



ABN 20 009 454 111

## **Audit and Review Report**

### **Rottnest Island Authority Electricity Integrated Regional Licence Performance Audit and Asset Management System Review**

**August 2015**

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## Executive Summary

The Rottnest Island Authority (the RIA or the licensee) holds an Electricity Integrated Regional Licence (EIRL3) issued by the Economic Regulation Authority (the Authority) under Sections 7 and 15 of the Electricity Industry Act 2004 (WA) (the Act). The licence enables the RIA to construct and operate the power generating, transmission and distribution facilities and to retail electricity sales in accordance with the licence conditions.

Sections 13 and 14 of the Act requires the RIA to provide the Authority with a report by an independent expert on the measures taken by the licensee to meet the performance criteria specified in the licence and on the effectiveness of its Asset Management System. In April 2015 the RIA commissioned Qualeng to carry out the performance audit of their licence compliance and the Asset Management System review (the audit and review) for the period 1 April 2013 to 31 March 2015. The audit and review has been conducted and this report prepared in accordance with the "Authority's Audit and Review Guidelines: Electricity and Gas Licences (April 2014)" (the guidelines).

### THE ASSETS

The licence has been granted for the Rottnest Island service area. Rottnest Island is located in the Indian Ocean, 30 km west of Perth in Western Australia.

The operation and maintenance of the assets has been contracted out to Programmed Facilities Management Pty Ltd (PFM).

The power station consists of seven diesel generators providing 2040 kW and one wind turbine generator operationally rated at 600 kW for a total generating capacity of 2640 kW. Power is supplied over an 11 kV HV Transmission System, both underground and above ground, a number of substations and a 415V LV Distribution System.

The generation assets and transmission assets are below the requisite thresholds (30 MW for generation and 66 kV for transmission) that require the generation and transmission elements of RIA's integrated regional licence to be licenced. However the RIA wishes to retain the generation and transmission elements of its integrated regional licence due to contractual reasons.

The audit was conducted through meetings at the RIA's offices in Perth and Rottnest

Island, at PFM's office on Rottnest Island and through a document review.

The evaluation of the system effectiveness was carried out through an assessment of the control environment, information system, control procedures, supporting documentation and compliance attitude.

## **THE REPORT**

The report includes:

- (i) a summary of the objectives, the scope of the task and details of this audit and review,
- (ii) key findings and recommendations from this audit and review; and
- (iii) separately, a post audit and review implementation plan prepared by the licensee listing the audit and review recommendations and the responses and actions proposed by the RIA. The plan does not form part of the report and is provided separately to complete the documentation.

## **LICENSEE'S RESPONSE TO PREVIOUS AUDIT/REVIEW RECOMMENDATIONS**

The audit and review considered the actions taken in response to the previous audit and review recommendations (for the period 1 April 2011 to 31 March 2013) and confirmed that out of the nine previous audit recommendations, seven actions had been completed and two were outstanding and have been reported in the findings and recommendations of this audit and review:

- Meters should be supplied with certification of calibration; sample evidence of this was not provided during the audit,
- Metering installation drawings were requested but none were available for the audit.

Of the previous two asset management system review recommendations, both actions were closed with the approval of re-development of the risk management framework and implementation of testing of contingency plans.

## **SUMMARY OF ISSUES AND RECOMMENDATIONS, PERFORMANCE AUDIT**

Throughout the audit the licensee's attitude towards compliance was always positive and cooperative.

On completion of the performance audit, after assessment and testing of the licensee's control environment, risk assessment process, information system, control activities and monitoring, the auditor has formed the opinion that, during the audit period of 1 April 2013 to 31 March 2015, Rottnest Island Authority's operation was in compliance with the licence conditions apart from non-compliances including:

- the asset management system (AMS) has been subject to development and change in the review period and its development has not been completed.; it is

recommended that the asset management system should be finalised and documented;

- not advising the Authority of substantial changes to the asset management system; the Authority should be notified of the changes to the asset management system and of the program for completion of the development;
- not providing the Standard Form Contract for all electricity contracts;
- late publishing of the 2012/13 Code of Conduct Report and 2013 network performance report; procedures should be improved to prevent late publishing of information;
- insufficient document control of the Priority Restoration Register;
- not publishing general information on the safe use of electricity;
- not including all required information on customer bills;
- not consistently advising customers of their entitlement to a further review of their complaints;
- invoice payment due dates were not at least 12 business days from the date of the invoice for all bills;
- not offering all required minimum payment methods on customer bills;
- not advising customers of the RIA's obligations to make payment as a distributor, in writing, at least once a year;
- not having certificates of calibration for meters recently replaced;
- not having an approved metrology procedure in place;
- referencing the Electricity Industry Metering Code 2005, instead of the current 2012;
- not providing evidence, including drawings, that metering installations meet all Code prescribed requirements and that metering installations are located as close as practicable to their connection point; a documented process should be established to ensure that installations are performed as close as practicable to the connection point;
- not having a procedure for advising customers of metering installation non-compliances;
- not maintaining all required standing data in the metering database;
- not adequately securing the local branch server from the general office to prevent unauthorised access;
- not having documented meter reading verification and validation procedures;
- providing insufficient time to the Minister and the Authority prior to publishing the Electricity Industry Metering Code Report 2013-2014 and the 2014 network performance report; and
- not assessing the results of independent tests of the network quality of supply.

## AUDITOR'S OPINION, PERFORMANCE AUDIT

On completion of the performance audit, after assessment and testing of the licensee's control environment, risk assessment process, information system, control activities and monitoring, the audit found several non-compliances as listed in the previous section. On the basis of the processes, activities and corrective actions in place the auditor has formed the opinion that, during the audit period of 1 April 2013 to 31 March 2015, Rottnest Island Authority's operation was in compliance with the licence conditions.

## SUMMARY OF ISSUES AND RECOMMENDATIONS, ASSET MANAGEMENT SYSTEM REVIEW

The review has found that Rottnest Island Authority has processes in place to manage the asset management system and is committed to regulatory compliance and continuous improvement, however development of the asset management system, started since the previous review period has not been completed and needs better definition.

The main deficiencies found in the review have been listed in Table 1 together with the review recommendations.

**Table 1 – Review Asset System Deficiencies / Recommendations**

Table of Current Review Asset System Deficiencies/ Recommendations			
Ref. (No/ 2015)	EC Ref	Details of Deficiency	Auditors' Recommendation
1,2,3	1.1 Asset management plan (AMP) covers key requirements.	<ul style="list-style-type: none"><li>▶ While the operation and maintenance of the assets has continued through the review period as per the framework established by the AMP 2011-12 there have been no updates to the AMP. A number of strategic and long range plans have been prepared however no detailed AMP has been maintained through the review period.</li><li>▶ While there is a process in the "Strategic Asset Management Framework" (SAMF) for the development of a strategic asset plan, there is no process for the development and updating of the asset management plan. Subsequent clarification has indicated that the strategic asset plan is the new asset management plan however this was not evident during the review.</li></ul>	<p><b>1/2015</b> The process for the development and updating of the Asset Management Plan (AMP) should be documented.</p> <p><b>2/2015</b> The extent of and the correlation between the PFM's and the RIA's asset management systems needs to be reviewed and defined.</p> <p><b>3/2015</b> A program should be in place to update the AMP.</p>

4	1.2 Planning process and objectives reflect the needs of all stakeholders and is integrated with business planning.	▶ While the planning process is documented in the "Strategic Asset Investment Plan" (SAP), the SAP presented to the auditors during the review had been superseded however this was not evidenced to the auditors during the review.	4/2015 Revise the process to ensure that current critical documentation such as the SAP is clearly in use by responsible staff.
-	1.8 Likelihood and consequences of asset failure are predicted.	▶ It does not appear that all assets are covered by the "Baseline Capex RIA Risk Assessment 2014".	Recommendation 16/2015 addresses the finding.
-	1.9 Plans are regularly reviewed and updated.	▶ The reviews of the AMP and asset management system (AMS), which were in progress during the last review period (2013), have not been completed. No AMP has been issued in the current review period. There is no program for the review and update of the AMS and AMP.	Recommendations number 1/2015, 2/2015 and 3/2015 address this finding.
5	2.5 Ongoing legal/environmental/safety obligations of the asset owner are assigned and understood.	▶ During the review period there were compliance breaches in respect of RIA however the breaches were not reported in registers and there was no recording of corrective actions and their closure.	5/2015 A compliance (or breach) register should be implemented recording breaches of licence conditions, corrective actions, timing and closures.
6	3.1 Under-utilised and under-performing assets are identified as part of a regular systematic review process.	▶ The SAMF and the Financial Management Manual indicate an Asset Disposal Plan should be prepared, however this has not occurred.	6/2015 An Asset Disposal Plan should be prepared in accordance with the Financial Management Manual and the Strategic Asset Framework.
-	3.3 Disposal alternatives are evaluated.	▶ No record was available documenting the evaluation of asset disposal alternatives for the disposal of gen-set 7.	Recommendation 6/2015 addresses the finding.
-	4.3 Compliance with statutory and regulatory requirements.	▶ RIA maintains the "RIA Electrical Water Gas Licence Compliance Register" which identifies the compliance requirements of the "Electricity Regional Licence", however it does not register breaches, corrective actions and closure of breaches.	Recommendation 5/2015 addresses the finding.
-	5.1 Operational policies and procedures are documented and linked to service levels required.	▶ The electrical assets operational policies are not sufficiently clear due to the lack of an up to date AMP.	Recommendation number 3/2015 addresses this finding.

7, 8	5.3 Assets are documented in an Asset Register including asset type, location, material, plans of components, an assessment of assets' physical/structural condition and accounting data.	<ul style="list-style-type: none"> <li>▶ At present the asset register is not complete. Work is still ongoing and some assets are not included (all of the HV system). A preventative maintenance plan has not been issued at this point.</li> <li>▶ At present due to the asset management system database being in progress there is no link to asset drawings as drawings are out of date; there is a disconnect between drawings and physical installation.</li> <li>▶ There is insufficient information to verify the link between the operational asset register (Maximo) and the current fixed accounting asset register (RIA).</li> </ul>	<p><b>7/2015</b> The asset register should be completed and should include those properties required in the Authority's Effectiveness Criteria.</p> <p><b>8/2015</b> The link between the Physical Asset Register and the Accounting Asset Register should be documented.</p>
9	5.4 Operational costs are measured and monitored.	<ul style="list-style-type: none"> <li>▶ There is a lack of clarity on how operational costs will be tracked in future, whether they will be tracked in Maximo or another system.</li> </ul>	<p><b>9/2015</b> Plan for recording and managing operational costs needs to be defined and the process documented.</p>
10	5.5 Staff resources are adequate and staff receive training commensurate with their responsibilities.	<ul style="list-style-type: none"> <li>▶ PFM use a "Rottnest Island Competency Matrix" which had been updated post the review period but required further updating as it still included ex-employees.</li> </ul>	<p><b>10/2015</b> The "Rottnest Island Competency Matrix" needs to be updated.</p>
11	6.2 Regular inspections are undertaken of asset performance and condition.	<ul style="list-style-type: none"> <li>▶ While individual asset maintenance tasks are generated monthly, no overall maintenance schedule was sighted so that the program of annual maintenance and inspections was not clear.</li> </ul>	<p><b>11/2015</b> Document which inspections are regularly performed and how often. Plan of annual maintenance and inspections should be clearly defined. This could be documented in the AMP.</p>
-	6.3 Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule.	<ul style="list-style-type: none"> <li>▶ While individual asset maintenance tasks are generated monthly, no overall maintenance schedule was sighted so that the program of annual maintenance and inspections is not clear.</li> </ul>	<p>Recommendation number 11/2015 addresses this finding.</p>
12	7.1 Adequate system documentation for users and IT operators.	<ul style="list-style-type: none"> <li>▶ During the review Qualeng received two versions of PFM's Restoration Priority Register Electrical Services – one issued 30/03/09 and last updated 15/11/12, the other issued/updated 14/8/13 (PRO-ROT-ELEC-41.01).</li> </ul>	<p><b>12/2015</b> [OFI]: Review procedure for document control between PFM and RIA systems to ensure correct version control and currency</p>
13	7.2 Input controls include appropriate verification and validation of data entered into the	<ul style="list-style-type: none"> <li>▶ The procedure used for the process of validation and verification conducted by PFM Melbourne for data provided by their Rottnest Island branch office, prior to the data being accepted by</li> </ul>	<p><b>13/2015</b> [OFI]: Review verification and validation procedures on an ongoing basis to minimise the acceptance of incorrect data.</p>

	system.	<p>systems such as Maximo. was requested during the review, but not received.</p> <ul style="list-style-type: none"> <li>▶ Three meter readings were incorrectly read during the audit and review period.</li> </ul>	
14	7.4 Physical security access controls appear adequate.	<ul style="list-style-type: none"> <li>▶ A local branch server exists on Rottnest Island – during the review, it was discovered that the local branch server is not isolated (its physical security is reliant on the general security of the office building).</li> </ul>	<b>14/2015</b> Employ additional and documented controls to secure the local branch server from general office access. Ensure physical access to the server is maintained for authorised users only..
15	7.5 Data backup procedures appear adequate and backups are tested.	<ul style="list-style-type: none"> <li>▶ While PFM provided evidence of a successful restore operation for the branch level server, this was dated 5th June 2015, outside of the audit period. More comprehensive test results for offsite managed systems were not sighted during the review.</li> <li>▶ Evidence of RIA's failover, redundancy and restoration tests done during the audit period were sighted however the test documentation requires improvement.</li> </ul>	<b>15/2015</b> Maintain adequate evidence of regular failover, redundancy and restoration tests completed.
16	8.3 The probability and consequences of asset failure are regularly assessed.	<ul style="list-style-type: none"> <li>▶ In the new Baseline Capex Risk Assessment 2014" there was no risk assessment on the HV Transmission Line or 11 kV Distribution poles, no risk identified for pole down, fire risk, vegetation fire, loss of environmental assets and habitat The "Rottnest Island Fire Emergency Prevention, Preparedness Response and Risk Review 2012" by the Fire &amp; Emergency Services Authority of WA (FESA) noted that "A significant scrub fire caused by a pole top fire was responded to by the RIVFRS<sup>1</sup>. The fire was contained within one hour of initial response and burned a total of 2700m<sup>2</sup>.". This risk has not been captured in the risk assessment; in addition there were two pole top fires on the same day in the period 2013-14 (however the customers had back-up power and there was no interruption);</li> <li>▶ no risk identified for loss of supply to nursery/ emergency or loss of supply to borefields.</li> <li>▶ the consequence of the loss of one of the step-up transformers is rated as</li> </ul>	<b>16/2015</b> The "Baseline Capex RIA Risk Assessment 2014" should be re-assessed to include all significant assets and as per the findings (such as, but not limited to, pole top fires, HV transmission line, distribution pole down, loss of step up transformer, lack of transformer redundancy).



