified.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
401	Clause 5.16	If a user collects or receives energy data from a metering installation then the user must provide the network operator with the energy data (in accordance with the communication rules) within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
402	Clause 5.17(1)	A user must provide standing data and validated, and where necessary substituted or estimated, energy data to the user's customer to which that information relates where the user is required by an enactment or an agreement to do so for billing purposes or for the purpose of providing metering services to the customer.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
403	Clause 5.17A(1)	A network operator must provide data for a metering point from its metering database to a person if (and to the extent that) the customer associated with the metering point gives the network operator a direction to do so that complies with subclause 5.17A(2).	2	Moderate	Unlikely	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
404	Clause 5.17A(3)	A network operator must comply with a direction under subclause 5.17A(1) within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
405	Clause 5.18	If a user collects or receives information regarding a change in the energisation status of a metering point then the user must provide the network operator with the prescribed information, including the stated attributes, within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
406	Clause 5.19(1)	A user must, when requested by the network operator acting in accordance with good electricity industry practice, use reasonable endeavours to collect information from customers, if any, that assists the network operator in meeting its obligations described in the Code and elsewhere, and provide that information to the network operator.	NR	Minor	Unlikely	Low	Moderate	Priority 5
407	Clause 5.19(2)	A user must, to the extent that it is able, collect and maintain a record of the prescribed information in relation to the site of each connection point with which the user is associated.	NR	Minor	Unlikely	Low	Moderate	Priority 5
408	Clause 5.19(3)	Subject to subclauses 5.19(3A) and 5.19(6), the user must, within 1 business day after becoming aware of any change in an attribute described in subclause 5.19(2), notify the network operator of the change.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
409	Clause 5.19(5)	A network operator must give notice to a user, or (if there is a different current user) the current user, acknowledging receipt of any customer, site or address attributes from the user within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
410	Clause 5.19(6)	The user must use reasonable endeavours to ensure that it does not notify the network operator of a change in an attribute described in subclause 5.19(2) that results from the provision of standing data by the network operator to the user.	NR	Minor	Unlikely	Low	Moderate	Priority 5
411	Clause 520(1)	A network operator must, by not later than 6 months after the date this Code applies to the network operator, develop, in accordance with the communication rules, an Energy Data Verification Request Form.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
412	Clause 520(2)	An Energy Data Verification Request Form must require a Code participant to provide the information prescribed.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
413	Clause 520(4)	<p>If a Code participant requests verification of energy data under subclause 5.20(3), the network operator must, in accordance with the metrology procedure:</p> <ul style="list-style-type: none"> <li>subject to subclause 5.20(5), use reasonable endeavours to verify energy data; and</li> <li>inform the requesting Code participant of the result of the verification and provide the verified energy data to that Code participant within the timeframes prescribed.</li> </ul>	2	Moderate	Unlikely	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
414	Clause 521(2)	A network operator must comply with any reasonable request under subclause 5.21(1).	2	Moderate	Unlikely	Medium	Moderate	Priority 4
415	Clause 521(4)	A test or audit under subclause 5.21(1) is to be conducted in accordance with the metrology procedure and the applicable service level agreement.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
416	Clause 5.21(5)	A Code participant must not request a test or audit under subclause 5.21(1) unless the Code participant is a user and the test or audit relates to a time or times at which the user was the current user or the Code participant is the IMO.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
417	Clause 5.21(6)	A Code participant must not make a request under subclause 5.21(1) that is inconsistent with any access arrangement or agreement.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
418	Clause 5.21(8)	A network operator may only impose a charge for the testing of the metering installations, or auditing of information from the meters associated with the metering installations, or both, in accordance with the applicable service level agreement between it and the user.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
419	Clause 5.21(9)	Any written service level agreement entered into under subclause 5.21(7) must include a provision that no charge is to be imposed if the test or audit reveals a non-compliance with this Code.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
420	Clause 5.21(11)	If a test or audit shows that the accuracy of the metering installation or information from the meter associated with the metering installation does not comply with the requirements under this Code, the network operator must: <ul style="list-style-type: none"> <li>advise the affected parties as soon as practicable of errors detected under a test or audit, the possible duration of the errors; and</li> <li>must restore the accuracy of the metering installation in accordance with the applicable service level agreement.</li> </ul>	2	Moderate	Unlikely	Medium	Moderate	Priority 4
421	Clause 5.21(12)	The original stored error correction data in a meter must not be altered except during accuracy testing and calibration of a metering installation.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
422	Clause 5.22(1)	A network operator must validate energy data in accordance with this Code applying, as a minimum, the prescribed rules and procedures set out in Appendix 2 and must, where necessary, substitute and estimate energy data under this Code applying, as a minimum, the prescribed rules and procedures set out in Appendix 3.	2	Moderate	Likely	High	Moderate	Priority 2
423	Clause 5.22(2)	The network operator must use check metering data, where available, to validate energy data provided that the check metering data has been appropriately adjusted for differences in metering installation accuracy in accordance with subclause 3.13.	2	Moderate	Unlikely	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
424	Clause 5.22(3)	If a check meter is not available or energy data cannot be recovered from the metering installation within the time required under this Code, or if clause 5.22(7) applies, then the network operator must prepare substitute values using a method contained in Appendix 3 (or in the case of a substitution under clause 5.22(7), a method contained in the metrology procedure) and agreed where necessary with the relevant Code participants.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
425	Clause 5.22(4)	If a network operator detects a loss of energy data or incorrect energy data from a metering installation, it must notify each affected Code participant of the loss or error within 24 hours after detection.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
426	Clause 5.22(5)	Substitution or estimation of energy data is required when energy data is missing, unavailable or corrupted, including in the circumstances described in this subclause.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
427	Clause 5.22(6)	A network operator must review all validation failures before undertaking any substitution.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
428	Clause 5.23(1)	If a network operator determines that there is no possibility of determining an actual value for a metering point, then the network operator must designate an estimated or substituted value for the metering point to be a deemed actual value for the metering point.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
429	Clause 5.23(3)	If a network operator has designated a deemed actual value for a metering point then the network operator must: <ul style="list-style-type: none"> <li>• repair or replace the meter or one or more of components of metering equipment (as appropriate) at the metering point; and</li> <li>• subclauses 5.24(3(c) and 5.24(4) apply in respect of the estimated or substituted value which was designated to be the deemed actual value.</li> </ul>	2	Moderate	Unlikely	Medium	Moderate	Priority 4
430	Clause 5.24(1)	If a network operator uses an actual value (first value) for energy data for a metering point, and a better quality actual or deemed actual value is available (second value), the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
431	Clause 5.24(2)	If a network operator uses a deemed actual value (first value) for energy data for a metering point, and a better quality deemed actual value is available (second value), then the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice.	2	Moderate	Unlikely	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
432	Clause 5.24(3)	If a network operator uses an estimated or substituted value (first value) for energy data for a metering point, and a better quality actual, deemed, estimated or substituted value is available (second value), then the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice or the user and its customer jointly request it to do so.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
433	Clause 5.24(4)	A network operator (acting in accordance with good electricity industry practice) must consider any reasonable request from a Code participant for an estimated or substituted value to be replaced under subclause 5.24.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
434	Clause 5.25	A network operator must ensure the accuracy of estimated energy data in accordance with the methods in its metrology procedure and ensure that any transformation or processing of data preserves its accuracy in accordance with the metrology procedure.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
435	Clause 5.27	Upon request from a network operator, the current user for a connection point must provide the network operator with customer attribute information that it reasonably believes are missing or incorrect within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
441	Clause 5.37(1)(a)	A network operator must for the year ending on each 30 June, prepare a report setting out the information listed in subclause 5.37(2) for each metering service it was requested during the year to provide or scheduled during the year to carry out.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
442	Clause 5.37(1)(b)	A network operator must provide a copy of the report described in subclause 5.37(1)(a) to the Minister and the ERA not less than 5 business days before it is published under subclause 5.37(3).	2	Moderate	Unlikely	Medium	Moderate	Priority 4
443	Clause 5.37(1)(c)	A network operator must publish the report described in subclause 5.37(1) within 3 months after the year ends.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
444	Clause 5.37(2)	The report prepared by the network operator must include the information prescribed.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
445	Clause 5.37(3)	For each relevant metering service, the information in subclause 5.37(2) must be reported separately for the specified classes of connection point.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
446	Clause 5.38	A network operator must keep such records of information as are required for the purposes of subclause 5.37, and must retain the information (in a format that is accessible within a reasonable period of time) for at least 7 years after the day on which a report containing the information is published under subclause 5.37(1)(c).	2	Moderate	Unlikely	Medium	Moderate	Priority 4
447	Clause 6.1(1)	A network operator must, in relation to its network, comply with the agreements, rules, procedures, criteria and processes prescribed.	2	Moderate	Likely	High	Moderate	Priority 2

