



McGill Engineering Services Pty Ltd

Engineering, Adjudication & Arbitration Services ABN 45 106 691 169

Newmont Power Pty Ltd

**Electricity Retail Licence ERL 9,
Electricity Distribution Licence EDL 4
Performance Audit**

**Prepared By Kevan McGill
Date 21 February 2012**



McGill Engineering Services Pty Ltd

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Tim Gordon
Senior Advisor
Non-Managed joint ventures
Newmont Power Pty Ltd
1/388 Hay Street
Subiaco WA 6008

Dear Mr Gordon

Performance Audit Electricity Licences

The fieldwork on the performance audit of Distribution Licence EDL 4 and Retail Licence ERL 9, for the audit period (1 July 2008 to 30 June 2011) is complete and I am pleased to submit the report to you. The report reflects my findings and opinions.

In my opinion, the Licensee has maintained a good level of compliance with the licences conditions and integrity with the Licensee's reporting obligations. While there were non compliances noted they were not significant items.

In my opinion, the Licensee maintained, in all material aspects, control procedures in relation to the Distribution Licence EDL 4 and Retail Licence ERL9 for the audit period on the relevant clauses referred to within the scope section of this report.

Yours sincerely

Kevan McGill
Director

Date 21 February 2012

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1 Executive Summary

Newmont Power Pty Ltd (Newmont- NPPL) holds Distribution Licence EDL 4 and Retail Licence ERL 9 issued by the Economic Regulation Authority (*Authority*) under the Electricity Industry Act 2004. This performance audit was conducted in accordance with the guidelines issued by the *Authority* for the audit period (1 July 2008 to 30 June 2011) to assess the Licensee's level of compliance with the licence conditions.

Newmont operates a distribution network in the Kalgoorlie region. The distribution system supplies electricity to a joint venture in which they are partners. The lines of the distribution system originate within the substation of another licensee (Goldfields Power (GPPL) and are protected and metered by that Licensee. Accordingly, the distribution system has no meters, so issues related to network operator's obligations for meters are not applicable and the distribution system has no protection systems (they are owned and controlled by GPPL) and as such has no interruptions and the quality and reliability issues are assessed in this context.

The records and areas covered by the Licence were inspected and interviews were also held with key personnel at the operational sites (Kalgoorlie) and in the Perth Office. The extent of the Licensee's assets has not changed since the last audit.

The Electricity Licences require the Licensee to provide the *Authority* with an audit report from an independent expert on a defined time scale. This is the second audit of the licences held by Newmont.

1.1 OVERALL CONCLUSION

In my opinion, the Licensee has maintained a good level of compliance with the licences conditions and integrity with the Licensee's reporting obligations. While there were non compliances noted they were not significant items.

In my opinion, the Licensee maintained, in all material aspects, control procedures in relation to the Distribution Licence EDL 4 and Retail Licence ERL 9 for the audit period based on the relevant clauses referred to within the objectives section (Page 8) of this report.

A summary of the findings of the performance audit is given in section 1.2 below.

1.2 RATINGS

A risk assessment approach is used to develop the depth of audit required for each Obligation and is documented in an Audit Plan approved by the *Authority* prior to audit. A 5 level Audit Priority scale is used based on the combined rating for Inherent Risk and Control Adequacy defined in the following table. Following approval of the audit plan, a number of obligations were approved by the *Authority* for removal from the audit. The Licensee's obligations assessed in this audit, all have an Audit Priority rating of 4 or 5

	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 audit has determined a compliance rating for each Obligation using the 7-point rating scale (5 for numerical rating score and 2 not rated/not applicable scales) described in the table below.

Compliance status	Rating	Description of compliance
COMPLIANT	5	Compliant with no further action required to maintain compliance
COMPLIANT	4	Compliant apart from minor or immaterial recommendations to improve the strength internal controls to maintain compliance
COMPLIANT	3	Compliant with major or material recommendations to improve the strength of internal controls to maintain compliance
NON-COMPLIANT	2	Does not meet minimum requirements
SIGNIFICANTLY NON-COMPLIANT	1	Significant weaknesses and/or serious action required
NOT APPLICABLE	N/A	Determined that the compliance obligation does not apply to the Licensee's business operations
NOT RATED	N/R	No relevant activity took place during the audit period, therefore it is not possible to assess compliance

The total number of licence obligations assessed are summarised by audit priority ratings below.

		Audit Priority				
Assessment	Total	1	2	3	4	5
Compliant 5	22	0	0	0	11	11
Compliant 4	1	0	0	0	0	1
Compliant 3	0	0	0	0	0	0
Non-compliant 2	2	0	0	0	1	1
Significantly Non-compliant 1	0	0	0	0	0	0
Not Applicable	1	0	0		0	1
Not Rated	34	0	0	1	23	10

* Note Where an obligation was not exercised in the audit period, it was not possible to form an opinion about compliance and the item was not rated.

There are no issues from past audits to be followed up.

Recommendations from this audit are:

Item 85	Compliance rating
Distribution Licence condition 4.1, Retail Licence condition 4.1	Not Compliant 2
Licence: <i>Distribution, Retail</i>	
<i>Electricity Industry Act section 17(1)</i> A Licensee must pay to the <i>Authority</i> the prescribed licence fee within one month after the day of grant or renewal of the licence and within one month after each anniversary of that day during the term of the licence.	
Observations	
The fees have been paid but not all on time.	
Issues	
Fees need to be paid on time.	
Recommendations	
Implement a procedure to recognise all regulatory obligations and the required response times.	

Item 110	Compliance rating
Electricity Industry Act section 11	Not Compliant 2
Licence: <i>Distribution, Retail</i>	
<i>Distribution Licence condition 21.1, Retail Licence Condition 24.1</i> A Licensee must provide the <i>Authority</i> , in the manner prescribed, any information the <i>Authority</i> requires in connection with its functions under the Electricity Industry Act.	
Observations	
The Licensee has met the reporting manual requirements but not all reports have been on time.	
Issues	
Reports need to be made on time.	
Recommendations	
Implement a procedure to recognise all regulatory obligations and the required response times.	

The Licensee will provide a post audit implementation plan.

2 PERFORMANCE AUDIT

2.1 PERFORMANCE AUDIT OBJECTIVES

Under section 13 of the *Electricity Industry Act 2004* (the Act), it is a requirement that every Licensee provide the Economic Regulation *Authority* (*Authority*) not less than once in every period of 2 years with a performance audit conducted by an independent expert acceptable to the *Authority*.

The primary objective of the audit is to audit the effectiveness of measures taken by the Licensee to maintain quality and performance standards. The Act states a performance audit is an audit of the effectiveness of measures taken by the Licensee to meet the performance criteria specified in the licence. The licence states that performance standards are contained in applicable legislation. Performance criteria are defined in the licence as:

- (a) the terms and conditions of the *licence*; and
- (b) any other relevant matter in connection with the applicable legislation that the *Authority* determines should form part of the audit.

The licence also provides for individual licence conditions namely - the *Authority* may prescribe individual performance standards in relation to the Licensee of its obligations under this licence or the applicable legislation (the Act and subordinate legislation).

The *Authority* has summarised the performance requirements in various legislation in its Electricity compliance reporting manual (July 2010)¹.

The Licensee appointed McGill Engineering Services Pty Ltd to conduct the audit of its Distribution and Retail Licences with approval from the *Authority*. A preliminary assessment was conducted with the Licensee's management to determine the inherent risk and the state of control for each compliance element of the Licence obligation. McGill Engineering Services Pty Ltd then prioritised the audit coverage based on the risk profile of the Licensee with an emphasis on providing greater focus and depth of testing for areas of higher risk to provide reasonable assurance that the Licensee had complied with the standards, outputs and outcomes under the Licence obligations.