		inconsequential and the likelihood is rated as "rare"; however the SAP 2013 noted that the current demand is 1400 kW, maximum demand in 2009-10 was 1940 kW compared to a maximum capacity of 2140 kW. The lack of redundancy resulting from the use of two 1 MVA Step Up Transformers at the power house means that, if one transformer needs maintenance during the peak season, supply will be short of demand and consumption will have to be curtailed by up to around 50%.	
17	9.1 Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks.	<ul style="list-style-type: none"> <li>It does not appear that all the opportunities for improvement arising from Business Continuity Drills are actioned or evaluated further as in the last Drill a recommendation to establish individual back up power supply for the Nursing Post and the Police Station has not been documented in risk assessments.</li> </ul>	<b>17/2015</b> Opportunities for improvement noted in PFM's Business Continuity Drills should be followed up and assessed.
18	10.4 The financial plan provides firm predictions on income for the next five years and reasonable indicative predictions beyond this period.	<ul style="list-style-type: none"> <li>No indicative predictions beyond the five years were available.</li> </ul>	<b>18/2015</b> Indicative projections of income beyond five years should be prepared.
-	11.2 The plan provide reasons for capital expenditure and timing of expenditure.	<ul style="list-style-type: none"> <li>Some of the timing of individual projects in the detailed CAPEX, the "Baseline Revised Capex Plan 2014 to 2019 v3 8", does not appear to be consistent with actual activities.</li> </ul>	Recommendation 19/2015 addresses the finding.
-	11.3 The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan.	<ul style="list-style-type: none"> <li>Due to the lack of an up-to-date AMP, asset life and condition have not been updated in the AMP since 2011. A risk assessment has been carried out in 2014 however it does not appear to have documented all electricity assets. Condition of assets was due to be assessed in 2014 however no document has been sighted.</li> </ul>	Recommendations 3/2015 and 16/2015 address the finding.
19	11.4 There is an adequate process to ensure that the capital expenditure plan is regularly updated and actioned.	<ul style="list-style-type: none"> <li>The current CAPEX, the "Baseline Revised Capex Plan 2014 to 2019 v3 8" does not appear to be up-to-date, e.g.: <ul style="list-style-type: none"> <li>allocation of funds for Generator 1 replacement was set for Oct-Dec 2013, however the project had not yet gone to tender at the end of</li> </ul> </li> </ul>	<b>19/2015</b> The detailed CAPEX Plan should be updated at least annually.

		<p>the Review period (31 March 2015);</p> <ul style="list-style-type: none"> <li>▶ the next generator replacement in the CAPEX was number 3, due for Jan-Mar 2015, however this is still to occur;</li> <li>▶ the order of generator engine replacement is shown as 3, 5 and 2, however discussions with the licensee have indicated that the order of replacements may be 5, 2 and 6.</li> </ul>	
20	12.1 A review process is in place to ensure that the asset management plan and the asset management system described therein are kept current.	<ul style="list-style-type: none"> <li>▶ No documented plan is in place to show what the review and development program is and when those plans are due to be completed and implemented.</li> </ul>	20/2015 The asset management system and AMP review processes need to be documented and monitored.
-	12.2 Independent reviews (e.g. internal audit) are performed of the asset management system.	<ul style="list-style-type: none"> <li>▶ There has been extensive review of the asset management system performed both by the licensee and the operator, however most of the review has not been documented and has not identified the targets of the review, the structure of the revised asset management system and the correlation of PFM's system with the RIA's system.</li> </ul>	Recommendations 1/2015, 3/2015 and 20/2015 address the finding.

## AUDITOR'S OPINION, ASSET MANAGEMENT SYSTEM REVIEW

On completion of the asset management system review, after assessment and testing of the licensee's control environment the auditor has formed the opinion that during the audit period of 1 April 2013 to 31 March 2015, Rottneest Island Authority's asset management system was operating adequately however significant improvement is required to complete the development of the new asset management system and the asset management plan.

Of the 12 areas of the asset management system, in five areas process and policy were found to be adequately defined, six areas were rated as requiring some improvement and one area required significant improvement. For the performance rating three areas were found to be performing effectively, nine areas were rated as "opportunity for improvement". Of the individual Effectiveness Criteria, two require corrective action.


## **POST AUDIT AND REVIEW ACTION PLAN**

The audit and review has resulted, where applicable, in findings and recommendations that require corrective actions by the Licensee.

The recommendations have been listed in the Post Audit And Review Implementation Plan 2015. Responses including actions, responsibilities and dates for completion have been completed by the Licensee.

*This report is an accurate representation of the findings and opinions of the auditors following the audit and review of the client's conformance to nominated Licence conditions. The audit and review is reliant on evidence provided by other parties and is subject to limitations due to the nature of the evidence available to the auditor, the sampling process inherent in the audit and review process, the limitations of internal controls and the need to use judgement in the assessment of evidence. On this basis Qualeng shall not be liable for loss or damage to other parties due to their reliance on the information contained in this report or in its supporting documentation.*

*The Post Audit Implementation Plan is a document prepared by the licensee in response to the recommendations provided by the audit and review. As it represent the licensee's views and actions it does not form part of the audit and review.*

Approvals				
Representation	Name	Signature	Position	Date
Auditor:	M Zammit		Lead Auditor / Projects Director, Qualeng	24 August 2015

Ref:	48/6	
Issue Status		
Issue No	Date	Description
1	7 August 2015	First final issue
2	24 August 2015	Final issue after review

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# 1 OBJECTIVES AND SCOPE OF AUDIT AND REVIEW

## 1.1 BACKGROUND

The Rottnest Island Authority (the RIA or the licensee) generates and supplies electricity to Rottnest Island, Western Australia under the EIRL3 Electricity Integrated Regional licence (the licence) granted by the Economic Regulation Authority (the Authority) on 21 June 2006 (Licence is at Version 4, 1 January 2013).

The licence has been issued under Sections 7 and 15 of the Electricity Industry Act 2004 (WA) (the Act) and enables the licensee to construct and operate the power generating and distribution facilities and to retail electricity sales in accordance with the licence conditions.

Rottnest Island is located in the Indian Ocean, 30 km west of Perth in Western Australia. The plant is operated by Programmed Facilities Management Pty Ltd (PFM) which has been contracted to provide the operation and maintenance services for the facility under a service availability agreement which has been identified as the Facilities Utilities and Support Services (FUSS) contract. This came into effect in early 2015, prior to which, the Facilities, Operations and Utilities (FOU) agreement was in place.

Power generating capacity consists of 2040 kW diesel power generation and 600 kW of wind generated power, with a total generating capacity of 2640 kW.

The generation assets and transmission assets are below the requisite thresholds (30 MW for generation and 66 kV for transmission) that require the generation and transmission elements of RIA's integrated regional licence to be licenced. However the RIA wishes to retain the generation and transmission elements of its integrated regional licence due to contractual reasons.

The assets include:

- five Cummins diesel generators de-rated to 280 kW each
- two Detroit diesel generating sets rated at 320 kW
- one wind turbine generator operationally rated at 600 kW
- the powerhouse and control building
- high voltage switchgear
- an 11 kV HV Transmission System, both underground and above ground
- a number of substations
- a 415V LV Distribution System.

The power generating facilities include diesel generators cooling towers, fuel, oil and coolant tanks, control panels, air compressor, crane, fuel pump, main switchboard, SCADA system and transformers.

There are around 25 customers supplied under the licence. In 2012 there was

recognition that the RIA's customers are all business customers (there are no residential customers).

Under sections 13 and 14 of the Act the RIA's systems are subject to independent performance audits and asset management system reviews at 24 month intervals or some other period as decided by the Authority. The performance audit is an audit of the effectiveness of measures taken by the licensee to meet the performance criteria specified in the licence. The asset management system review is to determine the effectiveness of the licensee's asset management system.

Qualeng has been engaged by the RIA to conduct the performance audit and the asset management system review (the audit and review) for the period 1 April 2013 to 31 March 2015.

The audit and review has been conducted and this report prepared in accordance with the "Authority's Audit and Review Guidelines: Electricity and Gas Licences (April 2014)" (the guidelines).

## 1.2 AUDIT AND REVIEW OBJECTIVES

The purpose of the performance audit is to:

- *Assess the effectiveness of measures taken by the licensee to meet the obligations of the performance and quality standards referred to in the licence.*

The purpose of the asset management system review is to:

- *Assess the effectiveness of the measures taken by the licensee for the proper management of assets used in the provision and operation of services and, where appropriate, for the construction or alteration of relevant assets.*

## 1.3 AUDIT AND REVIEW SCOPE

### 1.3.1 Scope of Performance Audit

The scope of the performance audit is to audit the systems and the processes to assess their effectiveness in ensuring compliance with the standards, outputs and outcomes required by the licence, in detail:

- Assess the effectiveness of systems and procedures and the adequacy of internal controls;
- Consider performance against standards prescribed in the licence;
- Provide assurance of compliance to systems and procedures, existence of control and system outputs / records;
- Verify completeness and accuracy of performance reporting to the Authority;
- Verify compliance with any individual licence conditions.

### 1.3.2 Scope of Asset Management System Review

The scope of the asset management system review includes the assessment of the adequacy and effectiveness of the licensee's asset management system by evaluating the key processes of:

- Asset planning
- Asset creation/acquisition
- Asset disposal
- Environmental analysis
- Asset operations
- Asset maintenance
- Asset management information system
- Risk management
- Contingency planning
- Financial planning
- Capital expenditure planning
- Review of the asset management system.

Each of the system processes was evaluated against effectiveness criteria defined in the guidelines.

Key documentation examined by the auditors is listed in Appendix A.

## 1.4 AUDIT AND REVIEW PERIOD

The audit and review covers the period 1 April 2013 to 31 March 2015. The audit and review was carried out between April and June 2015. The audit follows the previous audit carried out for the period 1 April 2011 to 31 March 2013.

## 1.5 AUDIT AND REVIEW METHODOLOGY

The audit and review followed the methodology defined in the Authority's guidelines including:

- Review of documentation;
- Preparation of the audit and review plan, risk assessment and system analysis;
- Fieldwork including the document review and meetings;
- Reporting.

These activities were supported by additional investigations to further clarify aspects of the procedures and the audit used the Electricity Compliance Reporting Manual, September 2014.

The audit and review plan was prepared which outlined the objectives, scope, risk assessment, system analysis, fieldwork plan, the report structure, key contacts and



auditing staff.

The audit and review adopted a risk based approach where a preliminary risk and materiality assessment was carried out. The risks resulting from lack of controls (inherent risks) and the strength of existing controls to mitigate the inherent risks were rated and audit and review priority assigned based on the above. Tests were also defined for each licence condition to assess the compliance and effectiveness of the current process.

With specific regard to the Asset Management Review, the review followed the methodology outlined above and defined in the guidelines. The risk assessment was carried out on each asset management system (AMS) element to assess the effectiveness of the current asset management processes.

## 1.6 LICENSEE'S REPRESENTATION

Licensee representatives that participated in the audit and review meetings or were requested to clarify aspects of the licensee's operation were:

From Rottneest Island Authority:

- Janett Enke, Contract & Projects Officer
- Tracey Hornsey, Manager Major Contracts
- Colin Smith, Asset Manager
- Holly Knight, General Manager Environment, Risk and Safety
- Louisa Davis, Risk, Safety & Emergency Support Officer
- Brendon McLaughlin, Fire & Emergency Services Manager
- Othmar Beerli, Chief Financial Officer
- Rob Weir, Manager Major Projects
- Louie Ranauro, Project Manager
- Peter Morris, Chief Information Officer

From Programmed Facilities Management:

- Chris Derrick, Island Operations Manager
- Orrin Neale, Island Engineer,
- Roger Fletcher, Risk, Compliance & HSE Manager
- Dino Ajid, Power Generation Supervisor
- Andrew De Weerd, Maintenance Planner
- Victor Sankey, Director Agency Department, McGees Property
- Caroline Lynch, Rental Management Australia.

## 1.7 LOCATIONS VISITED

The following facilities were visited during the audit and review:

- the RIA's head office, B Shed, Fremantle;
- the RIA's office, Rottnest Island;
- the RIA's power utility facilities (including PFM's office), Rottnest Island.

## 1.8 AUDIT AND REVIEW TEAM

A summary of the auditing resources utilised in the performance of the audit and review is listed below.

Item	Resource	Description	Hours
1	M Zammit	Project Director and Lead Auditor	200
2	S Campbell	Senior Engineer / Auditor, Document Reviewer and Verifier	187
3	Support staff	Document control	-

## 1.9 KEY DOCUMENTS AND INFORMATION

Main documents accessed by the auditors are listed in Appendix A.

## 1.10 LIMITATIONS AND QUALIFICATIONS

An audit provides a reasonable level of assurance on the effectiveness of control procedures, however there are limitations due to the nature of the evidence available to the auditor, the sampling process inherent in checking the evidence, the limitations of internal controls and the need to use judgement in the assessment of evidence.

In regard to the review process, the reviewer relies on evidence coming to the reviewer's attention showing that the control procedures are not effective, when the initial process and procedures do not provide sufficient evidence to the level that would be required by a review.

