



INFORMATION

Rottnest Island Authority

2013 PERFORMANCE AUDIT AND ASSET MANAGEMENT SYSTEM REVIEW OF THE ELECTRICITY INTEGRATED REGIONAL LICENCE

The Economic Regulation Authority has published the 2013 performance audit (**Audit**) and asset management system review (**Review**) report for Rottnest Island Authority's (RIA) electricity integrated regional licence. The report includes the post-audit and post-review implementation plans.

- [2013 Audit and Review Report](#)

Action by the Authority

The Authority has decided to maintain the Audit and Review period at 24 months. The next Audit and Review will cover the period from 1 April 2013 to 31 March 2015, with the reports on the Audit and Review to be provided to the Authority by 30 June 2015.

Background to the Authority's decision

The Authority is of the view that the RIA has maintained an adequate level of compliance with their licence conditions, and that the RIA has an effective asset management system.

With regard to the Audit, the issues disclosed by the 2013 Audit suggest that, taking into account the unique nature of the RIA's operations on the island, the RIA is maintaining adequate processes to manage their obligations under the licence. The Audit findings indicate that the RIA has scope to further improve their compliance with the licence, and strengthen the controls to ensure they comply with the licence.

With regard to the Review, the RIA has made progress since the previous Review in 2011. There are outstanding issues in relation to Risk Management and Contingency Planning, both of which need to be addressed by improving processes and keeping adequate records of risk reviews and contingency plan testing.

The Authority notes that the RIA is in the process of introducing a new asset management system, including a new risk register format, to improve its risk management processes. The Authority also notes that the RIA intends to employ a new Asset Manager¹ who will undertake more frequent reviews of the risks in the risk register.

¹ The post-audit implementation plan states that the commencement date for this position was 1 October 2013.

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