The audit was conducted in a manner consistent with Australian Auditing Standards (AUS) 808 "Planning Performance Audits" and AUS 806 "Performance Auditing". McGill Engineering Services Pty Ltd evaluated the adequacy and effectiveness of the controls and performance by the Licensee relative to the standards referred in the Distribution and Retail Licences through a combination of enquiries, examination of documents and detailed testing for Distribution Licence EDL 4 and Retail Licence ERL 9 for the Licensee.

¹ Electricity compliance reporting manual, July 2010

2.2 AUDIT PERIOD

The audit period is 1 July 2008 to 30 June 2011. The previous audit period was 1 July 2006 to 30 June 2008.

2.3 STATEMENT OF INDEPENDENCE

To the best of my knowledge and belief, there is no basis for contraventions of any professional code of conduct in respect of the audit.

I have not done or contemplate undertaking any other work with the Licensee.

There are no independence threats due to:

- self-interest – as the audit company or a member of the audit team have no financial or non-financial interests in the Licensee or a related entity;
- self-review – no circumstance has occurred where:
 - the audit company or a member of the audit team has undertaken other non-audit work for the Licensee that is being evaluated in relation to the audit/review; or
 - when a member of the audit team was previously an officer or director of the Licensee; or
 - where a member of the audit team was previously an employee of the Licensee who was in a position to exert direct influence over material that will be subject to audit during an audit/review.

There is no risk of a self-review threat as:

- no work has been
 - undertaken by the auditor, or a member of the audit/review team, for the Licensee within the previous 24 months; or
 - the auditor is currently undertaking for the Licensee; or
 - the auditor has submitted an offer, or intends to submit an offer, to undertake for the Licensee within the next 6 months; and
- familiarity – there is no close family relationship with a Licensee, its directors, officers or employees,
- and is not nor is perceived to be too sympathetic to the Licensee's interests.

2.4 SCOPE LIMITATION

The audit was undertaken by examination of documents, interviews with key persons and observations and is not a detailed inspection of physical items.

2.4.1 EXCLUDED CONDITIONS

Licence conditions applying to small use consumers have been excluded as the licensee has no small use consumers, accordingly conditions 88-89, 94; 97-102, 451 (434 in previous manual) and 465 – 466 (448-449) have been excluded from the audit. Conditions relating to the Electricity Corporations are not applicable (78-80, 90-92, 350 (333), 456-460 (439-443)). Conditions relevant to the market rules are not applicable 348 (331). Conditions relating to covered networks are not relevant (95). Conditions relating to the Code of Conduct for the Supply of Electricity to Small Use Consumers (113 to 316 (299) & 385-386 (368-369)) have been excluded as these apply to Small Use Consumers only. Conditions relating to Obligations to Connect Regulations (72-77) only apply to small use customers and therefore have been deleted from the audit. Conditions 467-469 (450-452) in Network Quality and Reliability Code are only applicable to Small Use Consumers and have therefore been deleted. Conditions relating to being a supplier of last resort (93) have been deleted as the licensees' area has not been designated. As no individual performance standards have been applied, item 106 has been excluded.

The Customer Transfer Code defines its objectives as:

2.1 Objectives

(1) The objectives of this Code are to—

- (a) set out rules for the provision of information relating to contestable customers and the process for transferring contestable customers from one retailer to another retailer in order to promote retail competition;*

As there is only one retailer operating on the Newmont – NPPL network, no retail transfer is possible and contestable customers are those with a choice of retailer and information provision is in the context of choice of retailer, the code is not applicable, therefore obligations 1-71 have been excluded from the review. Note that NPPL's customers during the audit period were contractually prevented from seeking another retailer and NPPL has not sought to supply any other customers.

Newmont does not have any meters on its distribution assets and therefore all the requirements for the Meter Code that apply to the distribution licence have been excluded - 317-325, 327-335, 337-347, 349, 351-358 360-365, 369-379, 381, 383-384, 386-392, 400, 402-406, 409-425, 427-432, 434 and 436 (300-308, 310-318, 320-330, 332, 334-341 343-348, 352-362, 364, 366-367, 369-375, 383, 385-389, 392-408, 410-415, 417 and 419). Western Power has some meters on Newmont's customer connections, so while there are no obligations between the licensee's retailer and distributor there are some obligations for Newmont with respect to Western Power.

2.5 INHERENT LIMITATIONS

Because of the inherent limitations of any internal control structure, it is possible that fraud, error or non-compliance with laws and regulations may occur and not be detected.

An audit is not designed to detect all weaknesses in compliance measures as an audit is not performed continuously throughout the period and the audit procedures performed on the compliance measures are undertaken on a test basis.

Any projection of the evaluation of the operating licences to future periods is subject to the risk that the compliance measures in the plans may become inadequate because of changes in conditions or circumstances, or that the degree of compliance with them may deteriorate.

The audit opinion expressed in this report has been formed on the above basis.

2.6 SCOPE OF THE AUDIT

The audit was conducted in 3 phases.

1. RISK AND MATERIALITY ASSESSMENT

With reference to AS/NZS4360 Risk Management a preliminary assessment was made of the risk and materiality of non-compliance with the required licence conditions in order to focus the audit effort on areas of higher compliance risk and identify areas for testing and analysis.

2. SYSTEM ANALYSIS, ASSERTION SETTING AND REVIEW

Through discussion, observation and review, a sample of cases or data was analysed relating to the Licensee's quality and performance systems and standards against requirements of the Licence conditions to be audited.

3. FIELDWORK: TESTING AND ANALYSIS

Using the results of the risk assessment and systems analysis, detailed testing and analysis was performed to compare those standards maintained by the Licensee with the relevant clauses of the Licence.

During this audit the Perth office and Kalgoorlie licensed areas were visited.

The actions to follow up previous audits are detailed in the following table.

2.6.1 CORRECTIVE ACTIONS FROM LAST AUDIT

No.	Condition	Issue/Corrective Action
1	A network operator must treat all retailers which are its associates on an arms-length basis.	There is no business need for arms-length treatment until another retailer is available on the network. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
2	A network operator must ensure that no retailer which is its associate receives a benefit in respect of the Electricity Industry Customer Transfer Code unless the benefit is either attributable to the arms-length application of the Electricity Industry Customer Transfer Code or the benefit is made available to all other retailers.	The licensee is essentially vertically integrated. There is no business need to establish arms-length treatment until another retailer becomes available on the network. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
3	A network operator must publish a request for standing data form which must comply with Annex 1 of the	There is no business need for a published standing data form. Data information

	Electricity Industry Customer Transfer Code.	requirements are established by contract. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
4	A network operator must publish a request for historical data form which must comply with Annex 2 of the Electricity Industry Customer Transfer Code.	There is no business need for a published historical data form. Data information requirements are established by contract. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
5	If a network operator publishes an amended data request form it must comply with Annex 1 or Annex 2 of the Electricity Industry Customer Transfer Code, as applicable.	There is no business need for a published historical data form. Data information requirements are established by contract. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
7	A retailer, unless otherwise agreed, must submit a data request electronically and must not submit more than a prescribed number of standing or historical data requests in a business day.	As the licensee is essentially vertically integrated there is no business need for protocols for passing information to their retailer. Approach the Office of Energy to seek an exemption from this requirement.
12	A network operator must comply with clause 3.7(1) of the Electricity Industry Customer Transfer Code within defined timeframes depending on the number of standing or historical data requests that the retailer submits.	The data requirements are specified in the contracts. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
13	A network operator must provide the requested data under a valid data request electronically in a format in accordance with the communication rules if they have been approved or otherwise in accordance with the metering code.	Data information requirements are established by contract. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
15	A network operator must electronically notify the retailer of the most likely exit points to which a data request relates, up to a maximum of 10, if a retailer submits a data request under clause 3.4 and the network operator has not allocated a UMI for the exit point and it is unable to determine a single exit point to which the data request relates.	As the licensee is essentially vertically integrated there is no business need for protocols for communication between network operator and their retailer. The contracts allow for aggregated information for their exit points. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
22	A network operator must publish a customer transfer request form which must comply with Annex 3 of the Electricity Industry Customer Transfer Code.	There is no business need for a published customer transfer request form. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
46	A network operator must submit communication rules to the <i>Authority</i> within six months after the commencement of the Electricity Industry Customer Transfer Code.	There is no business need for protocols for communication between retailer and distributor or transmitter. Communication rules have not been submitted. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
47	A network operator must take certain action before submitting the communication rules to the <i>Authority</i> .	There is no business need for protocols for communication between retailer and distributor or transmitter. Communication rules have not been submitted. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
48	A network operator and a retailer must comply with approved communication rules.	There are no approved communication rules. There is no business need for protocols for communication between retailer and distributor which are essentially vertically integrated. Communications with customers are established by contract. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
54	A network operator or a retailer must send required electronic communications to the applicable electronic communication address, in accordance with Annex 6.	There is no business need for protocols for communication between retailer and distributor which are essentially vertically integrated. Communications with customers are established by contract. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
62	A network operator's customer transfer request form must require a retailer to provide certain information.	There is no business need for a customer transfer request form unless another retailer is available on the network. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
69	A network operator and a retailer must establish a mechanism to generate an automated response	There is no business need for protocols for communication between retailer and distributor