As noted above, due to the sampling process, the nature of the evidence available to the auditor, the limitations of internal controls and the need to use judgement in the assessment of evidence there are limitations in the level of accuracy that can be obtained in the audit and in the review and errors and non-compliances may remain undetected.

The Post Audit And Review Implementation Plan (PAIP) is a document prepared by the licensee in response to the recommendations provided by the audit and review. As it represents the licensee's views and actions it does not form part of the audit and review and is provided separately in accordance with the guidelines.

## 1.11 ABBREVIATIONS

Act	Electricity Industry Act 2004 (WA)
AMIS	Asset Management Information System
AMP	Asset Management Plan
AMS	Asset Management System
AS	Australian Standard
Authority	Economic Regulation Authority
BC	Business Case
CAPEX	Capital Expenditure
CEO	Chief Executive Officer
Code of Conduct	Code of Conduct for the Supply of Electricity to Small Use Customers
DAT	Development Application Team
DB	Database
DMS	Document Management System
EC	Effectiveness Criteria
EERC	Economic Expenditure Reform Committee
EIRL3 (or licence)	Electricity Integrated Regional Licence 3
ERMP	Enterprise Risk Management Plan
ERP	Enterprise Resource Planning
FESA	Fire & Emergency Services Authority of WA
FOU	Facilities, Operations and Utilities
FUSS	Facilities Utilities and Support Services
FY	Financial Year
guidelines	Authority's Audit and Review Guidelines: Electricity and Gas Licences (April 2014)
HV	High Voltage
ICT	Information, Communications and Technology
IMO	Independent Market Operator
KPI	Key Performance Indicator
LCC	Lifecycle Costs
LEMC	Rottnest Island Local Emergency Management Committee
LV	Low Voltage

MP20	Rottnest Island Master Plan - A 20 Year Vision
NA	Not Applicable
NP	Not Performed
NQRS	Network Quality and Reliability of Supply
NR	Not Rated
O&M	Operation and Maintenance
OFI	Opportunity for Improvement
OHSE	Occupational Health, Safety and Environmental
OPEX	Operating Expenditure
PAIP	Post Audit And Review Implementation Plan
PFM	Programmed Facilities Management Pty Ltd
RIA (or licensee)	Rottnest Island Authority
RIMP	Rottnest Island Management Plan
RMA	Rental Management Australia
SAMF	Strategic Asset Management Framework
SAP	Strategic Asset Investment Plan
SLA	Service Level Agreement
SP	Strategic Plan
SS	spreadsheets
THD	Total Harmonic Distortion
YTD	Year to Date

## 2 KEY FINDINGS AND RECOMMENDATIONS

### 2.1 LICENSEE'S RESPONSE TO PREVIOUS AUDIT RECOMMENDATIONS

Table 2 – Previous Audit Non-Compliances and Recommendations shows the previous review (2013) findings and recommendations, proposed actions by the licensee, dates and responsibility, updated status if available and verification of actions carried out in the current audit and review.

**Table 2 – Previous Audit Non-Compliances and Recommendations**

Table of Previous Non Compliances and Audit Recommendations				
<b>A Resolved before end of previous audit period</b>				
Reference (no./year)	Compliance rating/Legislative Obligation/details of the issue	Auditors' Recommendation	Date Resolved	Further action required (Yes/No/Not Applicable) & Details of further action required including current recommendation reference if applicable
	Nil			
<b>B Resolved during current audit period</b>				
Reference (No/Year)	(Compliance rating/ Legislative Obligation / Details of the issue)	Auditors' Recommendation or action taken	Date resolved	Further action required (Yes/No/Not Applicable) Details of further action required including current recommendation reference if applicable
CI.5 CC2.4 (1)	<p>Rating: 2 – non-compliant, does not meet minimum requirements</p> <p><b>Oblig. 135</b></p> <p>When a customer enters into a new contract that is not an unsolicited consumer agreement with a retailer or electricity marketing agent, the retailer or electricity marketing agent must offer to provide the customer with a copy of the contract, and if this offer is accepted by the customer, provide a</p>	<p>A concise compliance guide /flowchart or procedure should be implemented to assist the RIA and billing agents in fulfilling their obligations.</p> <p>The Code of Conduct requires that the customer is advised where the Code of Conduct can be obtained. This advice is not made clear in the Standard Form Contract.</p>	30 June 2014	No

	copy of the contract at that time or as soon as possible, but no more than 28 days thereafter.			
CI 5.1 CC 4.15	<p><i>Rating: 3 – compliant with major recommendations</i></p> <p><b>Oblig 172</b></p> <p>Subject to a customer paying that portion of the bill under review that a customer and a retailer agree is not in dispute, or an amount equal to the average amount of the customer's bill over the previous 12 months (excluding the bill in dispute, whichever is less), and paying any future bills that are properly due, a retailer must review the customer's bill on request by the customer.</p>	<p>The Complaint Handling Procedure should include the billing agent in the process and ensure that complaints received by the billing agent are captured in the "Electrical Customer Complaints Reporting Register" and formally processed.</p>	30 April 2014	No
5.1 CC 4.16 (1)(a)	<p><i>Rating: 3 – compliant with major recommendations</i></p> <p><b>Oblig 173</b></p> <p>If a review of a bill has been conducted and the retailer is satisfied that the bill is correct, the retailer may require a customer to pay the unpaid amount; must advise the customer that the customer may request the retailer to arrange a meter test in accordance with the applicable law; and must advise the customer of the existence and operations of the retailer's internal complaints handling processes and details of any applicable external</p>	<p>The Complaint Handling Procedure should include the billing agent in the process and ensure that complaints received by the billing agent are captured in the "Electrical Customer Complaints Reporting Register" and formally processed.</p>	7 March 2014	No

	complaints handling processes.			
5.1 CC 5.1	<i>Rating: 2 – non-compliant, does not meet minimum requirements</i> <b>Oblig 186</b> The due date on the bill must be at least 12 business days from the date of that bill. Unless a retailer specifies a later date, the date of dispatch is the date of the bill.	Revise the customer bill templates to show that the due date on the bill is shown and is at least 12 business days from the date of the bill. Check the bill printouts.	30 April 2014	No.
5.1 CC 5.3	<i>Rating: 4 – compliant apart from minor recommendations</i> <b>Oblig 188</b> A retailer must, prior to commencing a direct debit, obtain the customer's verifiable consent and agree with the customer, wherever possible, the amount to be debited; and the date and frequency of the direct debit.	Process or Standard Form Contract requires revision to provide a consistent approach to direct debit method of payment.	7 March 2014	No
5.1 CC 10.8 (2)	<i>Rating: 2 non-compliant, does not meet minimum requirements</i> <b>Oblig 283</b> A distributor must publish information on distribution standards and metering arrangements on the distributor's website.	Information concerning distribution standards and metering arrangements prescribed under the Electricity Industry Act 2004 and the Electricity Act 1945 should be published on the RIA's website as specified in the Code of Conduct, section 10.8(2). The extent of the information required could be clarified with the Authority.	February 2015	No
13.15 - 13.18	<i>Rating: 4 – compliant apart from minor recommendations</i> <b>Oblig 321, 322</b> The annual retailer and distributor reports are to be published on the	None	2 October 2013	No

	<p>retailer's website no later than the following October 1.</p> <p>A copy of each annual retailer and distributor report must be given to the Minister and the Authority not less than seven days before it is published.</p>			
5.1 EIMC 3.1	<p><i>Rating: 3 – compliant with major recommendations</i></p> <p><b>Oblig 337</b></p> <p>A network operator must ensure that its meters meet the requirements specified in the applicable metrology procedure and also comply with any applicable specifications or guidelines (including any transitional arrangements) specified by the National Measurement Institute under the National Measurement Act.</p>	<p>Obtain calibration certificates for all new purchases of meters.</p>	31 March 2014	Yes, refer to recommendation as per Obligation 319.
5.1 EIMC 3.3A (1)	<p><i>Rating: 4 – compliant apart from minor recommendations</i></p> <p><b>Oblig 341</b></p> <p>A network operator must ensure that bidirectional electricity flows do not occur at a metering point unless the metering installation for the metering point is capable of separately measuring and recording electricity flows in each direction.</p>	<p>Bi-directional energy flows at the Geordie Bay solar power installation will require new and specific metering standards to be implemented.</p>	30 June 2014	No
<b>C Unresolved at end of current audit period</b>				
Refer ence (No/ Year)	(Compliance rating/ Legislative Obligation / Details of the issue)	Auditors' Recommendation		Further action required (Yes/No/Not Applicable) Details of further action required including current recommendation reference



			if applicable
5.1 EIMC 3.12 (4)	<i>Rating: 4 – compliant apart from minor recommendations</i>  <b>Oblig 363</b>  A network operator must maintain drawings and supporting information, to the standard of good electricity industry practice, detailing the metering installation for maintenance and auditing purposes.	<i>Set up drawings system to integrate with document control and new asset management system.</i>	Yes, recommendation as per Obligation 345.

## 2.2 LICENSEE'S RESPONSE TO PREVIOUS REVIEW RECOMMENDATIONS

The previous review report covered the period 1 April 2011 to 31 March 2013. The report made two recommendations which have been closed in the current review period of 1 April 2013 to 31 March 2015.

**Table 3 – Previous Review non-compliances and recommendations**

Table of Previous Review Ineffective Components Recommendations				
<b>A Resolved before end of previous review period</b>				
Reference (No/Year)	(Asset management effectiveness rating/ Asset Management System Component & Criteria / Details of the issue)	Auditors' recommendation or action taken	Date resolved	Further action required (Yes/No/Not Applicable) Details of further action required including current recommendation reference if applicable
	Nil			
<b>B Resolved during current review period</b>				
Reference (No/Year)	(Asset management effectiveness rating/ Asset Management System Component & Criteria / Details of the issue)	Auditors' Recommendation or action taken	Date resolved	Further action required (Yes/No/Not Applicable) Details of further action required including current recommendation reference if applicable
1/ 2014	<i>Rating: B2 – Requires some improvement</i>	<i>There should be better traceability of actions and progress of actions resulting</i>	Completion envisaged over the next 12 months	No. The RIA is in the process of

	<b>EC8.1</b> Risk management policies and procedures exist and are being applied to minimise internal and external risks associated with the asset management system.	from risk assessments; information should be recorded in risk registers. There should be a new review and an update of the risk register relating to assets, their failure modes and likelihood of failures. The actions required should be brought up to date.		redeveloping its risk management framework. Actions are in progress and have been documented and approved by the licensee.
2/ 2014	Rating: B2 – Requires some improvement <b>EC8.2</b> Risks are documented in a risk register and treatment plans are actioned and monitored.	Recommendations as at EC 8.1.	Completion envisaged over the next 12 months	No. Refer to 1/2014 above.
3/ 2014	Rating: B2 – Requires some improvement <b>EC8.3</b> The probability and consequences of asset failure are regularly assessed.	Recommendations as at EC 8.1.	Completion envisaged over the next 12 months	No. Refer to 1/2014 above.
4/ 2014	Rating: B2 – Requires some improvement <b>EC8.3</b> Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks.	Ensure that evidence of testing of contingency plans is documented to confirm their application.	31 December 2014	No
<b>C Unresolved at end of current review period</b>				
<b>Refer ence (No/ Year)</b>	<b>(Asset management effectiveness rating/ Asset Management System Component &amp; Criteria / Details of the issue)</b>	<b>Auditors' Recommendation</b>		<b>Further action required (Yes/No/Not Applicable) Details of further action required including current recommendation reference if applicable</b>
	Nil			

## 2.3 AUDIT AND REVIEW SUMMARY

Separate performance audit summary and asset management system review summary are provided in this section.

### 2.3.1 Performance Audit Compliance Summary

The performance audit is summarised below in Table 4. The table lists the compliance rating for each licence condition using the two-dimensional rating scale described in Table 5.

Each obligation is rated for both the adequacy of existing controls and the compliance with the relevant licence obligation.

**Table 4: Audit Obligation Ratings**

Compliance Licence Condition	Compliance Licence Condition	Audit Priority Applied (1=Highest 5=Lowest)	Adequacy of Controls Rating (Refer to the 4-point rating scale in Table 5 for details) (NP = Not Performed)					Compliance Rating (Refer to the 4-point rating scale in Table 5 for details)			
			A	B	C	D	NP	1	2	3	4
2	Grant of licence	5					✓	✓			
3	Term	5					✓	✓			
4	Fees	5					✓	✓			
5	Compliance	2		✓					✓		
6	Transfer of licence						NR				
7	Cancellation of licence						NR				
8	Surrender of licence						NR				
9	Renewal of licence						NR				
10	Amendment of licence (licensee)						NR				
11	Amendment of licence (Authority)						NR				
12	Accounting records	4	✓					✓			
13	Individual performance standards						NA				
14	Performance audit	4		✓					✓		
15	Reporting a change in circumstances	4					NR				
16	Provision of information	5	✓					✓			

Compliance Licence Condition	Compliance Licence Condition	Audit Priority Applied (1=Highest 5=Lowest)	Adequacy of Controls Rating (Refer to the 4-point rating scale in Table 5 for details) (NP = Not Performed)					Compliance Rating (Refer to the 4-point rating scale in Table 5 for details)			
			A	B	C	D	NP	1	2	3	4
17	Publishing information	5					NR				
18	Notices	5	✓					✓			
19	Review of the Authority's decisions						NR				
20	Asset Management System	2		✓					✓		

Note: Where obligations have not been rated, reasons for the lack of rating are provided in Table 9 - Performance Audit Observations, Findings and Recommendations.

**Table 5: Audit compliance and controls rating scales**

Performance audit compliance and controls rating scales	
Adequacy of Controls Rating	
Rating	Description
A	Adequate controls – no improvement needed
B	Generally adequate controls - some improvement needed
C	Inadequate controls - significant improvement required
D	No control evident
Compliance Rating	
Rating	Description
1	Compliant
2	Non-compliant– minor impact on customers or third parties
3	Non-compliant – moderate impact on customers or third parties
4	Non-compliant – major impact on customers or third parties

### 2.3.2 Asset Management Review Effectiveness Summary

The review of the Asset Management System is summarised below in Table 6. The table lists each of the 12 key asset management processes together with the effectiveness criteria for each key component. Definition of the ratings is given in Table 7 (process and policy definition) and Table 8 (performance).

