



Notice

12 March 2015

Western Energy Pty Ltd

2014 PERFORMANCE AUDIT AND ASSET MANAGEMENT SYSTEM REVIEW

The Economic Regulation Authority (Authority) has published the 2014 performance audit (Audit) and asset management system review (Review) report, and the post-review implementation plan for Western Energy Pty Ltd's (Western Energy) electricity generation licence (EGL19).

- [2014 Audit and Review Report](#)
- [2014 Post-Review Implementation Plan](#)

Action by the Authority

The Authority is satisfied that Western Energy is demonstrating a high level of compliance with its licence, and has an effective asset management system for the assets covered by the generation licence.

The Authority has decided to increase the period of time until the next Audit and Review from 24 months to 60 months. The next Audit and Review will cover the period from 1 October 2014 to 30 September 2019, with the report to be provided to the Authority by 31 December 2019.

BACKGROUND

Audit

The Audit assessed a total of 43 licence obligations, of which five obligations were assessed as being Not Applicable (the obligation does not apply to the licensees' business operations), 23 obligations were rated N/R (not rated because no relevant activity took place during the audit period). All of the remaining 15 obligations that were tested achieved a rating of A1 (highest rating).

The auditor did not make any recommendations in the Audit.

Review

Of the 12 asset management components assessed by the Review, 11 components were rated A1 (highest rating), and one component, Contingency Planning, was rated B3 (policy requires improvement, performance requires corrective action).

The auditor made 5 recommendations in the Review. The Authority considers four of the recommendations address to be process improvements, and the remaining recommendation addresses the asset management deficiency in relation to Contingency Planning.

The post-review implementation plan prepared by Western Energy shows that the actions to address the auditor's recommendations will be completed by 31 October 2015.



Notice

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