	message for each electronic communication (other than an automated response message) received at the electronic communication address.	which are essentially vertically integrated. Communications with customers are established by contract. The Licensee should approach the Office of Energy to seek an exemption from this requirement.
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Note that all these actions arise from the Customer Transfer Code which has been excluded from the audit (see section 2.4.1) so even though recommendations and actions were indicated in the previous audit, the Code is excluded and therefore there are no actions to follow up.

2.7 AUDIT ROLES

The report to the Licensee and the *Authority* clearly expresses the opinion of the auditor in respect of the findings of the audit.

The key contacts were:

- Licensee
 - Tim Gordon – Senior Advisor Non Managed Joint Ventures and
 - Consultant David Lyne.
 - Jamie Crombie contractor's Assistant Area Manager
- McGill Engineering Services Pty Ltd
 - Kevan McGill, John McLoughlin

The audit was conducted during July to August 2011. Kevan McGill and John McLoughlin took about 80 (60/20) hours on the audit.

2.8 AUDIT REQUIREMENTS

Compliance with licence conditions was examined according to the likely inherent risk and the adequacy of controls to manage that risk.

Nature of audit work conducted

The *Authority* guidelines for performance audits require that the audit considers:

- a) **Process compliance** - the effectiveness of systems and procedures in place throughout the audit period, including the adequacy of internal controls.
- b) **Outcome compliance** – the actual performance against standards prescribed in the licence throughout the audit period.
- c) **Output compliance** – the existence of the output from systems and procedures throughout the audit period (that is, proper records exist to provide assurance that procedures are being consistently followed and controls are being maintained).
- d) **Integrity of performance reporting** – the completeness and accuracy of the performance reporting to the *Authority*.
- e) **Compliance with any individual licence conditions** - the requirements imposed on the specific Licensee by the *Authority* or specific issues for follow-up that are advised by the *Authority*.

Stage	Auditor	Standard
1. Risk & Materiality Assessment Outcome - Operational/ Performance Audit Plan	K McGill	ASA 300 Planning ASA 315: Risk Assessments and Internal Controls AUS 808: Planning Performance Audits AS/NZS 4360:2004: Risk Management ERA Guidelines
2. System Analysis	K McGill	AUS 810: Special Purpose Reports on Effectiveness of Control Procedures
3. Fieldwork Assessment and testing of; <ul style="list-style-type: none"> • The control environment • Information system • Compliance procedures • Compliance attitude 	K McGill	AUS 502: Audit Evidence AUS 806: Performance Auditing
4. Reporting	K McGill	ASA 300 Planning AUS 806: Performance Auditing

2.9 LICENCE

There are three lines in the Distribution Licence. One line has been superseded by a Western Power line transferring power to a Western Power Substation. The line is disconnected.

The customer for the other lines is 50% owned by the licensee's parent. These two lines supply very small loads that are not critical for the customer's mining operations. They supply water bores and there is at least two days supply of water and could be supplied by a diesel generator.

2.10 OVERALL CONCLUSION

In my opinion, the Licensee has maintained a good level of compliance with the licences conditions while there were some non-compliances they were not significant items.

In my opinion, the Licensee maintained, in all material aspects, control procedures in relation to the for Distribution Licence EDL 4 and Retail Licence ERL 9 licences for the audit period based on the relevant clauses referred to within the scope section of this report.

2.11 FINDINGS

The conclusions of each of the elements of the licences are summarised in the following table. The audit risk as determined for each licence condition is also shown. The details of the audit can be seen in detailed findings Page 19

The following are the risks determined for audit elements.

Item	Licence Clause/Condition reference (Cl.=clause, Sch.=schedule) G/D/T/R	Obligations under condition	Consequences (1=Minor, 2=Moderate, 3=Major) Likelihood (A=likely, B=Probable, C=Unlikely)	Inherent Risk	Adequacy of Existing Controls (S=Strong, M=Moderate, W=Weak)	D=Distribution R + Retail	Type	Review priority	Rating	1	2	3	4	5	N ^a	N ^r
Licence Conditions – Licence Clause – Obligations- Electricity Industry Act Section										1	2	3	4	5	N ^a	N ^r
81.	22.1/18.1	s ² 13(1)	1	C	Low	M	D R	NR	5					✓		
82.	19.1	s14(1)(a)	1	C	Low	M	D	NR	5					✓		
83.	19.1 & 19.2	s14(1)(b)	2	C	Medium	M	D	2	4					✓		
84.	19.3	s14(1)(c)	1	C	Low	M	D	NR	5					✓		
85.	4.1/4.1	s17(1)	1	C	Low	M	D R	NR	5		✗					
86.	5.1/5.1	s31(3)	1	C	Low	M	D R	NR	5					✓		
87.	5.1/5.1	s41(6)	2	C	Medium	M	D R	2	4							✓
96	5.1/5.1	s115(2)	2	C	Medium	M	D R	2	4							✓
Licence Conditions – Electricity Industry Act Section										1	2	3	4	5	N ^a	N ^r
Obligations- Licence Clause																
103.	s11	15.2	2	B	Medium	W	D	2	3							✓
104.	s11	15.3	2	C	Medium	M	D	2	4					✓		
105.	s11	16.1/ 20.1	2	C	Medium	M	D R	2	4					✓		
107.	s11	18.2/ 22.2	2	C	Medium	M	D R	2	4					✓		
108.	s11	19.4	2	C	Medium	M	D	2	4					✓		
109.	s11	20.1/ 23.1	2	C	Medium	M	D R	2	4							✓
110.	s11	21.1/ 24.1	2	C	Medium	M	D R	2	4		✗					
111.	s11	22.2/ 25.2	2	C	Medium	M	D R	2	4							✓
112.	s11	23.1/ 26.1	2	C	Medium	M	D R	2	4					✓		
Licence Conditions (2010 manual – 2008 manual) – Licence clause										1	2	3	4	5	N ^a	N ^r
Obligations- Electricity Industry Metering Code Clause																
326 (309).	5.1	3.5(6)	2	C	Medium	M	R	2	4							✓
336 (319).	5.1	3.11(3)	2	C	Medium	M	R	2	4							✓
359 (342).	5.1	3.27	2	C	Medium	M	R	2	4							✓
366 (349).	5.1.	4.4(1)	1	C	Low	M	R	NR	5							✓
367 (350).	5.1	4.5(2)	1	C	Low	M	R	NR	5					✓		
368 (351).	5.1	4.5(1)	2	C	Medium	M	R	2	4							✓
380 (363).	5.1	5.4(2)	1	C	Low	M	R	NR	5							✓
382 (365).	5.1	5.5(3)	2	C	Medium	M	R	2	4					✓		
393 (376).	5.1	5.16	2	C	Medium	M	R	2	4							✓
394 (377).	5.1	5.17(1)	2	C	Medium	M	R	2	4					✓		
395 (378).	5.1	5.18	2	C	Medium	M	R	2	4							✓
396 (379).	5.1	5.19(1)	1	C	Low	M	R	NR	5							✓
397 (380).	5.1	5.19(2)	1	C	Low	M	R	NR	5					✓		
398 (381).	5.1	5.19(3)	2	C	Medium	M	R	2	4							✓
399 (382).	5.1	5.19(4)	2	C	Medium	M	R	2	4							✓
401 (384).	5.1	5.19(6)	1	C	Low	M	R	NR	5							✓