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
448	Clause 6.1(2)	A user must, in relation to a network on which it has an access contract, comply with the rules, procedures, agreements and criteria prescribed.	2	Moderate	Probable	Medium	Moderate	Priority 4
448A	Clause 6.2	A network operator must, as soon as practicable and in any event no later than 6 months after the date this Code applies to it, submit to the ERA for its approval the prescribed documents in subclauses 6.2(a)-(d).	NR	Minor	Likely	Medium	Moderate	Priority 4
448B	Clause 6.18	A network operator must publish the document within 10 business days after notification of the ERA's approval under subclauses 6.13(1)(a)(i), 6.16 or 6.17.	NR	Minor	Unlikely	Low	Moderate	Priority 5
448C	Clause 6.19A(1)	A network operator must publish its communication rules as soon as practicable, and in any event within 6 months after the date this Code applies to it.	NR	Minor	Unlikely	Low	Moderate	Priority 5
448D	Clause 6.19B(1)	Once communication rules have been published for a network under clause 6.19A, or amended under clause 6.21(3), the communication rules may only be amended thereafter in accordance with the communication rules made under subclause 6.7(1)(k) or clause 6.19C.	NR	Minor	Unlikely	Low	Moderate	Priority 5
449	Clause 6.20(4)	A network operator must amend any document in accordance with the ERA's final recommendation.	NR	Minor	Unlikely	Low	Moderate	Priority 5
450	Clause 6.20(5)	The network operator must publish any document that has been amended under subclause 6.20(4).	2	Moderate	Probable	Medium	Moderate	Priority 4
451	Clause 7.2(1)	Code participants must use reasonable endeavours to ensure that they can send and receive a notice by post, facsimile and electronic communication and must notify the network operator of a telephone number for voice communication in connection with the Code.	NR	Minor	Unlikely	Low	Moderate	Priority 5
452	Clause 7.2(2)	A network operator must notify each Code participant of its initial contact details and of any change to its contact details at least 3 business days before the change takes effect.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
453	Clause 7.2(4)	If requested by a network operator with whom it has entered into an access contract, the Code participant must notify its contact details to a network operator within 3 business days after the request.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
454	Clause 7.2(5)	A Code participant must notify any affected network operator of any change to the contact details it notified to the network operator under subclause 7.2(4) at least 3 business days before the change takes effect.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
455	Clause 7.5	A Code participant must subject to subclauses 5.17A and 7.6 not disclose, or permit the disclosure of, confidential information provided to it under or in connection with the Code and may only use or reproduce confidential information for the purpose for which it was disclosed or another purpose contemplated by the Code.	2	Moderate	Unlikely	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
456	Clause 7.6(1)	A Code participant must disclose or permit the disclosure of confidential information that is required to be disclosed by the Code.	2	Moderate	Unlikely	Low	Moderate	Priority 4
457	Clause 8.1(1)	If any dispute arises between any Code participants then (subject to subclause 8.2(3)) representatives of disputing parties must meet within 5 business days after a notice given by a disputing party to the other disputing parties and attempt to resolve the dispute by negotiations in good faith.	NR	Minor	Unlikely	Low	Moderate	Priority 5
458	Clause 8.1(2)	If a dispute is not resolved within 10 business days after the dispute is referred to representative negotiations, the disputing parties must refer the dispute to a senior management officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.	NR	Minor	Unlikely	Low	Moderate	Priority 5
459	Clause 8.1(3)	If the dispute is not resolved within 10 business days after the dispute is referred to senior management negotiations, the disputing parties must refer the dispute to the senior executive officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.	NR	Minor	Unlikely	Low	Moderate	Priority 5
460	Clause 8.1(4)	If the dispute is resolved by representative negotiations, senior management negotiations or CEO negotiations, the disputing parties must prepare a written and signed record of the resolution and adhere to the resolution.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
461	Clause 8.3(2)	The disputing parties must at all times conduct themselves in a manner which is directed towards achieving the objective in subclause 8.3(1).	NR	Minor	Unlikely	Low	Moderate	Priority 5
<b>16 Electricity Industry (Network Quality and Reliability of Supply) Code – Licence Conditions and Obligations</b>								
Obligations 467, 472 – 476 and 481-485 are not applicable to AETRH's activities for the period subject to audit as the Licence excludes AETRH from supplying to small use customers.								
462	Clause 5(1)	A distributor or transmitter must, as far as reasonably practicable, ensure that electricity supply to a customer's electrical installations complies with prescribed standards.	NR	Minor	Probable	Low	Strong	Priority 5
463	Clause 8	A distributor or transmitter must, so far as reasonably practicable, disconnect the supply of electricity to installations or property in specified circumstances, unless it is in the interest of the customer to maintain the supply.	NR	Minor	Probable	Low	Strong	Priority 5
464	Clause 9	A distributor or transmitter must, as far as reasonably practicable, ensure that the supply of electricity is maintained and the occurrence and duration of interruptions is kept to a minimum.	NR	Minor	Probable	Low	Moderate	Priority 5
465	Clause 10(1)	A distributor or transmitter must, so far as reasonably practicable, reduce the effect of any interruption on a customer.	NR	Minor	Probable	Low	Moderate	Priority 5
466	Clause 10(2)	A distributor or transmitter must consider whether, in specified circumstances, it should supply electricity by alternative means to a customer who will be affected by a proposed interruption.	NR	Minor	Unlikely	Low	Moderate	Priority 5