**Table 6: Asset management effectiveness summary**

<b>ASSET MANAGEMENT SYSTEM COMPONENT &amp; EFFECTIVENESS CRITERIA</b>	<b>Asset management process and policy definition adequacy ratings</b>	<b>Asset management performance ratings</b>
1. Asset planning	<b>B</b>	<b>2</b>
1.1 Asset management plan covers key requirements.	<b>C</b>	<b>3</b>
1.2 Planning process and objectives reflect the needs of all stakeholders and is integrated with business planning.	<b>A</b>	<b>2</b>
1.3 Service levels are defined.	<b>A</b>	<b>1</b>
1.4 Non-asset options (e.g. demand management) are considered.	<b>A</b>	<b>1</b>
1.5 Lifecycle costs of owning and operating assets are assessed. (also at 2.2)	<b>B</b>	<b>1</b>
1.6 Funding options are evaluated.	<b>A</b>	<b>1</b>
1.7 Costs are justified and cost drivers identified.	<b>A</b>	<b>1</b>
1.8 Likelihood and consequences of asset failure are predicted.	<b>B</b>	<b>2</b>
1.9 Plans are regularly reviewed and updated.	<b>B</b>	<b>2</b>
2. Asset creation/ acquisition	<b>B</b>	<b>2</b>
2.1 Full project evaluations are undertaken for new assets, including comparative assessment of non-asset solutions.	<b>A</b>	<b>1</b>
2.2 Evaluations include all life-cycle costs.	<b>NR</b>	<b>NR</b>
2.3 Projects reflect sound engineering and business decisions.	<b>A</b>	<b>1</b>
2.4 Commissioning tests are documented and completed.	<b>A</b>	<b>1</b>
2.5 Ongoing legal/environmental/safety obligations of the asset owner are assigned and understood.	<b>B</b>	<b>2</b>

3. Asset disposal	<b>A</b>	<b>2</b>
3.1 Under-utilised and under-performing assets are identified as part of a regular systematic review process.	<b>A</b>	<b>2</b>
3.2 The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken.	<b>A</b>	<b>1</b>
3.3 Disposal alternatives are evaluated.	<b>B</b>	<b>2</b>
3.4 There is a replacement strategy for assets.	<b>A</b>	<b>1</b>
4. Environmental analysis	<b>A</b>	<b>1</b>
4.1 Opportunities and threats in the system environment are assessed.	<b>A</b>	<b>1</b>
4.2 Performance standards (availability of service, capacity, continuity, emergency response, etc) are measured and achieved.	<b>A</b>	<b>1</b>
4.3 Compliance with statutory and regulatory requirements.	<b>B</b>	<b>2</b>
4.4 Achievement of customer service levels.	<b>A</b>	<b>1</b>
5. Asset operations	<b>B</b>	<b>2</b>
5.1 Operational policies and procedures are documented and linked to service levels required.	<b>B</b>	<b>2</b>
5.2 Risk management is applied to prioritise operations tasks.	<b>A</b>	<b>1</b>
5.3 Assets are documented in an Asset Register including asset type, location, material, plans of components, an assessment of assets' physical/structural condition and accounting data.	<b>C</b>	<b>2</b>
5.4 Operational costs are measured and monitored.	<b>B</b>	<b>2</b>
5.5 Staff resources are adequate and staff receive training commensurate with their responsibilities.	<b>B</b>	<b>2</b>
6. Asset maintenance	<b>A</b>	<b>1</b>

6.1 Maintenance policies and procedures are documented and linked to service levels required.	<b>A</b>	<b>1</b>
6.2 Regular inspections are undertaken of asset performance and condition.	<b>B</b>	<b>1</b>
6.3 Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule.	<b>B</b>	<b>1</b>
6.4 Failures are analysed and operational/maintenance plans adjusted where necessary.	<b>A</b>	<b>1</b>
6.5 Risk management is applied to prioritise maintenance tasks.	<b>A</b>	<b>1</b>
6.6 Maintenance costs are measured and monitored.	<b>A</b>	<b>1</b>
7. Asset management information system	<b>B</b>	<b>2</b>
7.1 Adequate system documentation for users and IT operators.	<b>A</b>	<b>2</b>
7.2 Input controls include appropriate verification and validation of data entered into the system.	<b>B</b>	<b>2</b>
7.3 Logical security access controls appear adequate, such as passwords.	<b>A</b>	<b>1</b>
7.4 Physical security access controls appear adequate.	<b>B</b>	<b>2</b>
7.5 Data backup procedures appear adequate and backups are tested.	<b>B</b>	<b>2</b>
7.6 Key computations related to licensee performance reporting are materially accurate.	<b>A</b>	<b>2</b>
7.7 Management reports appear adequate for the licensee to monitor licence obligations.	<b>A</b>	<b>2</b>
8. Risk management	<b>B</b>	<b>2</b>
8.1 Risk management policies and procedures exist and are being applied to minimise internal and external risks associated with the asset management system.	<b>B</b>	<b>2</b>

8.2 Risks are documented in a risk register and treatment plans are actioned and monitored.	<b>B</b>	<b>1</b>
8.3 The probability and consequences of asset failure are regularly assessed.	<b>B</b>	<b>2</b>
9. Contingency planning	<b>A</b>	<b>2</b>
9.1 Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks.	<b>A</b>	<b>2</b>
10. Financial planning	<b>A</b>	<b>1</b>
10.1 The financial plan states the financial objectives and strategies and actions to achieve the objectives.	<b>A</b>	<b>1</b>
10.2 The financial plan identifies the source of funds for capital expenditure and recurrent costs.	<b>A</b>	<b>1</b>
10.3 The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets).	<b>A</b>	<b>1</b>
10.4 The financial plan provides firm predictions on income for the next five years and reasonable indicative predictions beyond this period.	<b>B</b>	<b>2</b>
10.5 The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services.	<b>A</b>	<b>1</b>
10.6 Significant variances in actual/budget income and expenses are identified and corrective action taken where necessary.	<b>A</b>	<b>1</b>
11. Capital expenditure planning	<b>B</b>	<b>2</b>
11.1 There is a capital expenditure plan that covers issues to be addressed, actions proposed, responsibilities and dates.	<b>A</b>	<b>1</b>
11.2 The plan provides reasons for capital expenditure and timing of expenditure.	<b>A</b>	<b>2</b>
11.3 The capital expenditure plan is consistent with the asset life and condition identified in the asset	<b>C</b>	<b>3</b>



management plan.		
11.4 There is an adequate process to ensure that the capital expenditure plan is regularly updated and actioned.	<b>B</b>	<b>2</b>
12. Review of asset management system	<b>C</b>	<b>2</b>
12.1 A review process is in place to ensure that the asset management plan and the asset management system described therein are kept current.	<b>C</b>	<b>2</b>
12.2 Independent reviews (e.g. internal audit) are performed of the asset management system.	<b>C</b>	<b>2</b>

**Table 7: Asset management process and policy definition adequacy ratings**

Rating	Description	Criteria
<b>A</b>	Adequately defined	<ul style="list-style-type: none"> <li>Processes and policies are documented.</li> <li>Processes and policies adequately document the required performance of the assets.</li> <li>Processes and policies are subject to regular reviews, and updated where necessary.</li> <li>The asset management information system(s) are adequate in relation to the assets that are being managed.</li> </ul>
<b>B</b>	Requires some improvement	<ul style="list-style-type: none"> <li>Process and policy documentation requires improvement.</li> <li>Processes and policies do not adequately document the required performance of the assets.</li> <li>Reviews of processes and policies are not conducted regularly enough.</li> <li>The asset management information system(s) require minor improvements (taking into consideration the assets that are being managed).</li> </ul>
<b>C</b>	Requires significant improvements	<ul style="list-style-type: none"> <li>Process and policy documentation is incomplete or requires significant improvement.</li> <li>Processes and policies do not document the required performance of the assets.</li> <li>Processes and policies are significantly out of date.</li> <li>The asset management information system(s) require significant improvements (taking into consideration the assets that are being managed).</li> </ul>
<b>D</b>	Inadequate	<ul style="list-style-type: none"> <li>Processes and policies are not documented.</li> <li>The asset management information system(s) is not fit for purpose (taking into consideration the assets that are being managed).</li> </ul>

**Table 8: Asset management review performance rating scale**

Rating	Description	Criteria
1	Performing effectively	<ul style="list-style-type: none"> <li>The performance of the process meets or exceeds the required levels of performance.</li> <li>Process effectiveness is regularly assessed, and corrective action taken where necessary.</li> </ul>
2	Opportunity for improvement	<ul style="list-style-type: none"> <li>The performance of the process requires some improvement to meet the required level.</li> <li>Process effectiveness reviews are not performed regularly enough.</li> <li>Process improvement opportunities are not actioned.</li> </ul>
3	Corrective action required	<ul style="list-style-type: none"> <li>The performance of the process requires significant improvement to meet the required level.</li> <li>Process effectiveness reviews are performed irregularly, or not at all.</li> <li>Process improvement opportunities are not actioned.</li> </ul>
4	Serious action required	<ul style="list-style-type: none"> <li>Process is not performed, or the performance is so poor that the process is considered to be ineffective.</li> </ul>

## 2.4 OBSERVATIONS AND FINDINGS

The observations and findings of the performance audit and the asset management system review are reported in Table 9 and Table 10 respectively.

The tables include all findings, observations and recommendations and rate the RIA's overall compliance and adequacy of controls for each licence obligation and the asset management process and policy definition adequacy and performance in accordance with the Authority's requirements. The guidelines rating definitions are reproduced in Table 5 for the performance audit and in Table 7 and Table 8 for the asset management system review.

In regard to the performance audit, where appropriate or where the compliance obligation has been rated as C, D, 2, 3 or 4 recommendations are made to address the issue(s) that have resulted in that rating. Optionally, recommendations to address opportunities for improvement (for items rated A, B or 1) may also be included in the audit report.

In regard to the asset management system review, if process and policy definition is rated C or D, or the asset management performance is rated 3 or 4, recommendations are included to address the issue(s) that have resulted in those ratings.

The licensee's corrective actions are included in the separate Post Audit And Review Implementation Plan (PAIP).

## 2.5 PERFORMANCE AUDIT FINDINGS AND OBSERVATIONS

Key findings and recommendations arising from the performance audit are listed against their licence obligation in the following table.

### KEY TO FINDINGS AND RECOMMENDATIONS

Key	Description
►	Finding
1. Text	Recommendations
[OFI]	Opportunity for Improvement

Key	Applicable	Description
Licence Grant Date		The licence was granted on the 21 June 2006.
Start of operation		As above

**Table 9 - Performance Audit Observations, Findings and Recommendations**

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
L1	CI 2	<b>Grant of Licence</b> Licensee is granted a licence for the licence area to: <ul style="list-style-type: none"> <li>construct and operate generating works or operate existing generating works</li> <li>construct and operate a new distribution system or operate an existing distribution system and</li> <li>sell electricity to customers</li> </ul> for the purpose of supplying electricity to customers otherwise than through the SWIS, in accordance with the terms and conditions of this licence	Licensee has identified the licence area and is operating the plant in accordance with the conditions of the licence.	5	NP	1	
L2	CI.2 (Sch1)	<b>Licence Area</b> The licence area is the area as set out in plan ERA-EL-076(A)	The licensee has identified the licence area and the licence boundaries which correspond to the licence information.	5	NP	1	
L3	CI 3	<b>Term</b> Licence commences on the commencement date (21 June 2006) and continues until the earlier of: <ol style="list-style-type: none"> <li>the cancellation of the licence (clause 7)</li> <li>surrender of licence (clause 8)</li> <li>expiry (20 June 2036)</li> </ol>	The licence has been maintained during the audit period. There have been no changes to the licence such as cancellation, surrender, expiry or amendment during the audit period.	5	NP	1	
		<b>Section 8 - Type 1 Reporting Obligations for all Licence Types</b>					
234.	C 5	Code of Conduct clause 7.6 Subject to subclause 7.6(3), a retailer or	Not Rated – there have been no disconnections in the audit period. Confirmed with RMA, McGees and PFM	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		distributor must comply with the limitations specified in clause 7.6 when arranging for disconnection or disconnecting a customer's supply address.	that disconnections only occur for emergency reasons or upon customer request.				
235.	C 5	Code of Conduct clause 7.7(1) Where a customer provides a retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the customer's supply address requires life support equipment, the retailer must comply with subclause 7.7(1).	Not Rated – there were no life support supply addresses registered on Rottnest Island during the audit period.	5	NP	NR	
236	C 5	Code of Conduct clause 7.7(2) Where a customer registered with a retailer under subclause 7.7(1) notifies the retailer of a change of the customer's supply address or contact details the retailer must undertake the actions specified in subclause 7.7(2).	Not Rated – there were no life support supply addresses registered on Rottnest Island during the audit period.	5	NP	NR	
237.	C 5	Code of Conduct clause 7.7(3) Where a distributor has been informed by a retailer under subclause 7.7(1)(c) or by a relevant government agency that a person residing at a customer's supply address requires life support equipment, or of a change of the customer's supply address or contact details under subclause 7.7(2), the distributor must comply with subclause 7.7(3).	Not Rated – there were no life support supply addresses registered on Rottnest Island during the audit period.	5	NP	NR	
238.	C 5	Code of Conduct clause 7.7(4) Where life support equipment is registered at a customer's supply address under subclause	Not Rated – there were no life support supply addresses registered on Rottnest Island during the audit period.	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		7.7(3), the distributor must: not disconnect the customer's supply address for failure to pay a bill while the person continues to reside at that address and requires the use of life support equipment; and prior to any planned interruption, provide at least 3 business days written or electronic notice to the customer's supply address and use best endeavours to obtain acknowledgement (by verbal, written or electronic means) from the customer that the notice has been received, unless expressly requested in writing by the customer not to.					
257.	C 5	Code of Conduct clause 9.5(1) A retailer must not provide a pre-payment meter service at a pre-payment meter customer's supply address if the customer provides the retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the address requires life support equipment. The retailer must, or must immediately arrange to, remove or render non-operational the pre-payment meter at no charge; replace or switch the pre-payment meter to a standard meter at no charge; and provide information to the pre-payment meter customer about the contract options available to the customer.	Not Rated – there were no life support supply addresses registered on Rottneest Island during the audit period.	5	NP	NR	
258.	C 5	Code of Conduct clause 9.5(2) If a retailer requests a distributor to revert a pre-	Not Rated – there were no life support supply addresses registered on Rottneest Island during the	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		payment meter under subclause 9.5(1), the distributor must revert the pre-payment meter within the time frames specified in subclause 9.5(2).	audit period.				
Section 9 - Electricity Industry Customer Transfer Code – Licence Conditions and Obligations			Section 9 of the Electricity Compliance Reporting Manual contains Licence Conditions and Obligations relating to the Electricity Industry Customer Transfer Code. This section is not applicable to the RIA. The Authority considers all customers on Rottnest Island as contestable and has confirmed this in an email to the RIA on 19 September 2013. However, the Rottnest Island Authority Act 1987 authorises the RIA to control and manage the Island, which means that it is not possible for other retailers (or network operators) to supply customers unless they are granted permission by the RIA. Accordingly, the RIA is considered a monopoly supplier of electricity on Rottnest Island and customers cannot be transferred to any other supplier..				
Section 10 - Electricity Industry (Obligation to Connect) Regulations – Licence Conditions and Obligations			Not Applicable - Section 10 of the Electricity Compliance Reporting Manual contains Licence Conditions and Obligations relating to Electricity Industry 'Obligation to Connect' Code. The conditions in this Section relates to two different situations – (1) if there is Retailer who is another Code Participant or User on the Island, or (2) a customer as a User on the island. In (1), the situation is not applicable to Rottnest Island since it is a monopoly – it has an Integrated Regional Licence. In (2), the customer situation does not apply either as all the properties and land on the island are owned by Rottnest Island Authority and therefore the circumstances described in the Regulations regulation 4 do not arise at all.				
Section 11 - Electricity Industry (Customer Contracts) Regulations – Licence Conditions and Obligations							
78.	C5.1	<b>Electricity Industry Act section 51</b> Where the licensee supplies electricity under a standard form contract, the standard form contract must comply with the licensee's approved standard form contract on the Authority's website.	The audit confirmed that the Standard Form Contract used by the RIA is the same as that approved and published on the Authority's website at: <a href="https://www.erawa.com.au/electricity/electricity-licensing/standard-form-contracts">https://www.erawa.com.au/electricity/electricity-licensing/standard-form-contracts</a> .	5	NP	1	
79.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 5	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	



Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		A non standard contract must be in a format that is easy to read and expressed in clear, simple and concise language.					
80.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 6 A non standard contract must specify when it comes into effect and the period for which it has effect.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
81.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 7 A non standard contract must specify certain information about the retailer.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
82.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 8 A non standard contract must give an exact description of the goods and services the retailer will provide under the contract.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
83.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 9 A non standard contract must require the customer to pay for electricity supplied under the contract.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
84.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 10 A non standard contract must prohibit the customer from tampering with or bypassing network equipment or allowing any other person to do so.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
85.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 11 A non standard contract must describe the circumstances where a retailer has the right to disconnect supply and is required to reconnect supply.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
86.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 12 A non standard contract must require the retailer to deal with security deposits and the payment of interest in the manner specified.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
87.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 13 A non standard contract must describe the retailer's obligations in relation to the provision of prices and tariff information.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
88.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 14 A non standard contract must describe the procedures to be followed by the retailer in relation to the preparation, issue and review of customer bills.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
89.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 15 A non standard contract must describe the matters relating to the termination of the contract specified in the regulation.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
90.	C5.1	Electricity Industry (Customer Contracts)	Not Applicable – Only Standard Form Contracts are	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		Regulations 2005, regulation 16 and 34 A non standard contract must inform the customer that the provisions of the contract may be amended without the customer's consent and describe the process for amendment of the contract including requirements for approval and the way in which the amendment will be published. The non standard contract must require the retailer to notify the customer of any amendment to the contract.	used by the RIA.				
91.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 17 A non standard contract must deal with the assignment of rights and obligations including assignment without the customer's consent.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
92.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 18 A non standard contract must describe the procedures to be followed by the retailer in responding to a complaint made by the customer.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
93.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 19 A non standard contract must specify the steps by the retailer to ensure the information held by the retailer is dealt with in a confidential manner.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
94.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 20 A non standard contract must deal with the governing law, the effect of an invalid or	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		unenforceable provision, the way in which notice may be given and the use of electronic communication by the retailer.					
95.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 21  A non standard contract must not include a provision that excludes, restricts or modifies the Code of Conduct for the Supply of Electricity to Small Use Customers unless it is authorised by the Code.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
96.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 32  A non standard contract must include details about the cooling off period specified in the regulation.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
97.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 33(2)  A non standard contract must authorise the customer to terminate the contract at any time with no less than 5 days notice.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
98.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 33(3) and (4)  A non standard contract that is a fixed contract must describe the matters relating to the termination of the contract specified in the regulation.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
99.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 36	Not Applicable – The RIA has an Integrated Regional Licence and is the only supplier on Rottneest island.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		The licensee must determine, from time to time, the default supplier for each connection point that connects to a distribution system operated by the licensee.					
100.	C5.1	Electricity Industry (Customer Contracts) Regulations 2005, regulation 38  Where the licensee becomes aware of a customer taking a supply of electricity that is deemed to be supplied under the licensee's standard form contract, the licensee must, within 5 days after becoming aware notify the customer of the specified information.	Not Rated – All supply of electricity to customers during the audit period was done so under the Standard Form Contract.	5	NP	NR	
<b>Section 12 - Electricity Industry Act – Licence Conditions and Obligations</b>							
101	C14.1	<b>Electricity Industry Act section 13(1)</b> A licensee must, not less than once every 24 months, provide the Authority with a performance audit conducted by an independent expert acceptable to the Authority.	The licensee has commissioned an independent expert to provide the Authority with a performance audit and a report to cover the period of 24 months from 1 April 2013 to 31 March 2015.	5	NP	1	
102	C20.1	<b>Electricity Industry Act section 14(1)(a)</b> A licensee must provide for an asset management system.	The licensee has implemented an asset management system (AMS) which has been subject to AMS reviews in 2013 and 2015.  ▶ A revised AMS is being developed at present and will require completion of the development to achieve compliance.  Findings and recommendations are recorded in section 2.6 "Asset Management Review findings and observations".	2	B	2	<b>1.</b> The AMS has been subject to development and change in the review period and its development has not been completed. The AMS should be finalised and documented.  Additional recommendations are recorded in section 2.6 "Asset Management Review findings and

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
							observations".
103	C20.2, C20.3	<b>Electricity Industry Act section 14(1)(b)</b> A licensee must notify details of the asset management system and any substantial changes to it to the Authority.	► There have been significant feasibility and development activities to implement a revised AMS. These have included the use of external entities such as Horizon Power to evaluate the AMS. The development has not been completed however there are sufficient changes to date, such as the creation of a new Strategic Asset Management Framework and the lapse of the Asset Management Plan to require notification to the Authority.	2	C	2	<b>2.</b> The Authority should be notified of the changes to the asset management system and of the program for completion of the development.
104	C20.4	<b>Electricity Industry Act section 14(1)(c)</b> A licensee must provide the Authority 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 Authority.	The licensee has commissioned an independent expert to provide the Authority with a report on the effectiveness of its AMS to cover a period of 24 months from 1 April 2013 to 31 March 2015.	5	NP	1	
105	C4.1	<b>Electricity Industry Act section 17(1)</b> A licensee must pay to the Authority 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.	Through examination of evidence of licence fee payments the audit found: <ul style="list-style-type: none"> <li>For the year 2013-14 ERA invoice of 13 June 2014 showed evidence of payment on 20 July 2014;</li> <li>For the year 2012-13 ERA invoice of 19 June 2013 showed evidence of payment on 26 June 2013;</li> </ul> Both licence fee payments were within one month of the licence anniversary date of 21 June.	5	NP	1	
106	C5.1	<b>Electricity Industry Act section 31(3)</b> A licensee must take reasonable steps to minimise the extent or duration of any interruption, suspension or restriction of the	The licensee has taken reasonable steps to minimise the extent and duration of interruptions or restrictions of supply: <ul style="list-style-type: none"> <li>establishing a Service Agreement with PFM for the</li> </ul>	2	B	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		supply of electricity due to an accident, emergency, potential danger or other unavoidable cause.	<p>operation and maintenance of the power facilities at agreed service levels;</p> <ul style="list-style-type: none"> <li>• setting service level performance indicators and monitoring them;</li> <li>• ensuring that PFM has established emergency response plans to manage emergencies;</li> <li>• risk assessments and Risk Management Plan;</li> <li>• ensuring reporting at corporate level of any outages.</li> </ul> <p>Documents and processes are in place to manage and minimise the extent and duration of interruption of the supply of electricity:</p> <ul style="list-style-type: none"> <li>• a risk analysis matrix, the "Baseline Capex RIA Risk Assessment 2014" has been created to identify the asset risks, risk likelihood and criticality and mitigating actions;</li> <li>• risk meetings take place six monthly, progress of action is documented in the Risk Analysis Matrix;</li> <li>• Monthly Operating Reports document issues and corrective actions;</li> <li>• outage logs which include corrective actions provide a record of the steps taken to minimise interruptions;</li> <li>• emergency response plans are in place through PFM and RIA procedures and plans.</li> </ul>				
107	C5.1	<b>Electricity Industry Act section 41(6)</b> A licensee must pay the costs of taking an interest in land or an easement over land.	Not Applicable – the RIA is the authority on the Island.	NA	NA	NA	
108	C24.1	<b>Electricity Industry Act section 54(1)</b>	There are no residential customers on Rottnest Island. Business customers separately liaise with Property	5	B	2	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		A retail or integrated regional licensee must not supply electricity to a small use customer otherwise than under a standard form contract or a non-standard form contract.	<p>Managers contracted by the RIA, McGees and RMA for their business and residential (staff housing) premise requirements respectively. Tenants are not directly responsible for the lease and associated utility bills.</p> <p>Under the management of McGees, all business customers are supplied with a standard contract (the Standard Form Contract) for the supply of electricity with the customer's business premise leasing agreement.</p> <p>The audit found that RMA do not provide the Standard Form Contract as part of their tenancy agreements with business customers however a Standard Form Contract is provided to the same customers by McGees.</p> <p>Also refer to Obligation 130.</p> <p>(EVIDENCE: McGees – Rottnest Lodge Lease, RMA – Residential Tenancy Agreements for Hotel Rottnest, Subway and Maranel Pty Ltd)</p>				
109	C25.4	<b>Electricity Industry Act section 54(2)</b> A licensee must comply with any direction by the Authority to amend the standard form contract and do so within the period specified.	Not Rated – No requests to amend the Standard Form Contract were received by the RIA from the Authority over the audit period.	5	NP	NR	
110	C27.1	<b>Electricity Industry Act section 72</b> If a designation under section 71(1) of the Electricity Industry Act is in force a licensee must perform the functions of a retailer of last resort	Not Applicable – The RIA is not designated a supplier of last resort.	NA	NA	NA	



Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		and must carry out the supplier of last resort plan if it comes into operation under section 70 of the Electricity Industry Act.					
111	C21.1	<b>Electricity Industry Act section 101</b> A retail, distribution or integrated regional licensee must not supply electricity to small use customers unless the licensee is a member of an approved scheme and is bound by and compliant with any decision or direction of the electricity ombudsman under the approved scheme.	RIA is an Electricity Industry member of the Energy Ombudsman Scheme as indicated in the Ombudsman Fact Sheets.	5	NP	1	
112	C5.1	<b>Electricity Industry Act section 115(1)</b> A licensee that is a network service provider or an associate of a network service provider, in relation to network infrastructure covered by the Code, must not engage in conduct for the purpose of hindering or prohibiting access by any person to services in accordance with the Code, the making of access agreements or any particular agreement in respect of those facilities, or the access to which a person is entitled under an access agreement or a determination made by way of arbitration.	Not Applicable – the RIA is the only supplier in the licence area.	NA	NA	NA	
113	C5.1	<b>Electricity Industry Act section 115(2)</b> 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.	Not Applicable	NA	NA	NA	
<b>Section 13 - Electricity Licences – Licence Conditions and Obligations</b>							