² s= Section of Act

407 (390).	5.1	5.21(5)	2	C	Medium	M	R	2	4								<input checked="" type="checkbox"/>
408 (391).	5.1	5.21(6)	2	C	Medium	M	R	2	4								<input checked="" type="checkbox"/>
426 (409).	5.1	5.27	2	C	Medium	M	R	2	4								<input checked="" type="checkbox"/>
433 (416).	5.1	6.1(2)	2	C	Medium	M	R	2	4					<input checked="" type="checkbox"/>			
435 (418).	5.1	7.2(1)	1	C	Low	M	R	NR	5					<input checked="" type="checkbox"/>			
437 (420).	5.1	7.2(4)	2	C	Medium	M	R	2	4								<input checked="" type="checkbox"/>
438 (421)	5.1	7.2(5)	2	C	Medium	M	R	2	4								<input checked="" type="checkbox"/>
439 (422)	5.1	7.5	2	C	Medium	M	R	2	4					<input checked="" type="checkbox"/>			
440 (423)	5.1	7.6(1)	2	C	Medium	M	R	2	4								<input checked="" type="checkbox"/>
441 (424)	5.1	8.1(1)	1	C	Low	M	R	NR	5								<input checked="" type="checkbox"/>
442 (425)	5.1	8.1(2)	1	C	Low	M	R	NR	5								<input checked="" type="checkbox"/>
443 (426)	5.1	8.1(3)	1	C	Low	M	R	NR	5								<input checked="" type="checkbox"/>
444 (427)	5.1	8.1(4)	2	C	Medium	M	R	2	4								<input checked="" type="checkbox"/>
445 (428)	5.1	8.3(2)	1	C	Low	M	R	NR	5								<input checked="" type="checkbox"/>
Licence Conditions (2010 manual – 2008 manual) – Licence clause										1	2	3	4	5	N ^a	N ^r	
Obligations Network Quality of Supply Code - Code Number																	
446 (429)	5.1	5(1)	1	C	Low	M	D	NR	5				<input checked="" type="checkbox"/>				
447 (430)	5.1	8	1	C	Low	M	D	NR	5								<input checked="" type="checkbox"/>
448 (431)	5.1	9	1	C	Low	M	D	NR	5					<input checked="" type="checkbox"/>			
449 (432)	5.1	10(1)	1	C	Low	M	D	NR	5					<input checked="" type="checkbox"/>			
450 (433)	5.1	10(2)	1	C	Low	M	D	NR	5								<input checked="" type="checkbox"/>
452 (435)	5.1	13(2)	1	C	Low	M	D	NR	5					<input checked="" type="checkbox"/>			
453 (436)	5.1	13(3)	2	C	Medium	M	D	2	4						<input checked="" type="checkbox"/>		
454 (437)	5.1	14(8)	2	C	Medium	M	D	2	4								<input checked="" type="checkbox"/>
455 (438)	5.1	15(2)	2	C	Medium	M	D	2	4								<input checked="" type="checkbox"/>
461 (444)	5.1	23(1)	1	C	Low	M	D	NR	5					<input checked="" type="checkbox"/>			
462 (445)	5.1	23(2)	2	C	Medium	M	D	2	4					<input checked="" type="checkbox"/>			
463 (446)	5.1	24(3)	2	C	Medium	M	D	2	4								<input checked="" type="checkbox"/>
464 (447)	5.1	24(4)	2	C	Medium	M	D	2	4								<input checked="" type="checkbox"/>

2.12 ESTABLISHING THE CONTEXT

The key legislation that governs the licensing of providers of electricity is the Electricity Industry Act 2004. In turn, the compliance elements in the Licence were examined and referred to throughout the audit process.

2.12.1 AUDIT RESULTS AND RECOMMENDATIONS

Summary of significant results

A number of non compliances have been recorded.

2.12.2 COMPLIANCE ELEMENTS REQUIRING CORRECTIVE MEASURES

Item 85	Compliance rating
Distribution Licence condition 4.1, Retail Licence condition 4.1	Not Compliant 2
Licence: <i>Distribution, Retail</i>	
<i>Electricity Industry Act section 17(1)</i> A Licensee must pay to the <i>Authority</i> the prescribed licence fee within one month after the day of grant or renewal of the licence and within one month after each anniversary of that day during the term of the licence.	
Observations	
The fees have been paid but not all on time.	
Issues	
Fees need to be paid on time.	
Recommendations	
Implement a procedure to recognise all regulatory obligations and the required response times.	

Item 110	Compliance rating
Electricity Industry Act section 11	Not Compliant 2
Licence: <i>Distribution, Retail</i>	
<i>Distribution Licence condition 21.1, Retail Licence Condition 24.1</i> A Licensee must provide the <i>Authority</i> , in the manner prescribed, any information the <i>Authority</i> requires in connection with its functions under the Electricity Industry Act.	
Observations	
The Licensee has met the reporting manual requirements but not all reports have been on time.	
Issues	
Reports need to be made on time.	
Recommendations	
Implement a procedure to recognise all regulatory obligations and the required response times.	

2.12.3 SUGGESTIONS FOR IMPROVEMENT

There are no recommendations for improvement.

2.12.4 POST AUDIT IMPLEMENTATION PLAN

The Licensee will be providing a separate post audit plan.

2.13 DETAILED FINDINGS

2.13.1 AUDIT WORK UNDERTAKEN

Interviews and enquiries were conducted to:

- Understand the control environment by determining the responsibility matrix and key control points
- Obtain the policies and procedures for managing licences and licensed areas; and
- Identify the information systems and processes employed to manage licences and licensed areas
- Determine the level of understanding of the systems and processes for managing licences and licensed areas
- In reviewing the procedures and protocols for managing provision of services within a licensed area, where applicable, we obtained details of the processes and assessed the reasonableness of the decision matrix and the adequacy of the control points implemented by the Licensee.

2.14 AUDIT EVIDENCE

The following was considered in the audit.

- Distribution Licence
- Retail Licence
- Past audit/reviews
- Contact details
- Annual reports
- Annual returns to ERA
- Fee invoice/receipts
- Sample Power Purchase Agreement

2.15 DETAILED AUDIT FINDINGS

The following sets out the audit findings

2.15.1 ELECTRICITY INDUSTRY ACT – LICENCE CONDITIONS AND OBLIGATIONS

Item 81	Compliance rating
Distribution Licence condition 18.1, Retail Licence condition 22.1	Compliant 5
Licence: <i>Distribution, Retail</i>	
<i>Electricity Industry Act section 13(1)</i> A Licensee must, not less than once every 24 months, provide the <i>Authority</i> with a performance audit conducted by an independent expert acceptable to the <i>Authority</i> .	
Observations	
Documents <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>	
Evidence: interviewed Senior Advisor, Consultant and Contractor's Assistant Manager South. Documents: The Licensee contracted with the auditor to carry out the audit. The documents were forwarded to the <i>Authority</i> as part of the approval of the auditor. Licensee received approval from the <i>Authority</i> for audit scope and appointment of auditor.	
Process <input checked="" type="checkbox"/> Outcome <input checked="" type="checkbox"/> Output <input checked="" type="checkbox"/> Reporting <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>	
The Licensee contracted with the auditor to carry out the audit to meet the requirements. The last audit was also conducted in accordance with requirements.	
Issues	
None	
Recommendations	
None	