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
468	Clause 13(2)	A distributor or transmitter must, so far as reasonably practicable, ensure that customers in specified areas do not have average total lengths of interruptions of supply greater than specified durations.	NR	Minor	Unlikely	Low	Moderate	Priority 5
469	Clause 13(3)	The average total length of interruptions of supply is to be calculated using the specified method.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
470	Clause 14(8)	A distributor or transmitter must, on request, provide to an affected customer a free copy of an instrument issued by the Minister and of any notice given under section 14(7) of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
471	Clause 15(2)	A distributor or transmitter that agrees with a customer to exclude or modify certain provisions must set out the advantages and disadvantages to the customer of doing so in their agreement.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
477	Clause 23(1)	A distributor or transmitter must take all such steps as are reasonably necessary to monitor the operation of its network to ensure compliance with specified requirements.	NR	Minor	Probable	Low	Strong	Priority 5
478	Clause 23(2)	A distributor or transmitter must keep records of information regarding its compliance with specific requirements for the period specified.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
479	Clause 24(3)	A distributor or transmitter must complete a quality investigation requested by a customer in accordance with specified requirements.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
480	Clause 24(4)	A distributor or transmitter must report the results of an investigation to the customer concerned.	2	Moderate	Unlikely	Medium	Moderate	Priority 4