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
114	C23.1	All Obligations are under Electricity Industry Act section 11  A licensee must ensure that an electricity marketing agent of the licensee complies with the applicable codes.	Not Applicable – the RIA does not engage electricity marketing agents.	NA	NA	NA	
115	C23.2	The licensee must report a breach of the applicable code conditions by an electricity marketing agent to the Authority within the prescribed timeframe.	Not Applicable – the RIA does not engage electricity marketing agents.	NA	NA	NA	
116	C24.2	A licensee must, if directed by the Authority, review the standard form contract and submit to the Authority the results of that review within the time specified by the Authority.	As per obligation 109. Not Rated – No requests to amend the Standard Form Contract were received by the RIA from the Authority over the audit period.	5	NP	NR	
117	C24.3	A licensee must comply with any direction given by the Authority in relation to the scope, process and methodology of the standard form contract review.	As per obligation 109. Not Rated – No requests to amend the Standard Form Contract were received by the RIA from the Authority over the audit period.	5	NP	NR	
118	C25.1	A licensee may only amend the standard form contract with the Authority's approval.	Not Rated – The Standard Form Contract was not amended by the RIA over the audit period.	5	NP	NR	
119	C12.1	<b>Accounting records:</b>  Electricity Industry Act section 11 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.	For the years ended 30 June 2013 and 2014, based on the Annual Reports available on the licensee's website, the licensee's accounting records have been certified as compliant with the provisions of the Financial Management Act 2006.  In both instances, the Auditor General's opinion has been that "the financial statements are based on proper accounts and present fairly, in all material	4	NP	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			respects, the financial position of the Rottneest Island Authority...and its financial performance and cash flows...in accordance with Australian Accounting Standards and the Treasurer's Instructions."				
120	C13.4 & 25.4	<b>Individual Performance Standards</b> Electricity Industry Act section 11 A licensee must comply with any individual performance standards prescribed by the Authority.	Not Applicable – No individual performance standards have been prescribed for the RIA by the Authority.	NA	NA	NA	
121	C14.2	A licensee must comply, and require its auditor to comply, with the Authority's standard audit guidelines dealing with the performance audit.	The licensee has specified and the auditor has documented in the Audit Plan its compliance with the Authority's guidelines.	4	NP	1	
122	C20.5	A licensee must comply, and must require the licensee's expert to comply, with the relevant aspects of the Authority's standard guidelines dealing with the asset management system.	The licensee has specified and the auditor has documented in the Audit Plan its compliance with the Authority's guidelines.	4	NP	1	
123	C15.1	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.	Not Rated – The RIA has not been under external administration or subject to a significant change in circumstances during the audit period.	4	NP	NR	
124	C16.1	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.	The licensee is required to provide the information requested by the Authority: <ul style="list-style-type: none"> <li>Reports (Performance Report and Audit Report) to be supplied under the Network Quality and Reliability of Supply (<b>NQRS</b>) Code to be published not less than seven days after they are provided to the Authority and, in any case, not later than the 1 October of each year (therefore to be issued to the</li> </ul>	5	A	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			<p>Authority by the 20 September at the latest),</p> <ul style="list-style-type: none"> <li>• Reports pursuant to Clause 13.1 of the Code of Conduct for the Supply of Electricity to Small Use Customers (<b>Code of Conduct</b>) by the 20 September,</li> <li>• Reports pursuant to Clause 5.37 of the Electricity Industry (Metering) Code 2012 by the 20 September; and</li> <li>• Annual Compliance reports covering all of its Type 1 and Type 2 licence obligations for each reporting year (1 July and ending 30 June) by 31 August immediately following the end of the financial year that is the subject of the report.</li> </ul> <p>The audit has sampled the compliance evidence and found that:</p> <ul style="list-style-type: none"> <li>• In 2013 and 2014 in regard to compliance with the NQRS Code, Metering Code and the Code of Conduct, reports and data sheets were submitted by the 20 September of the appropriate year (2014 reports and data sheets are also currently published on the RIA website at: <a href="http://ria.wa.gov.au/policy-and-reports/utility-reports/electrical-reports">http://ria.wa.gov.au/policy-and-reports/utility-reports/electrical-reports</a>); and</li> <li>• Compliance Reports – Electrical for the years ended 30 June 2013 and 2014 were submitted on 27 and 28 August of the same year respectively.</li> </ul>				
125	C17.1 & 17.2	A licensee must publish any information it is directed by the Authority to publish, within the timeframes specified.	The RIA maintains a Licence Compliance Register or Utilities Compliance Spreadsheet that identifies all periodic information required by the Authority. PFM incorporate this into their FUSS Compliance and Licence Bible to further ensure obligations are met on	5	A	2	<b>3.</b> Ensure there are procedures in place to cater for the publication of all information required by the Authority within the timeframes specified in the event of both

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			time.  ► The 2012/2013 Code of Conduct Report was published two days late on the RIA website due to staff absence as reported in the Compliance Reports – Electrical for 2014.				planned and unplanned staff absences.
126	C18.1	Unless otherwise specified, all notices must be in writing.	It was confirmed with the RIA that all notices are provided in writing. This was confirmed throughout the audit with evidence of a sample of notices being provided in writing.	5	NP	1	
127	C29.1	A distributor must create and maintain a Priority Restoration Register.	During the audit we have received two versions of PFM's Restoration Priority Register Electrical Services – one issued 30/03/09 and last updated 15/11/12, the other issued/updated 14/8/13 (PRO-ROT-ELEC-41.01).  PFM have confirmed that the document last updated 14/8/13 is the current Priority Restoration Register with respect to a black start scenario. The document last updated 15/11/12 was produced as part of the Network Disaster Recovery Plan and shows priority restoration from back-up generators.  ► Documents that are superseded or that could be misleading should be clearly identified and if applicable, removed from circulation. It is expected that only one Priority Restoration Register should be in existence.	4	B	2	4. Ensure document control across multiple versions of Priority Restoration Register to remove potential ambiguity and incorrect use.
128	C29.3	The Priority Restoration Register must comply with any criteria determined by the Minister.	Not Rated – There has been no criteria determined by the Minister during the audit period.	4	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
<b>Section 14 - Code of Conduct – Licence Conditions and Obligations</b>							
129	C23.1	Code of Conduct clause 2.1 A retailer must ensure that its electricity marketing agents comply with Part 2 of the Code of Conduct.	Not Applicable – The RIA does not use marketing agents.	NA	NA	NA	
130	C23.1	Code of Conduct clause 2.2 (1) A retailer or electricity marketing agent must ensure that standard form contracts, that are not unsolicited consumer agreements, are entered into in the manner set out, and the contract is provided as specified in clause 2.2(1).	The Standard Form Contract forms part of standard lease agreements provided to customers and managed by McGees. Contracts are signed, witnessed, dated and copies provided to customers in the timeframe required.  McGees confirm in an annual letter that they acknowledge and understand their obligations as outlined in the Code of Conduct for the Supply of Electricity to Small Use Customers and in particular Part 2, Division 2, Part 4, Division 2 and Part 5 (see letter dated 9/07/2014).  ▶ The Code of Conduct requires the Standard Form Contract (SFC) to show the supply address(es). The current SFC only shows one supply address for the business customer, however electricity is supplied to the business customer both at its business address and at its living address(es).  Also refer to Obligation 108.	5	B	2	<b>5.</b> The Standard Form Contract should show both the Business address and the rented unit addresses, either within the document or by referring to a separate schedule.
131	C23.1	Code of Conduct clause 2.2 (2) Subject to subclause 2.2(3), the retailer or electricity marketing agent must give to the customer the specified information in subclause 2.2(2) no later than on, or with, the customer's	Information is provided to customers via the Standard Form Contract and monthly utility bills. The Standard Form Contract includes the following: <ul style="list-style-type: none"><li>reference to the Code of Conduct and tariff information being available from the RIA website,</li></ul>	5	B	2	<b>6.</b> Publish general information on the safe use of electricity on the RIA website and refer to this in the Standard Form Contract. <b>7.</b> As part of the tendering process

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		first bill.	<ul style="list-style-type: none"> <li>general information on the Code of Conduct,</li> <li>assistance with payment difficulties; and</li> <li>complaints handling.</li> </ul> <p>The Utility Statements issued by McGees to customers includes a 24hr telephone number for faults and emergencies (EVIDENCE: INV. NOS. 109186 and 118903).</p> <ul style="list-style-type: none"> <li>Two examples of RMA invoices during the audit period were provided – neither included a 24hr telephone number for faults and emergencies (EVIDENCE: INV. NOS. IV2684166, IV2684164).</li> <li>The audit found that general information on the safe use of electricity was not provided to customers during the audit period or made available via the RIA website.</li> </ul>				for a new (residential) property manager, ensure utility statements are compliant with Code requirements, including, among others, reference to a 24 hr telephone number for faults and emergencies.
132	C23.1	Code of Conduct clause 2.3 (1) A retailer or electricity marketing agent must ensure that non-standard contracts, that are not unsolicited consumer agreements, are entered into in the manner set out, and the contract is provided as specified in clause 2.3(1).	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
133	C23.1	Code of Conduct clause 2.3 (2) A retailer or electricity marketing agent must ensure that the information specified in subclause 2.3(2) is provided to the customer before entering into a non-standard contract.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
134	C23.1	Code of Conduct clause 2.3 (4) The Electricity Retail Corporation or Regional Power Corporation, or an electricity marketing	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		agent acting on behalf of Electricity Retail Corporation or Regional Power Corporation must ensure that the information specified in subclause 2.3(4) is provided to the customer before arranging a non-standard contract.					
135	C23.1	Code of Conduct clause 2.3 (5) Subject to subclause 2.3(3), the retailer or electricity marketing agent must obtain the customer's verifiable consent that the specified information in subclause 2.3(2) and 2.3(4), as applicable, has been given.	Not Applicable – Only Standard Form Contracts are used by the RIA.	NA	NA	NA	
136	C23.1	Code of Conduct clause 2.4 (1) A retailer or electricity marketing agent must ensure that the inclusion of concessions is made clear to residential customers and any prices that exclude concessions are disclosed.	Not Applicable – There are no residential customers on Rottneest Island. This was confirmed by RIA CEO Paolo Amaranti on a letter to the Authority on 21 December 2012 and the audit found no reason to dispute this position.  Electricity bills for the business and related staff residential premises are in the name of and paid for by the businesses. Despite business and residential leases being managed by different agents (McGees and RMA respectively), both are in the name of the business only.	NA	NA	NA	
137	C23.1	Code of Conduct clause 2.4 (2) A retailer or electricity marketing agent must ensure that a customer is able to contact the retailer or electricity marketing agent on the retailer's or electricity marketing agent's telephone number during normal business hours for the purposes of enquiries, verifications and complaints.	Customers are able to contact the RIA (normally via McGees, RMA or PFM) during normal business hours. Contact details, including telephone numbers, are clearly marked on customer bills.  ▶ While McGees include separate telephone numbers for enquiries, 24hr faults, payment, interpretive services and the Energy Ombudsman,	5	B	1	Refer to Recommendation 7



Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			<p>RMA only include a single general enquiries telephone number on customer bills.</p> <p>We note that a dedicated complaints no. was removed from the McGees bill templates between the 2013 and 2014 samples viewed.</p> <p>(EVIDENCE: McGees INV. NOS. 109186, 118903)</p> <p>(EVIDENCE: RMA INV. NOS. IV2684166, IV2684164)</p> <p>The 24hr fault number provided by PFM directs to Rottneest Island only during Summer. Outside of this peak period, the number is directed to a PFM call centre in Sydney. In either case, calls dispatch out actions on a priority basis as appropriate.</p>				
138	C23.1	Code of Conduct clause 2.5 (1) A retailer or electricity marketing agent must, on request, provide a customer with the information specified in subclause 2.5(1).	Not Applicable – The RIA does not engage electricity marketing agents or directly contact customers for the purposes of marketing electricity.	NA	NA	NA	
139	C23.1	Code of Conduct clause 2.5 (2) A retailer or electricity marketing agent who meets with a customer face to face must: <ul style="list-style-type: none"> <li>wear a clearly visible and legible identity card showing the information specified in subclause 2.5(2)(a); and</li> <li>as soon as practicable provide the written information specified in subclause 2.5(2)(b).</li> </ul>	Not Applicable as per Obligation 138.	NA	NA	NA	
140	C5.1	Code of Conduct clause 2.6 A retailer or electricity marketing agent who visits	Not Applicable – The RIA do not visit a person's premises for the purposes of marketing.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		a person's premises for the purposes of marketing must comply with any clear visible signs indicating that canvassing is not permitted at the premises, or no advertising is to be left at the premises.					
141	C23.1	Code of Conduct clause 2.9 (1) An electricity marketing agent must keep a record of complaints about marketing carried out by or on behalf of the electricity marketing agent made by a customer or person contacted for the purposes of marketing, and, upon request, must give to the electricity ombudsman, within 28 days of receiving the request, all information that the electricity marketing agent has relating to the complaint.	Not Applicable – The RIA does not engage with electricity marketing agents.	NA	NA	NA	
142	C23.1	Code of Conduct clause 2.10 A record or other information that an electricity marketing agent is required by the Code to keep must be kept for at least 2 years after the last time the person to whom the information relates was contacted by or on behalf of the electricity marketing agent, or after receipt of the last contact from or on behalf of the electricity marketing manager, whichever is the later.	Not Applicable – The RIA does not engage with electricity marketing agents.	NA	NA	NA	
		<b>CONNECTION</b>					
143	C5.1	Code of Conduct clause 3.1(1) If a retailer agrees to sell electricity to a customer or arrange for the connection of the customer's supply address, the retailer must forward the	Not Applicable – the RIA has an integrated regional license on the Island. There are no other suppliers on the Island.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		customer's request for the connection to the relevant distributor.					
144	C5.1	Code of Conduct clause 3.1 (2) Unless the customer agrees otherwise, a retailer must forward the customer's request for the connection to the relevant distributor that same day, if the request is received before 3pm on a business day; or the next business day if the request is received after 3pm or on a weekend or public holiday.	Not Applicable as per Obligation 143.	NA	NA	NA	
		<b>BILLING</b>					
145	C5.1	Code of Conduct clause 4.1 A retailer must issue a bill no more than once a month and at least once every 3 months, unless under the circumstances specified in subclause 4.1.	McGees and RMA send bills to clients on a monthly basis.  There were no instances during the audit period where this was not adhered to.	5	NP	1	
146	C5.1	Code of Conduct clause 4.2(1) For the purposes of subclause 4.1(a)(ii), a retailer has given a customer notice, if, prior to placing a customer on a shortened billing cycle, the retailer advises the customer of the information specified in subclause 4.2(1).	Not Rated – McGees and RMA have not placed any customers on shortened billing cycles during the audit period.	5	NP	NR	
147	C5.1	Code of Conduct clause 4.2(2) A retailer must not place a residential customer on a shortened billing cycle without the customer's verifiable consent if the customer informs the retailer that the customer is experiencing payment difficulties or financial	Not Applicable – There are no residential customers on Rottneest Island.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		hardship and the customer is assessed as experiencing payment difficulties or financial hardship.					
148	C5.1	Code of Conduct clause 4.2(3) A retailer must give the customer written notice of a decision to shorten the customer's billing cycle within 10 business days of making the decision.	Not Rated – McGees and RMA have not placed any customers on shortened billing cycles during the audit period.	5	NP	NR	
149	C5.1	Code of Conduct clause 4.2(4) A retailer must ensure that a shortened billing cycle is for a period of at least 10 business days.	Not Rated as per Obligation 148.	5	NP	NR	
150	C5.1	Code of Conduct clause 4.2(5) Upon request, a retailer must return a customer who is subject to a shortened billing cycle and has paid 3 consecutive bills by the due date to the billing cycle that previously applied to the customer.	Not Rated as per Obligation 148.	5	NP	NR	
151	C5.1	Code of Conduct clause 4.2(6) At least once every 3 months, a retailer must inform a customer who is subject to a shortened billing cycle of the conditions upon which a customer can be returned to the customer's previous billing cycle.	Not Rated as per Obligation 148.	5	NP	NR	
152	C5.1	Code of Conduct clause 4.3(1) In respect of any 12 month period, on receipt of a request by a customer, a retailer may provide a customer with a bill which reflects a bill-smoothing arrangement.	Not Rated – McGees and RMA did not receive any customer requests for a bill smoothing arrangement over the audit period.	5	NP	NR	