Item 82	Compliance rating
Distribution Licence condition 19.1	Compliant 5
Licence: <i>Distribution</i>	
<i>Electricity Industry Act section 13(1)</i> A Licensee must provide for an asset management system.	
Observations	
Documents <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>	
Evidence: interviewed Senior Advisor, Consultant and Contractor's Assistant Manager South. Documents: Include - The asset management system was examined in the review.	
Process <input checked="" type="checkbox"/> Outcome <input checked="" type="checkbox"/> Output <input checked="" type="checkbox"/> Reporting <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>	
The Licensee has an asset management system. The operating and maintenance systems are contracted and these were reviewed at the site. These included maintenance planning modules in GP Mate V6. The asset management system includes time based and conditioned based maintenance. The review examined the efficacy of the asset management system.	
Issues	
None	
Recommendations	
None	

Item 83	Compliance rating
Distribution Licence condition 19.1 & 19.2,	Compliant 5
Licence: <i>Distribution</i>	
<i>Electricity Industry Act section 13(1)</i> A Licensee must notify details of the asset management system and any substantial changes to it to the <i>Authority</i> .	
Observations	
Documents <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>	
Evidence: interviewed Senior Advisor, Consultant and Contractor's Assistant Manager South. Documents: The asset management system was examined in the review.	
Process <input checked="" type="checkbox"/> Outcome <input checked="" type="checkbox"/> Output <input checked="" type="checkbox"/> Reporting <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>	
Previous audits covered advice to the <i>Authority</i> of the asset management system. There have been no substantial changes that required notifying the <i>Authority</i>	
Issues	
None	
Recommendations	
None	

Item 84	Compliance rating
Distribution Licence condition 19.3	Compliant 5
Licence: <i>Distribution,</i>	
<i>Electricity Industry Act section 14(1)(c)</i> A Licensee must provide the <i>Authority</i> with a report by an independent expert as to the effectiveness of its asset management system every 24 months, or such longer period as determined by the <i>Authority</i> .	
Observations	
Documents <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>	
Evidence: interviewed Senior Advisor, Consultant and Contractor's Assistant Manager South. Documents: Include Previous asset management review. Approval and Appointment letters for current review.	
Process <input checked="" type="checkbox"/> Outcome <input checked="" type="checkbox"/> Output <input checked="" type="checkbox"/> Reporting <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>	
The Licensee contracted McGill Engineering Services, with approval of the <i>Authority</i> , for the review in accordance with the requirements and the review plan documents have been forwarded to the <i>Authority</i> as part of approval of the auditor. The review is being carried out within the time frame approved. The last review was also conducted to requirements.	
Issues	
None	
Recommendations	
None	

Item 85	Compliance rating
Distribution Licence condition 4.1, Retail Licence condition 4.1	Not Compliant 2
Licence: <i>Distribution, Retail</i>	
<i>Electricity Industry Act section 17(1)</i> A Licensee must pay to the <i>Authority</i> the prescribed licence fee within one month after the day of grant or renewal of the licence and within one month after each anniversary of that day during the term of the licence.	
Observations	
Documents <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>	
Evidence: interviewed Senior Advisor, Consultant. Documents: Include invoices and receipts	
Process <input checked="" type="checkbox"/> Outcome <input checked="" type="checkbox"/> Output <input checked="" type="checkbox"/> Reporting <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>	

The fees have been paid but not all on time.
Issues
Fees need to be paid on time.
Recommendations
Implement a procedure to recognise all regulatory obligations and the required response times.

Item 86	Compliance rating
Distribution Licence condition 5.1, Retail Licence condition 5.1	Compliant 5
Licence: <i>Distribution, Retail</i>	
<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.	
Observations	
Documents <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>	
Evidence: interviewed Senior Advisor, Consultant and Contractor's Assistant Manager South. Documents: Include n/a.	
Process <input checked="" type="checkbox"/> Outcome <input checked="" type="checkbox"/> Output <input checked="" type="checkbox"/> Reporting <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>	
The lines originate in another Licensee's substation (Goldfields Power) which includes protection and metering. The Licensee has no protection/interruption devices (they are part of another licensee's system) and therefore cannot have any interruptions / outages that can control. The other Licensee controls and monitors the system. Through the contract the licensee takes 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	
Issues	
None	
Recommendations	
None	

Item 87	Compliance rating
Distribution Licence condition 5.1, Retail Licence condition 5.1	Not Rated
Licence: <i>Distribution, Retail</i>	
<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.	
Observations	
Documents <input type="checkbox"/> Compliance <input type="checkbox"/>	
Evidence: interviewed Senior Advisor, Consultant. . Documents: Not applicable	
Process <input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>	
There have been no interests/easements taken in land in the audit period to assess compliance. All assets are on mining leases and no payments have been made for interests or easements in land.	
Issues	
None	
Recommendations	
None	

Item 96	Compliance rating
Distribution Licence condition 5.1, Retail Licence condition 5.1	Not Rated
Licence: <i>Distribution, Retail</i>	

<i>Electricity Industry Act section 115(2)</i>									
A Licensee that has, or is an associate of a person that has, access to services under an access agreement must not engage in conduct for the purpose of hindering or prohibiting access.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant. Documents: Not applicable.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
There have been no requests for access to the network so there is no behaviour that could engage in conduct for the purpose of hindering or prohibiting access.									
Issues									
None									
Recommendations									
None									

2.15.2 ELECTRICITY LICENCES – LICENCE CONDITIONS AND OBLIGATIONS

Item 103	Compliance rating
Electricity Industry Act section 11	Not Rated
Licence: <i>Distribution</i>	
<i>Distribution Licence condition 15.2</i>	
A Licensee must amend the asset management system before an expansion or reduction in generating works, distribution systems and transmission systems and notify the <i>Authority</i> in the manner prescribed, if the expansion or reduction is not provided for in the asset management system.	
Observations	
Documents	<input type="checkbox"/> Compliance <input type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's Assistant Manager South. Documents: Include n/a	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
There has been no expansion or reduction in the audit period.	
Issues	
None	
Recommendations	
None	

Item 104	Compliance rating
Electricity Industry Act section 11	Compliant 5
Licence: <i>Distribution,</i>	
<i>Distribution Licence condition</i>	
A Licensee must not expand the generating works, distribution systems or transmission systems outside the licence area.	
Observations	
Documents	<input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's Assistant Manager South. Documents: Not applicable.	
Process	<input checked="" type="checkbox"/> Outcome <input checked="" type="checkbox"/> Output <input checked="" type="checkbox"/> Reporting <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
There has been no expansion or reduction let alone outside the licence area.	

Issues
None
Recommendations
None

Item 105	Compliance rating
Electricity Industry Act section 11	Compliant 5
Licence: <i>Distribution, Retail</i>	
<i>Distribution Licence condition 16.1, Retail Licence Condition 20.1</i>	
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.	
Observations	
Documents	<input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant. Documents: The annual reports declaration by the financial auditor has been sighted.	
Process	<input checked="" type="checkbox"/> Outcome <input checked="" type="checkbox"/> Output <input checked="" type="checkbox"/> Reporting <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
The annual reports show compliance with accounting standards. The Licensee is not a reporting body so the disclosure requirements are not applicable.	
Issues	
None	
Recommendations	
None	

Item 107	Compliance rating
Electricity Industry Act section 11	Compliant 5
Licence: <i>Distribution, Retail</i>	
<i>Distribution Licence condition 18.2, Retail Licence Condition 22.2</i>	
A Licensee must comply, and require its auditor to comply, with the <i>Authority's</i> standard audit guidelines dealing with the performance audit.	
Observations	
Documents	<input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant. Documents: The audit plan was forwarded to the <i>Authority</i> , approval of the auditor obtained prior to appointment. Last audit documents.	
Process	<input checked="" type="checkbox"/> Outcome <input checked="" type="checkbox"/> Output <input checked="" type="checkbox"/> Reporting <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
The Licensee has contracted with the auditor to comply with the requirements. Last audit also complied.	
Issues	
None	
Recommendations	
None	