## Appendix 3 – Previous Audit Recommendations

The following recommendations were made by the 2019 Performance Audit:

Reporting manual no. and Licence obligation reference	Control Adequacy	Issue 1/2019
<p><b>Obligation 370</b> <i>Metering Code clause 4.3(1)</i> The standing data for a metering point must comprise at least the items specified.</p>	<p>Generally adequate controls – improvement needed (B)</p>	<p>The 2016 Audit reported that AETRH was required to establish a metering database, which includes all relevant metering information. AETRH has implemented the database during the audit period, however examination of the metering database had all the prerequisite standing data item headings of clause 4.3(1). However, six columns in the database were left blank:</p> <ul style="list-style-type: none"> <li>(4) Voltage at metering point</li> <li>(5) Distribution loss factor</li> <li>(14) NMI meter</li> <li>(20) Summation scheme values and multipliers</li> <li>(21) Data register coding details</li> <li>(27) Algorithms.</li> </ul>
	<p><b>Compliance rating</b></p>	
	<p>Non-compliant – minor impact on customers or third parties (2)</p>	
<p><b>Recommendation 1/2019</b> In its metering database AETRH should provide commentary on the applicability of the following columns, which are currently blank:</p> <ul style="list-style-type: none"> <li>(4) Voltage at metering point</li> <li>(5) Distribution loss factor</li> <li>(14) NMI meter</li> <li>(20) Summation scheme values and multipliers</li> <li>(21) Data register coding details</li> <li>(27) Algorithms.</li> </ul>	<p><b>Action Plan 1/2019.</b> AETRH will update the metering database to provide commentary on standing data items 4, 5, 14, 20, 21 and 27. <b>Responsible Person:</b> Head of Operations <b>Target Date:</b> 31 January 2020</p>	