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153	C5.1	Code of Conduct clause 4.3(2) If a retailer provides a customer with a bill under a bill-smoothing arrangement, the retailer must ensure that the conditions specified in subclause 4.3(2) are met.	Not Rated as per Obligation 152.	5	NP	NR	
154	C5.1	Code of Conduct clause 4.4 A retailer must issue a bill to a customer at the customer's supply address, unless the customer has nominated another address or an electronic address.	Audit confirmed with McGees and RMA that bills are being issued to the addresses notified by customers; generally as per their lease agreements (otherwise, as directed by the customer). Customers are sufficiently aware that McGees and RMA currently act on behalf of the retailer, the RIA.	5	NP	1	
155	C5.1	Code of Conduct clause 4.5(1) Unless the customer agrees otherwise, a retailer must include the minimum prescribed information in subclause 4.5(1) on the customer's bill.	<p>Audit confirmed that bills comply as follows:</p> <ul style="list-style-type: none"> <li>McGees bills are compliant with all applicable requirements of subclause 4.5 (1) with the exception of: <ul style="list-style-type: none"> <li>Usage comparison bar chart missing electricity consumption for the bill period, last bill period and same bill period last year for a 2014 sample viewed (118903). As the 2013 sample and additional 2014 sample (115498) are compliant, it is assumed that the incorrect chart on the 2014 sample (118903) is a one-off clerical error.</li> </ul> </li> <li>RMA bills are compliant with all applicable requirements of subclause 4.5 (1) with the exception of: <ul style="list-style-type: none"> <li>No. of days covered by the bill not explicit.</li> <li>Average daily cost of consumption not stated.</li> <li>Average daily consumption not stated.</li> </ul> </li> </ul>	5	B	2	Recommendation as per Obligation 131 (recommendation 7) – As part of the tendering process for a new residential property manager, ensure utility statements are compliant with Code requirements.

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			<ul style="list-style-type: none"> <li>▶ Meter identification number not included.</li> <li>▶ Missing statement regarding available assistance for payment difficulties.</li> <li>▶ Missing telephone number for the electricity ombudsman.</li> <li>▶ Missing 24hr telephone number for faults and emergencies.</li> <li>▶ Usage comparison bar chart incorrectly labelling electricity consumption for the bill period, last bill period and same bill period last year.</li> </ul> <p>(EVIDENCE: McGees INV. NOS. 109186, 115498, 118903) (EVIDENCE: RMA INV. NOS. IV2684166, IV2684164)</p>				
156	C5.1	Code of Conduct clause 4.5(3) If a retailer identifies and wishes to bill a customer for a historical debt, the retailer must advise the customer of the amount of the historical debt and its basis, before, with or on the customer's next bill.	Not Rated – McGees and RMA did not have customers with historical debt over the audit period.	5	NP	NR	
157	C5.1	Code of Conduct clause 4.6(1) A retailer must base a customer's bill on the following: <ul style="list-style-type: none"> <li>the distributor's or metering agent's reading of the meter at the customer's supply address;</li> <li>the customer's reading of the meter in the circumstances specified in subclause</li> </ul>	<p>Section 8.3 of the Standard Form Contract states that "The Customer's consumption will be determined by a reading of the meter placed at the supply address".</p> <p>PFM are responsible for monthly meter readings and forwarding this information to McGees and RMA as appropriate.</p> <p>The audit sighted Tax Invoices provided to customers</p>	5	NP	1	

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		<p>4.6(1)(b); or</p> <ul style="list-style-type: none"> <li>where the connection point is a type 7 connection point, the procedure as set out in the metrology procedure or Metering Code.</li> </ul>	<p>by McGees and RMA and confirmed that the content of these bills were compliant with this clause.</p> <p>It is understood that customers did not read their own meters during the audit period.</p> <p>(EVIDENCE: McGees INV. NOS. 109186, 118903) (EVIDENCE: RMA INV. NOS. IV2684166, IV2684164)</p>				
158	C5.1	<p>Code of Conduct clause 4.7</p> <p>Other than in respect of a Type 7 connection, a retailer must use its best endeavours to ensure that meter reading data is obtained as frequently as is required to prepare its bills; and, in any event, at least once every 12 months.</p>	<p>► PFM's "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure" provides for monthly meter readings. This refers to the Electricity Industry Metering Code 2005. The applicable Code is now the Electricity Industry Metering Code 2012.</p> <p>The audit confirmed that meter readings are taken monthly and recorded in spreadsheets, sighted electrical meter readings for:</p> <ul style="list-style-type: none"> <li>Oct-Sep 2013</li> <li>Jan-Feb 2014.</li> </ul> <p>Customer bills were sighted during the audit. The bills showed meter data consistent with a monthly billing cycle.</p> <p>(EVIDENCE: McGees INV. NOS. 109186, 118903) (EVIDENCE: RMA INV. NOS. IV2684166, IV2684164) (EVIDENCE: Rottnest Metering Database Spreadsheet)</p>	5	B	1	<p>8. [OFI] Update Meter Readings Monthly Procedure to refer to Electricity Industry Metering Code 2012 and associated clauses.</p>
159	C5.1	<p>Code of Conduct clause 4.8(1)</p> <p>If a retailer is unable to reasonably base a bill on a reading of the meter, a retailer must give the</p>	<p>Not Rated – The audit confirmed with McGees, RMA and PFM that no bill estimates were necessary during the audit period.</p> <p>PFM's "PRO-RNI-I03-033-1 Meter Readings Monthly</p>	5	NP	NR	Refer to OFI no 8 at Obligation 158.

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		customer an estimated bill.	Procedure" provides for monthly meter readings and for estimation of reading where meter data is unavailable.  The audit found that for instances during the audit period where a meter reading could not be taken due to no meter access, customers were only billed on the following cycle based on actual meter readings.				
160	C5.1	Code of Conduct clause 4.8(2) In circumstances where the customer's bill is estimated, a retailer must specify in a visible and legible manner on the customer's bill the information detailed in subclause 4.8(2).	Not Rated as per Obligation 159.	5	NP	NR	
161	C5.1	Code of Conduct clause 4.8(3) Upon request, a retailer must inform a customer of the basis and the reason for the estimation.	Not Rated – McGees and RMA did not receive any customer requests with respect to estimation over the audit period.	5	NP	NR	
162	C5.1	Code of Conduct clause 4.9 If a retailer gives a customer an estimated bill, and the meter is subsequently read, the retailer must include an adjustment on the next bill to take account of the actual meter reading in accordance with clause 4.19.	Not Rated as per Obligation 159.	5	NP	NR	
163	C5.1	Code of Conduct clause 4.10 A retailer must use its best endeavours to replace an estimated bill with a bill based on an actual reading if the customer satisfies the requirements as specified in subclause 4.10.	Not Rated – McGees and RMA did not have any instances of bill estimation over the audit period.	5	NP	NR	
164	C5.1	Code of Conduct clause 4.11(1) If a customer requests the meter to be tested and	Not Rated – Although there were instances of RIA advising of the charges for meter testing, in no cases	5	NP	NR	



Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		pays a retailer's reasonable charge (if any) for doing so, a retailer must request the distributor or metering agent to do so.	did customers accept the charge and request for the meter(s) in question to be tested during the audit period.  (EVIDENCE: Electrical Customer Complaints Reporting Registers – 2013/2014 and 2014/2015)				
165	C5.1	Code of Conduct clause 4.11(2) If the meter is tested and found to be defective, the retailer's reasonable charge for testing the meter (if any) is to be refunded to the customer.	Not Rated – There were no test requests and therefore no meter defects found during the audit period.  However, the Standard Form Contract provides for a refund of the fee if such tests show that a meter is defective (Section 22).	5	NP	NR	
166	C5.1	Code of Conduct clause 4.12(1) If a retailer offers alternative tariffs and a customer applies to receive an alternate tariff (and demonstrates to the retailer that they satisfy the conditions of eligibility), a retailer must change the customer to an alternate tariff within 10 business days of the customer satisfying those conditions.	Not Applicable – there is only one tariff offered by the RIA throughout Rottnest Island.	NA	NA	NA	
167	C5.1	Code of Conduct clause 4.13 If a customer's electricity use changes and the customer is no longer eligible to continue to receive an existing, more beneficial tariff, a retailer must give the customer written notice prior to changing the customer to an alternative tariff.	Not Applicable – there is only one tariff offered by the RIA throughout Rottnest Island.	NA	NA	NA	
168	C5.1	Code of Conduct clause 4.14(1) If a customer requests a retailer to issue a final bill at the customer's supply address, a retailer	The audit confirmed with McGees and RMA that bills are sent as per customer instructions, including any requirement for a final bill.	5	NP	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		must use reasonable endeavours to arrange for that final bill in accordance with the customer's request.	There were no disconnections during the audit period, however, the Bakery lease was reassigned to the IGA supermarket as a new lease undertaking.				
169	C5.1	Code of Conduct clause 4.14(2) Subject to subclause 4.14(3), if a customer's account is in credit at the time of account closure, the retailer must transfer the amount of credit to another account the customer has with the retailer; or a bank account nominated by the customer within 12 business days or other agreed time, in accordance with the customer's instructions.	Not Rated – There were no customers in credit during the audit period.	5	NP	NR	
170	C5.1	Code of Conduct clause 4.14(3) If a customer's account is in credit at the time of account closure and the customer owes a debt to the retailer, the retailer may use that credit to set off the debt owed to the retailer by giving the customer written notice. If any amount remains after the set off, the retailer must ask the customer for instructions to transfer the remaining amount in accordance with subclause 4.14(2).	Not Rated – There were no customers in credit during the audit period.	5	NP	NR	
171	C5.1	Code of Conduct clause 4.15 Subject to a customer paying that portion of the bill under review that a customer and a retailer agree is not in dispute, or an amount equal to the average amount of the customer's bill over the previous 12 months (excluding the bill in dispute, whichever is less), and paying any future bills that are properly due, a retailer must review the customer's bill on request by the customer.	Review of customers' bills is covered by clause 8.6 of the Standard Form Contract. If a review is required, the RIA's practice is to respond to customers' requests within 10 business days and in writing. This requirement is also recorded as part of the Electrical Customer Complaints Reporting Register.  There were several review requests during the audit period as per the Electrical Customer Complaints Reporting Registers – 2013/2014 and 2014/2015.	5	A	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			<p>RIA action / responses include reviewing meter readings, identification of faulty equipment causing higher than normal electricity consumption and bringing forward meter replacements.</p> <p>In all cases customer requests were acknowledged by the RIA within 10 business days.</p>				
172	C5.1	<p>Code of Conduct clause 4.16(1)(a)</p> <p>If a review of a bill has been conducted and the retailer is satisfied that the bill is correct, the retailer may require a customer to pay the unpaid amount; must advise the customer that the customer may request the retailer to arrange a meter test in accordance with the applicable law; and must advise the customer of the existence and operation of the retailer's internal complaints handling processes and details of any applicable external complaints handling processes.</p>	<p>The Standard Form Contract provides the customer with a summary of the complaint handling process and clarifies the customer's entitlement to refer the matter to the Ombudsman, request a meter test and have an additional review by a senior employee of the retailer.</p> <p>The RIA have available on their website the Utilities Customer Complaints Procedure and a Utilities Customer Complaints Form.</p> <p>As per the Electrical Customer Complaints Reporting Registers, correspondence from the following two complaints were audited:</p> <ul style="list-style-type: none"> <li>• EC001 2013/2014</li> <li>• EC002 2014/2015.</li> </ul> <p>► While customers are aware of the Standard Form Contract upon the execution of their business premise leases, the Code requires that a customer's entitlement to further review is reiterated upon each complaint. In this regard, the audit found that customers were not advised as per</p>	5	B	2	<p>9. Prepare and utilise a standard template when advising customers of the outcome of all bill reviews / complaints, referring to the Standard Form Contract and Utilities Customer Complaints Procedure either via website link or email attachment.</p> <p>10. Modify the Utilities Customer Complaints Procedure for consistency with the Standard Form Contract and include a customer's right for a meter test.</p>