Item 108	Compliance rating
Electricity Industry Act section 11	Compliant 5
Licence: <i>Distribution,</i>	
<i>Distribution Licence condition 19.4</i>	
A Licensee must comply, and must require the Licensee's expert to comply, with the relevant aspects of the <i>Authority's</i> standard guidelines dealing with the asset management system.	
Observations	

Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>	
Evidence: interviewed Senior Advisor, Consultant. Documents: The AMS review plan has been forwarded to the <i>Authority</i> as part of approval of the reviewer. Last Review documents				
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output <input checked="" type="checkbox"/> Reporting <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
The Licensee has contracted with the reviewer to comply with the requirements. Last review also complied.				
Issues				
None				
Recommendations				
None				

Item 109					Compliance rating	
Electricity Industry Act section 11					Not Rated	
Licence: Distribution, Retail						
Distribution Licence condition 20.1, Retail Licence Condition 23.1						
A Licensee must report to the Authority, in the manner prescribed, if a Licensee is under external administration or there is a significant change in the circumstances upon which the licence was granted which may affect a Licensee's ability to meet its obligations.						
Observations						
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>			
Evidence: interviewed Senior Advisor, Consultant. Documents: Not applicable.						
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
The Licensee is not under external administration so not able to assess compliance with advice requirements.						
Issues						
None						
Recommendations						
None						

Item 110					Compliance rating				
Electricity Industry Act section 11					Not Compliant 2				
Licence: Distribution, Retail									
Distribution Licence condition 21.1, Retail Licence Condition 24.1									
A Licensee must provide the Authority, in the manner prescribed, any information the Authority requires in connection with its functions under the Electricity Industry Act.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant. The Senior Advisor advised that there have been no requests for information from the Authority other than Performance Audit, AMS Review and Compliance Report. Documents: The reporting manual returns have been sighted.									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The Licensee has met the reporting manual requirements but not all reports have been on time.									
Issues									
Reports need to be made on time.									
Recommendations									
Implement a procedure to recognise all regulatory obligations and the required response times.									

Item 111	Compliance rating
Electricity Industry Act section 11	Not Rated
Licence: <i>Distribution, Retail</i>	

<i>Distribution Licence condition 22.2, Retail Licence Condition 25.2</i> A Licensee must publish any information it is directed by the <i>Authority</i> to publish, within the timeframes specified.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant. Documents: Not applicable.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The <i>Authority</i> has not directed any information to be published so unable to assess compliance with publishing requirements.									
Issues									
None									
Recommendations									
None									

Item 112							Compliance rating						
Electricity Industry Act section 11							Compliant 5						
Licence: Distribution, Retail													
Distribution Licence condition 23.1, Retail Licence Condition 26.1													
Unless otherwise specified, all notices must be in writing.													
Observations													
Documents		<input checked="" type="checkbox"/>	Compliance		<input checked="" type="checkbox"/>								
Evidence: interviewed Senior Advisor, Consultant. Documents: Communication with ERA sighted.													
Process		<input checked="" type="checkbox"/>	Outcome		<input checked="" type="checkbox"/>	Output		<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance		<input checked="" type="checkbox"/>
No notices have been required by the Authority. All material communication with the Authority is in writing.													
Issues													
None													
Recommendations													
None													

2.15.3 ELECTRICITY INDUSTRY METERING CODE – LICENCE CONDITIONS AND OBLIGATIONS (ALL LICENCE CONDITION LICENCE CLAUSE 5.1)

Item 326 (309)							Compliance rating		
Licence condition 5.1							Not Rated		
Licence: Distribution, Retail									
Electricity Industry Metering Code 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 between it and the user.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: Power Purchase Agreements (PPAs)									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
There have been no metering installations by the distribution licensee in the audit period. The network operator has no meters to make a charge for.									

Issues
None
Recommendations
None

Item 336 (319) Licence condition 5.1					Compliance rating Not Rated				
Licence: Distribution Retail									
Electricity Industry Metering Code 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.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: N/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The network operator has no meters so therefore no outage or malfunction of a metering installation. There were some minor issues with Western Power meters. Any issues were communicated to Western Power and resolved. No advice has been received from customers. A code participant is defined as someone with an access contract and the Power Purchase Agreements are access contracts. The retailer (Code participant) and the network operator are the same person.									
Issues									
None									
Recommendations									
None									

Item 359 (342) Licence condition 5.1					Compliance rating Not Rated				
Licence: <i>Retail</i>									
<i>Electricity Industry Metering Code clause 3.27</i> 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.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: N/a									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
No new meters have been installed in the audit period (there are no meters at all).									
Issues									
None									
Recommendations									
None									

Item 366 (349) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Distribution, Retail</i>	
<i>Electricity Industry Metering Code clause 4.4(1)</i> A network operator and affected Code participants must liaise together to determine the most	

appropriate way to resolve a discrepancy between energy data held in a metering installation and data held in the metering database.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The network operator has no meters and therefore no capacity for discrepancies. There have been no issues with Western Power meters.									
Issues									
None									
Recommendations									
None									

Item 367 (350)						Compliance rating			
Licence condition 5.1						Compliant 5			
Licence: <i>Distribution, Retail</i>									
<i>Electricity Industry Metering Code clause 4.5(1)</i>									
A Code participant must not knowingly permit the registry to be materially inaccurate.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The network operator has no meters and therefore no registry. There have been no changes to cause issues with Western Power's registry. New connections have been processed to meet Western Powers requirements. There has been no advice from customers of registry inaccuracies. There have been no customer (Code participants) complaints.									
Issues									
None									
Recommendations									
None									

Item 368 (351)						Compliance rating			
Licence condition 5.1						Not Rated			
Licence: <i>Retail</i>									
<i>Electricity Industry Metering Code clause 4.5(2)</i>									
If a Code participant (other than a network operator) becomes aware of a change to or an 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.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The network operator has no meters to require a registry. There are no changes to cause issues with other network operators' registries. No errors to registries have been advised from customers. A code participant definition includes someone with an access contract and the Power Purchase Agreements are access contracts. There are no alternative retailers for transfers to cause registry errors. There is no need for a process for notification as the Retailer and the network operator is the same person.									

Issues
None
Recommendations
None

Item 380 (363) Licence condition 5.1					Compliance rating Not Rated				
Licence: <i>Retail</i>									
<i>Electricity Industry Metering Code clause 5.4(2)</i> A user must, when reasonably requested by a network operator, use reasonable endeavours to assist the network operator to comply with the network operator's obligation.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
No requests were made of users (customers) as there are no meters to request assistance. There have been no requests from other network operators. A code participant definition includes someone with an access contract and the Power Purchase Agreements are access contracts. The retailer and the network operator is the same person so there is no practical distinction between where the need arises.									
Issues									
None									
Recommendations									
None									

Item 382 (365) Licence condition 5.1					Compliance rating Compliant 5				
Licence: <i>Retail</i>									
<i>Electricity Industry Metering Code clause 5.5(3)</i> A user must not impose any charge for the provision of the data under this Code unless it is permitted to do so under another enactment.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Users were not charged nor did they charge for data. The Network operator has no meters to be the basis of a charge.									
Issues									
None									
Recommendations									
None									

Item 393 (376) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Retail</i>	
<i>Electricity Industry Metering Code clause 5.16</i>	

A user that collects or receives energy data from a metering installation must provide the network operator with the energy data (in accordance with the communication rules) within the timeframes prescribed.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
Users do not collect or receive energy data to send to network operator as there are no meters to collect information from.									
Issues									
None									
Recommendations									
None									

Item 394 (377) Licence condition 5.1						Compliance rating Compliant 5			
Licence: <i>Retail</i>									
<i>Electricity Industry Metering Code clause 5.17(1)</i> 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.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Standing and validated energy data is provided on invoices. There is no enactment to provide data but the Power Purchase Agreements do make provision for meter data to be provided to a customer after month end. Time frames are not specified. Energy data has been provided. Applicable enactments such as the code of conduct do not apply as there are no small use consumers.									
Issues									
None									
Recommendations									
None									

