



Notice

19 January 2015

INFORMATION

ATCO POWER AUSTRALIA (KARRATHA) PTY LTD

2014 PERFORMANCE AUDIT AND ASSET MANAGEMENT SYSTEM REVIEW

The Economic Regulation Authority has published the 2014 performance audit (**Audit**) and asset management system review (**Review**) report for ATCO Power Australia (Karratha) Pty Ltd's (**ATCO**) electricity generation licence (EGL21). The reports contain ATCO's post-audit and post-review implementation plans.

- [2014 Performance Audit report](#)
- [2014 Asset Management System Review report](#)

Action by the Authority

The Authority is satisfied that ATCO has continuously demonstrated a high level of compliance with its licence conditions, and has an effective asset management system.

Consequently, the Authority has decided to extend the period of time until the next Audit and Review from 36 months to 48 months. The next Audit and Review will cover the period from 1 September 2014 to 31 August 2018, with the reports on the Audit and Review due to be provided to the Authority by 30 November 2018.

BACKGROUND

Audit

Of the 39 licence obligations that were assessed in the Audit, 10 obligations were rated 1/NP (fully compliant; hence controls not tested in the Audit), one obligation was rated A1 (fully compliant) and one obligation was rated A2 (adequate controls, but non-compliant with minor impact to third parties). The remaining 27 obligations were rated NP/NR (not performed/not rated), because no relevant activity took place during the Audit period.

Review

10 out of 12 asset management components achieved a rating A1 (highest rating). The auditor rated Contingency Planning as B1 and the Review of Asset Management System as B2, indicating there is some room for improvement in the presentation of contingency plans and the frequency of the reviews of ATCO's asset management policies and procedures.



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Audit and Review Recommendations

The auditor made one recommendation in the Audit to address one process improvement opportunity;¹ and two recommendations in the Review to address the two process improvement opportunities.

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¹ ATCO had already addressed the single non-compliance (regarding timeliness of the provision of information to the Authority) by the time of the Audit.