Reporting manual (obligation) no.	Metering Code clause	Control adequacy	Compliance rating
319	3.1	Generally adequate controls – improvement needed (B)	Non-compliant – minor impact on customers or third parties (2)
320	3.2(1)		
326, 327	3.5(1), (2) and (3)		
336	3.10		
337	3.11(1)		
340	3.11A(1)		
342-344	3.12(1) to (3)		
357	3.21.(1)		
422	5.22(1)		
447	6.1(1)		
448A	6.2		

### Issue 2/2019 - Summary findings

AETRH maintains six meters on its electricity transmission network for measuring and recording energy data relating to electricity transferred to its single customer's delivery points. AETRH's PPA with its customer specifies AETRH's obligations for installing, operating and maintaining metering equipment, including references to the requirements of the *North West Interconnected System Electricity Network Access Technical Rules*, the *Electricity Transmission Regulations 1996 (WA)*, *Good Engineering and Operating Practices* and the Metering Code. All energy data from these meters is captured within Alinta's Honeywell Experion System.

Although AETRH has demonstrated that it has operated its meters and recorded related energy data to the satisfaction of its customer throughout the period subject to audit, it has not completed the below components of recommendation 2/2016 from the previous audit and is still non-compliant with the below obligations during the audit:

1. AETRH has not established a clear metering management plan or framework for demonstrating its:
  - Installation and maintenance of meters in accordance with an applicable metrology procedure, the specifications of the National Measurement Institute under the National Measurements Act; and the functionality and testing requirements outlined in Part 3 of the Metering Code (**obligations 319, 320, 326, 327, 336, 337, 340, 342-44, 357**)
  - Management of validated energy data (**obligation 422**)
  - Compliance with all applicable agreements, rules, procedures, criteria and processes outlined in Part 6 of the Metering Code (**obligation 447**).

We also note that AETRH has not complied with clause 6.2 of the Metering Code, (**new obligation 448A**) which requires a network operator to submit a proposed model service level agreement, metrology procedure and mandatory link criteria to the Authority for its approval). This is expected to be developed along with the metering management plan.

The recommendation and action plan below applies to obligations 319, 320, 326, 327, 336, 337, 340, 342-44, 357, 422, 447 and 448A.

### Recommendation 2/2019

When the Energy Policy WA detailed regulatory framework design paper for the NWIS is formalised, AETRH will prepare a metering management plan to incorporate the requirements of the Metering Code relevant to AETRH's metering operations.

### Action Plan 2/2019

AETRH will prepare a metering management plan to incorporate the requirements of the Metering Code relevant to AETRH's metering operations.

#### Responsible Person:

Head of Operations

#### Target Date:

30 June 2020

## Appendix B – References

### AETRH representatives participating in the audit

- Manager WA Retail Regulation (Alinta Energy)
- Head of Operations, Alinta Energy
- Financial Accountant, Alinta Energy
- Operations Manager, Pilbara

### AAG staff participating in the audit

#### Hrs

- |                       |                      |      |
|-----------------------|----------------------|------|
| • Margaret-Mary Gauci | Senior Consultant    | 62.5 |
| • Andrew Baldwin      | Executive Director   | 39   |
| • Stephen Linden      | Director (QA review) | 1    |

### Key documents and other information sources examined

- 2019/20,2020/21 and 2021/22 AETRH Annual Compliance Reports
- Alinta Energy Asset Management Framework
- Newman Power Station Asset Management Plan
- Alinta Energy 220kV Transmission Line Asset Management Plan
- Annual Performance reports
- Alinta Energy Pty Ltd Group Financial Statements for the periods ending 30 June 2020, 30 June 2021 and 30 June 2022
- Power Purchase Agreement – Roy Hill Iron Ore Pty Ltd
- Interconnection Agreement – Alinta Energy Transmission (Chichester) Pty Ltd
- Evidence of payment of licence fees and a sample of quarterly standing charges
- Email correspondence with the ERA, including notifications relating to audit requirements
- AETRH’s metering database
- Meter drawings
- Meter calibration reports
- Alinta Energy Group IT policies and procedures
- AETRH Energy Data Verification Form
- Plant outages report
- Power Generation Weekly Performance Report
- Alinta Energy Business Continuity Management Standard
- Alinta Sites Business Continuity Plan
- Newman Power Station Emergency Response Plan
- Alinta Energy Cyber Security Policy
- Representations from the Manager WA Retail Regulation, Financial Accountant Alinta Energy, Head of Operations, Alinta Energy.