Item 395 (378) Licence condition 5.1						Compliance rating Not Rated			
Licence: <i>Retail</i>									
<i>Electricity Industry Metering Code clause 5.18</i> A user that collects or receives information regarding a change in the energisation status of a metering point must provide the network operator with the prescribed information, including the stated attributes, within the timeframes prescribed.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
No change in energisation status occurred in the audit period (of other Licensee's meters, the									

network operator has no meters). There were a number of new Western Power meters energised during the audit period.
Issues
None
Recommendations
None

Item 396 (379) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Retail</i>	
<i>Electricity Industry Metering Code clause 5.19(1)</i> 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.	
Observations	
Documents	<input type="checkbox"/> Compliance <input type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
There has been no request (from other network operators - this network operator has no meters) to collect information.	
Issues	
None	
Recommendations	
None	
Management Actions	
Not applicable	

Item 397 (380) Licence condition 5.1	Compliance rating Compliant 5
Licence: <i>Retail</i>	
<i>Electricity Industry Metering Code clause 5.19(2)</i> A user must, to the extent that it is able, collect and maintain a record of the address, site and customer attributes, prescribed in relation to the site of each connection point, with which the user is associated.	
Observations	
Documents	<input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a	
Process	<input checked="" type="checkbox"/> Outcome <input checked="" type="checkbox"/> Output <input checked="" type="checkbox"/> Reporting <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
Contacts lists and address, site and customer attributes and sample advice to customers sighted.	
Issues	
None	
Recommendations	
None	

Item 398 (381) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Retail</i>	
<i>Electricity Industry Metering Code clause 5.19(3)</i> A user must, after becoming aware of any change in a site's prescribed attributes, notify the network operator of the change within the timeframes prescribed.	
Observations	
Documents	<input type="checkbox"/> Compliance <input type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
There has been no change to site attributes. There has been no advice from users.	
Issues	
None	
Recommendations	
None	

Item 399 (382) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Retail</i>	
<i>Electricity Industry Metering Code clause 5.19(4)</i> A user that becomes aware that there is a sensitive load at a customer's site must immediately notify the network operator's Network Operations Control Centre of the fact.	
Observations	
Documents	<input type="checkbox"/> Compliance <input type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents n/a	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
No sensitive load exists.	
Issues	
None	
Recommendations	
None	

Item 401 (384) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Distribution</i>	
<i>Electricity Industry Metering Code clause 5.19(6)</i> A user must use reasonable endeavours to ensure that it does not notify the network operator of a change in an attribute that results from the provision of standing data by the network operator to the user.	
Observations	
Documents	<input type="checkbox"/> Compliance <input type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
There were no changes in attributes in the audit period and no user advice..	

Issues
None
Recommendations
None

Item 407 (390) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Retail</i>	
<i>Electricity Industry Metering Code clause 5.21(5)</i> A Code participant must not request a test or audit 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.	
Observations	
Documents	<input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
There were no requests in the audit period.	
Issues	
None	
Recommendations	
None	

Item 408 (391) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Retail</i>	
<i>Electricity Industry Metering Code clause 5.21(6)</i> A Code participant must not make a test or audit request that is inconsistent with any access arrangement or agreement.	
Observations	
Documents	<input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
There were no requests in the audit period and none inconsistent with the PPA.	
Issues	
None	
Recommendations	
None	

Item 426 (409) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Retail</i>	
<i>Electricity Industry Metering Code clause 5.27</i> Upon request, a current user must provide the network operator with customer attribute information that it reasonably believes are missing or incorrect within the timeframes prescribed.	

Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents n/a									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
There have been no requests. The retailer and the network operator is the same person.									
Issues									
None									
Recommendations									
None									

Item 433 (416) Licence condition 5.1						Compliance rating Compliant 5			
Licence: <i>Retail</i>									
<i>Electricity Industry 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.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: PPAs									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There is no evidence of the retailer not complying with the agreements.									
Issues									
None									
Recommendations									
None									

Item 435 (418) Licence condition 5.1						Compliance rating Compliant 5			
Licence: <i>Distribution, Retail</i>									
<i>Electricity Industry Metering Code clause 7.2(1)</i> 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.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The requirement is satisfied as users can be contact by post, facsimile or electronic communication means. There have been no complaints from users. The retailer and the network operator is the same person.									
Issues									
None									
Recommendations									
None									

Item 437 (420) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Retail</i>	
<i>Electricity Industry Metering Code clause 7.2(4)</i> A Code participant must notify its contact details to a network operator with whom it has entered into an access contract within 3 business days after the network operator's request.	
Observations	
Documents	<input type="checkbox"/> Compliance <input type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Documents: Not applicable	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
Network operators have made no requests.	
Issues	
None	
Recommendations	
None	

Item 438 (421) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Retail</i>	
<i>Electricity Industry Metering Code clause 7.2(5)</i> A Code participant must notify any affected network operator of any change to the contact details it notified to the network operator at least 3 business days before the change takes effect.	
Observations	
Documents	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant Documents: Not applicable	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
There have been no changes to notify.	
Issues	
None	
Recommendations	
None	

Item 439 (422) Licence condition 5.1	Compliance rating Compliant 5
Licence: <i>Retail</i>	
<i>Electricity Industry Metering Code clause 7.5</i> A Code participant must 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.	
Observations	
Documents	<input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant. Documents: Misc correspondence file.	
Process	<input checked="" type="checkbox"/> Outcome <input checked="" type="checkbox"/> Output <input checked="" type="checkbox"/> Reporting <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
The data systems have secure access. There is no evidence of complaints about disclosure of confidential information.	

Issues
None
Recommendations
None

Item 440 (423) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Retail</i>	
<i>Electricity Industry Metering Code clause 7.6(1)</i> A Code participant must disclose or permit the disclosure of confidential information that is required to be disclosed by the Code.	
Observations	
Documents <input type="checkbox"/> Compliance <input type="checkbox"/>	
Evidence: interviewed Senior Advisor, Consultant. Documents: Not applicable	
Process <input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>	
There is no information required to be disclosed.	
Issues	
None	
Recommendations	
None	

Item 441 (424) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Distribution, Retail</i>	
<i>Electricity Industry Metering Code clause 8.1(1)</i> 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 under or in connection with the Electricity Industry Metering Code by negotiations in good faith.	
Observations	
Documents <input type="checkbox"/> Compliance <input type="checkbox"/>	
Evidence: interviewed Senior Advisor, Consultant. Documents: Misc correspondence file.	
Process <input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>	
There have been no metering disputes in the audit period.	
Issues	
None	
Recommendations	
None	

Item 442 (425) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Distribution, Retail</i>	
<i>Electricity Industry Metering Code clause 8.1(2)</i> 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.	
Observations	
Documents <input type="checkbox"/> Compliance <input type="checkbox"/>	

Evidence: Senior Advisor, Consultant. Documents: Misc correspondence file.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
There have been no metering disputes in the audit period.									
Issues									
None									
Recommendations									
None									

Item 443 (426) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Distribution, Retail</i>	
<i>Electricity Industry Metering Code clause 8.1(3)</i> 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.	
Observations	
Documents	<input type="checkbox"/> Compliance <input type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant. Documents: Misc correspondence file.	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
There have been no metering disputes in the audit period.	
Issues	
None	
Recommendations	
None	

Item 444 (427) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Distribution, Retail</i>	
<i>Electricity Industry Metering Code clause 8.1(4)</i> 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.	
Observations	
Documents	<input type="checkbox"/> Compliance <input type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant. Documents: Misc correspondence file.	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
There have been no metering disputes in the audit period.	
Issues	
None	
Recommendations	
None	

Item 445 (428) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Distribution, Retail</i>	
<i>Electricity Industry Metering Code clause 8.3(2)</i>	

The disputing parties must at all times conduct themselves in a manner which is directed towards achieving the objective of dispute resolution with as little formality and technicality and with as much expedition as the requirements of Part 8 of the Code and a proper hearing and determination of the dispute, permit.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant. Documents: Misc correspondence files.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
There have been no metering disputes in the audit period.									
Issues									
None									
Recommendations									
None									

2.15.4 ELECTRICITY INDUSTRY (NETWORK QUALITY AND RELIABILITY OF SUPPLY) CODE – LICENCE CONDITIONS AND OBLIGATIONS (ALL LICENCE CONDITION LICENCE CLAUSE 5.1)

Item 446 (429) Licence condition 5.1	Compliance rating Compliant 4
Licence: <i>Distribution</i>	
<i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 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.	
Observations	
Documents	<input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: PPAs	
Process	<input checked="" type="checkbox"/> Outcome <input checked="" type="checkbox"/> Output <input checked="" type="checkbox"/> Reporting <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
The Licensee has a contract with Goldfields Power Pty Ltd to provide power according to a Power Purchase Agreement (PPA). This PPA which predates the Code and where the standards are not the prescribed standards the PPA is a written agreement to modify the requirements of Part 2 of the Code in accordance with Clause 15 of the Code. The parties were aware of the advantages/disadvantages of the agreed terms as they were the ruling standards of the day. Supply quality is monitored by the contractor on SCADA. The supply meets the quality standards of the PPA and accordingly the Code by Clause 15,	
Issues	
None.	
Recommendations	
None.	

Item 447 (430) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Distribution</i>	
<i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 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.	

Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has not been required to request any disconnections by the contractor for network quality and reliability of supply issues during the audit period hence Not Rated. Disconnection of the customer would, if quality of supply became an issue, be carried out in the most reasonably practical manner unless it is in the interest of the customer to maintain supply. The customer on site representative would be contacted where possible. The supplies are not critical for their customer's mining operations and could operate for a longer period without power than the mean time to repair.									
Issues									
None									
Recommendations									
None									

Item 448 (431)						Compliance rating			
Licence condition 5.1						Compliant 5			
Licence: <i>Distribution</i>									
<i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 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.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee does have a contract with KCGM (its customer) to provide power according to a Power Purchase Agreement. This agreement is to provide power with a specified availability (i.e. specified lack of interruptions). Interruptions that occur are logged by others and minimised when they occur. There have been no interruption in the audit period.									
Issues									
None									
Recommendations									
None									

Item 449 (432)						Compliance rating			
Licence condition 5.1						Compliant 5			
Licence: <i>Distribution</i>									
<i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 10(1)</i> A distributor or transmitter must, so far as reasonably practicable, reduce the effect of any interruption on a customer.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Planned outages (controlled by others –(The Licensee has no protection/disconnection devices and therefore cannot create/control any interruptions directly but can request outages.)) are									

coordinated with mine production/shutdowns. Unplanned outages were restored as soon as reasonably practicable and are as expected for a radial system. The supplies are not critical for their customer's mining operations and could operate for a longer period without power than the time to repair.
Issues
None
Recommendations
None

Item 450 (433) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Distribution</i>	
<i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 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.	
Observations	
Documents	<input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: The power purchase agreements cover supply reliability.	
Process	<input checked="" type="checkbox"/> Outcome <input checked="" type="checkbox"/> Output <input checked="" type="checkbox"/> Reporting <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/>
The network is essentially radial or N-0 and there is no backup for line failures. There have been no requests for standby or alternative supply due to shutdown and therefore Not Rated. These circumstances are very unlikely as planned outages are coordinated with mine shutdowns. The supplies are not critical for their customer's mining operations and could operate for a longer period without power than the mean time to repair.	
Issues	
None	
Recommendations	
None	

Item 452 (435) Licence condition 5.1	Compliance rating Compliant 5
Licence: <i>Distribution</i>	
<i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 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.	
Observations	
Documents	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
The Licensee has a contract with KCGM (its customer) to provide power according to a Power Purchase Agreement. This PPA which predates the Code and where the standards are not the prescribed required the PPA is a written agreement to modify the requirements in accordance with Clause 15 of the Code. The parties were aware of the advantages/disadvantages of the agreed terms as they were the ruling requirements of the day. The supply meets the availability standards of the PPA and therefore by Clause 15 agreement - the Code.	
Issues	
None	

Recommendations
None

Item 453 (436) Licence condition 5.1	Compliance rating Not Applicable
Licence: <i>Distribution</i>	
<i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 13(3)</i> The average total length of interruptions of supply is to be calculated using the specified method.	
Observations	
Documents	<input type="checkbox"/> Compliance <input type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
The Licensee has a contract with KCGM (its customer) to provide power according to a Power Purchase Agreement. This PPA which predates the Code and where the standards are not the prescribed required the PPA is a written agreement to modify the requirements in accordance with Clause 15 of the Code. The parties were aware of the advantages/disadvantages of the agreed terms as they were the ruling requirements of the day. The PPA does not specify the specified method and therefore the rating is Not Applicable.	
Issues	
None	
Recommendations	
None	

Item 454 (437) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Distribution</i>	
<i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 14(8)</i> 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.	
Observations	
Documents	<input type="checkbox"/> Compliance <input type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
No requests have been made.	
Issues	
None	
Recommendations	
None	

Item 455 (438) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Distribution</i>	
<i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 15(2)</i> 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.	

Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
There have been no new agreements in the audit period and therefore Not Rated. However it is arguable that the PPAs (which predate the licence and Code) are agreements to the relevant power quality and reliability standards (which were the ruling standards of the day) and this agreement was freely entered into with both parties having knowledge of the standards (advantages /disadvantages) to which they were agreeing.									
Issues									
None									
Recommendations									
None									

Item 461 (444) Licence condition 5.1						Compliance rating Compliant 5			
Licence: <i>Distribution</i>									
<i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 23(1)</i> 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.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The systems are comprehensively monitored by SCADA (by Goldfields Power Pty Ltd). Power quality is continuously monitored by Goldfields Power Pty Ltd.									
Issues									
None									
Recommendations									
None									

Item 462 (445) Licence condition 5.1						Compliance rating Compliant 5			
Licence: <i>Distribution</i>									
<i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 23(2)</i> A distributor or transmitter must keep records of information regarding its compliance with specific requirements for the period specified.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents: n/a									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The time requirement only applies to reports under s27 which in turn are not required as there are no small use consumers. Power quality is continuously monitored by others. The Licensee has a contract with Goldfields Power Pty Ltd to provide power according to a Power Purchase Agreement. This PPA which predates the Code and where the standards are not the prescribed required the PPA is a written agreement to modify the requirements of Part 2 in accordance with Clause 15 of the Code. The parties were aware of the advantages/disadvantages of the agreed terms as they were the ruling requirements of the day The reporting requirements of the PPA are									

met.
Issues
None
Recommendations
None

Item 463 (446) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Distribution</i>	
<i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 24(3)</i> A distributor or transmitter must complete a quality investigation requested by a customer in accordance with specified requirements.	
Observations	
Documents	<input type="checkbox"/> Compliance <input type="checkbox"/>
Evidence: Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents n/a	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
No requests have been made.	
Issues	
None	
Recommendations	
None	

Item 464 (447) Licence condition 5.1	Compliance rating Not Rated
Licence: <i>Distribution</i>	
<i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 24(4)</i> A distributor or transmitter must report the results of an investigation to the customer concerned.	
Observations	
Documents	<input type="checkbox"/> Compliance <input type="checkbox"/>
Evidence: interviewed Senior Advisor, Consultant and Contractor's assistant area manager. Inspected sample installations. Documents n/a	
Process	<input type="checkbox"/> Outcome <input type="checkbox"/> Output <input type="checkbox"/> Reporting <input type="checkbox"/> Compliance <input type="checkbox"/>
No requests/reports have been made.	
Issues	
None	
Recommendations	
None	