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			<p>Code requirements for the two complaints above.</p> <ul style="list-style-type: none"> <li>▶ While RMA have been advised by the RIA to refer customer's making a complaint to the "Utilities Customer Complaints Procedure" and there is evidence of this occurring on at least one occasion in an email to the Rottnest Hotel on 28 August 2014, it does not appear that this is routinely and consistently done for each and every complaint.</li> <li>▶ The "Utilities Customer Complaints Procedure" does not specifically refer to a customer's right for a meter test.</li> </ul> <p>Also refer to Obligations 300 and 481.</p>				
173	C5.1	<p>Code of Conduct clause 4.16(1)(b)</p> <p>If a review of the bill has been conducted and a retailer is satisfied that the bill is incorrect, a retailer must adjust the bill in accordance with clauses 4.17 and 4.18.</p>	<p>There were four instances of overcharging during the audit period – one of which resulted in a bill credit in the next billing cycle with the remainder all resulting in invoices being re-issued with correct meter readings (i.e. customers were not owed any credit as they had not yet paid).</p> <p>For the one instance resulting in a bill credit, no fault was found with the electricity meter, but rather a faulty Hot Water System (i.e. the incorrect electricity consumption was consequential and not directly related to an electrical fault).</p> <p>Based on the understanding of all four complaints, we believe that the HWS complaint falls outside the Code and all three remaining customers were all informed in accordance with the requirements of the Code.</p> <p>(EVIDENCE: Electrical Customer Complaints</p>	5	NP	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			Reporting Registers – 2013/2014 and 2014/2015)				
174	C5.1	Code of Conduct clause 4.16(2) The retailer must inform a customer of the outcome of the review of a bill as soon as practicable.	The Standard Form Contract (section 8.6) provides for the RIA to address the review of bills within 20 business days. This requirement is also recorded as part of the Electrical Customer Complaints Reporting Register.  All requests for reviews during the audit period were completed within this time frame.  (EVIDENCE: Electrical Customer Complaints Reporting Registers – 2013/2014 and 2014/2015)	5	A	1	
175	C5.1	Code of Conduct clause 4.16(3) If the retailer has not informed a customer of the outcome of the review of a bill within 20 business days from the date of receipt of the request for review, the retailer must provide the customer with notification of the status of the review as soon as practicable.	Not Rated – All customers who requested a bill review during the audit period were advised of outcome within 20 business days.	5	NP	NR	
176	C5.1	Code of Conduct clause 4.17(2) If a retailer proposes to recover an amount undercharged as a result of an error, defect, or default for which the retailer or distributor is responsible (including where a meter has been found to be defective), a retailer must do so in the manner specified in subclause 4.17(2).	Not Rated – The RIA did not propose to recover any amounts undercharged during the audit period.  The Standard Form Contract provides for the recovery by RIA of any undercharged amount; if the error resides with the RIA, only the amount applicable to the preceding 12 months will be claimed.	5	NP	NR	
177	C5.1	Code of Conduct clause 4.18(2) If a customer (including a customer who has vacated the supply address) has been overcharged as a result of an error, defect, or	As per Obligation 173.  The overcharge and subsequent credit for the HWS replacement is considered consequential and not the direct result of an electrical fault on behalf of the	5	NP	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		default for which a retailer or distributor is responsible (including where a meter has been found to be defective), a retailer must use its best endeavours to inform the customer within 10 business days of a retailer becoming aware of the error, defect, or default, and, subject to subclauses 4.18(6) and 4.18(7), ask the customer for instructions as to whether the amount should be credited to the customer's account or repaid to the customer.	licensee; this is considered outside the requirements of the Code.  The Standard Form Contract provides for refund by the RIA of any overcharged amounts.  (EVIDENCE: EC002, Electrical Customer Complaints Reporting Registers – 2013/2014)				
178	C5.1	Code of Conduct clause 4.18(3)  A retailer must pay the amount overcharged in accordance with the customer's instructions within 12 business days of receiving the instructions.	Not Rated – There were no instances where an overcharge required a refund to a customer during the audit period.  (EVIDENCE: Electrical Customer Complaints Reporting Registers – 2013/2014 and 2014/2015)	5	NP	NR	
179	C5.1	Code of Conduct clause 4.18(4)  In circumstances where instructions regarding repayment of an overcharged bill are not received within 20 business days of a retailer making the request, a retailer must use reasonable endeavours to credit the amount overcharged to the customer's account.	Not Rated – There were no instances where an overcharge required a refund to a customer during the audit period.  (EVIDENCE: Electrical Customer Complaints Reporting Registers – 2013/2014 and 2014/2015)	5	NP	NR	
180	C5.1	Code of Conduct clause 4.18(6)  Where the amount overcharged is less than \$75, refer to subclause 4.18(6) as to how a retailer may proceed to deal with the matter.	Not Rated – There were no instances where an overcharge required a refund to a customer during the audit period.  (EVIDENCE: Electrical Customer Complaints Reporting Registers – 2013/2014 and 2014/2015)	5	NP	NR	
181	C5.1	Code of Conduct clause 4.18(7)	Not Rated – No instances of amount overcharged used	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		The retailer may, by giving the customer written notice, use an amount overcharged to set off a debt owed to the retailer provided that the customer is not a residential customer experiencing payment difficulties or financial hardship, or making payments under an alternative payment arrangement. If, after the set off, an amount less than \$75 remains, the retailer must deal with that amount in accordance with subclause 4.18(6). If the amount is \$75 or more, the retailer must deal with it in accordance with subclause 4.18(2).	to set off debt during the audit period.				
182	C5.1	Code of Conduct clause 4.19(1) If a retailer proposes to recover from a customer an amount of an adjustment which does not arise due to any act or omission of the customer, a retailer must comply with subclause 4.19(1).	Not Rated – No recovery of amounts due to adjustments occurred during the audit period.	5	NP	NR	
183	C5.1	Code of Conduct clause 4.19(2) If the meter is read pursuant to either clause 4.6 or clause 4.3(2)(d) and the amount of the adjustment is an amount owing to the customer, the retailer must use its best endeavours to inform the customer accordingly within 10 business days and, subject to subclauses 4.19(5) and 4.19(7), ask the customer for instructions about the repayment of the amount owing.	Not Rated – As per Obligation 173, three of the four adjustments during the audit period did not result in an amount owing to the customer (bills reissued). For the case where a credit did arise, this was not due to an incorrect meter reading, but faulty equipment not directly related to the provision of electricity.  (EVIDENCE: Electrical Customer Complaints Reporting Registers – 2013/2014 and 2014/2015)	5	NP	NR	
184	C5.1	Code of Conduct clause 4.19(3) If a retailer received instructions under subclause 4.19(2), the retailer must pay the amount in accordance with the customer's instructions	Not Rated as per Obligation 183.	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		within 12 business days of receiving the instructions.					
185	C5.1	Code of Conduct clause 4.19(4) If a retailer does not receive instructions under subclause 4.19(2), within 5 business days of making the request, the retailer must use reasonable endeavours to credit the amount of the adjustment to the customer's account.	Not Rated as per Obligation 183.	5	NP	NR	
186	C5.1	Code of Conduct clause 4.19(7) The retailer may, by giving the customer written notice, use the amount of an adjustment to set off a debt owed to the retailer provided that the customer is not a residential customer experiencing payment difficulties or financial hardship, or making payments under an alternative payment arrangement. If, after the set off, an amount less than \$75 remains, the retailer must deal with that amount in accordance with subclause 4.19(5). If the amount is \$75 or more, the retailer must deal with it in accordance with subclause 4.19(2).	Not Rated – No adjustments used to set off debt during the audit period.	5	NP	NR	
		<b>PAYMENT</b>					
187	C5.1	Code of Conduct clause 5.1 The due date on the bill must be at least 12 business days from the date of that bill. Unless a retailer specifies a later date, the date of dispatch is the date of the bill.	The McGees Tax Invoice No. 118903 has an Invoice Date of 1/09/2014 and Due Date of 21/09/2014, beyond the 12 business day requirement. A bill due date was unclear on the 2013 sample, Inv. No. 109186 – it is understood that this was prior to the change in the templates, resulting from non-compliances discovered during the previous audit cycle.	5	A	2	Recommendation as per Obligation 131 – As part of the tendering process for a new residential property manager, ensure utility statements are compliant with Code requirements.



Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			<p>► RMA invoices IV2684166 and IV2684164 (both dated 7/08/13) have their Date Due set the same as the Invoice Date. The RMA invoice IV3226645, has an Invoice Date of 05/02/2015 and Due Date of 28/02/2015, beyond the 12 business day requirement.</p> <p>The RIA confirmed that the first invoices issued with compliant due dates was April 2014 for McGees (INV. NO. 115498) and May 2013 for RMA (IV2592320).</p> <p>► The audit found that there were at least two non-compliant RMA invoices (IV2684166 and IV2684164, both dated 7/08/13) even after the bill templates had been used and revised in May 2013 (IV2592320).</p> <p>(EVIDENCE: McGees INV. NOS. 109186, 118903, 115498) (EVIDENCE: RMA INV. NOS. IV2684166, IV2684164, IV3226645, IV2592320)</p>				
188	C5.1	<p>Code of Conduct clause 5.2</p> <p>A retailer must offer the following specified minimum payment methods: in person at one or more payment outlets located within the Local Government District of the customer's supply address; by mail; for residential customers, by Centrepay; electronically by means of BPay or credit card; and by telephone by means of credit</p>	<p>► The McGees bill examined shows payment can be made by phone, in person, by mail (cheque) and direct credit (electronically). Credit card payment is not offered by phone and electronically. BPay is also not offered as an electronic payment method.</p> <p>► The RMA bills examined only show direct credit as</p>	5	B	2	11. Confer with the Authority with respect to the practicality of offering and adding all minimum payment methods as per Code requirements.

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		card.	an electronic payment method.  (EVIDENCE: McGees INV. NOS. 109186, 118903) (EVIDENCE: RMA INV. NOS. IV2684166, IV2684164)				
189	C5.1	Code of Conduct clause 5.3 A retailer must, prior to commencing a direct debit facility, obtain the customer's verifiable consent and agree with the customer the date of commencement of the direct debit facility and the frequency of the direct debits.	Not Applicable – McGees and RMA do not offer direct debit as a payment method, nor has it been requested by customers.  The audit found that both direct debit and Centrepay is offered in the Standard Form Contract, clause 8.5. While McGees offers Centrepay, RMA does not – this is only a Code requirement for residential customers.  ► The Standard Form Contract also indicates payment can be made in person at the Contract Services office, Rottnest Island. Neither McGees or RMA indicate that payment in person is accepted at this location.	NA	NA	NA	12. [OFI] Ensure consistency between Standard Form Contract and available payment methods / locations.
190	C5.1	Code of Conduct clause 5.4 Upon request, a retailer must accept payment in advance from a customer. Acceptance of an advance payment will not require a retailer to credit any interest to the amounts paid in advance. The minimum amount for which a retailer will accept an advance payment is \$20.	Not Rated – No customers have requested McGees or RMA to receive payments in advance over the audit period.	5	NP	NR	
191	C5.1	Code of Conduct clause 5.5 If a customer is unable to pay by way of the methods described in clause 5.2, due to illness or	Not Applicable – There are no residential customers on Rottnest Island.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		absence, a retailer must offer a residential customer a redirection of the customer's bill to a third person at no charge.					
192	C5.1	Code of Conduct clause 5.6(1) A retailer must not charge a residential customer a late payment fee in the circumstances specified in subclause 5.6(1).	Not Applicable – There are no residential customers on Rottnest Island.	NA	NA	NA	
193	C5.1	Code of Conduct clause 5.6(2) If a retailer has charged a late payment fee in the circumstances set out in subclause 5.6(1)(c) because the retailer was not aware of the complaint, the retailer must refund the late payment fee on the customer's next bill.	Not Applicable – There are no residential customers on Rottnest Island.	NA	NA	NA	
194	C5.1	Code of Conduct clause 5.6(3) A retailer must not charge an additional late payment fee in relation to the same bill within 5 business days from the date of receipt of the previous late payment fee notice.	Not Applicable – There are no residential customers on Rottnest Island.	NA	NA	NA	
195	C5.1	Code of Conduct clause 5.6(4) A retailer must not charge a residential customer more than 2 late payment fees in relation to the same bill or more than 12 late payment fees in a year.	Not Applicable – There are no residential customers on Rottnest Island.	NA	NA	NA	
196	C5.1	Code of Conduct clause 5.6(5) If a residential customer has been assessed as being in financial hardship, a retailer must retrospectively waive any late payment fee charged to the residential customer's last bill prior	Not Applicable – There are no residential customers on Rottnest Island.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		to the assessment being made.					
197	C5.1	Code of Conduct clause 5.7(1) A retailer must not require a customer who has vacated a supply address to pay for electricity consumed at the customer's supply address in the circumstances specified in subclause 5.7(1).	The Standard Form Contract, sections 10.2-10.3 specifies the process for vacating premises and final billing.  McGees – There was one account closure during the audit period, being the Bakery. The lease was assigned to the IGA supermarket and all accounts were settled at closure.  RMA – While individuals do frequently move in/out of supply addresses, these are not generally vacated from the point of view of the ultimate customers, the businesses.	5	NP	1	.
198	C5.1	Code of Conduct clause 5.7(2) If a customer reasonably demonstrates to a retailer that the customer was evicted or otherwise required to vacate a supply address, a retailer must not require a customer to pay for electricity consumed at the customer's supply address from the date the customer gave the retailer notice.	Not Rated – No instances of customers evicted or required to vacate a supply address over the audit period.	5	NP	NR	
199	C5.1	Code of Conduct clause 5.7(4) Notwithstanding subclauses 5.7(1) and (2), a retailer must not require a previous customer to pay for electricity consumed at the supply address in the circumstances specified in subclause 5.7(4).	Not Rated – As per Obligations 197 and 198.	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
200	C5.1	Code of Conduct clause 5.8(1) A retailer must not commence proceedings for recovery of a debt from a residential customer who meets the criteria in subclause 5.8(2).	Not Applicable – There are no residential customers on Rottneest Island.	NA	NA	NA	
201	C5.1	Code of Conduct clause 5.8(2) A retailer must not recover or attempt to recover a debt relating to a supply address from a person other than the customer with whom the retailer has or had entered into a contract for the supply of electricity to that supply address.	Not Rated – McGees and RMA reported no attempts of debt recovery over audit period.	5	NP	NR	
		<b>PAYMENT DIFFICULTIES &amp; FINANCIAL HARDSHIP</b>					
202	C5.1	Code of Conduct clause 6.1(1) If a residential customer informs a retailer that the residential customer is experiencing payment problems, a retailer must assess whether a residential customer is experiencing payment difficulties or financial hardship within 3 business days, or the retailer must refer the residential customer to an independent financial counsellor or relevant consumer representative organisation to make the assessment.	Not Applicable – There are no residential customers on Rottneest Island.  A letter from RIA CEO Paolo Amaranti to the Authority dated 25 March 2015 confirms that the RIA is not required to submit a Financial Hardship Policy.	NA	NA	NA	
203	C5.1	Code of Conduct clause 6.1(3) When undertaking an assessment regarding payment difficulties or financial hardship, unless a retailer adopts an assessment from an independent financial counsellor or relevant consumer representative organisation, a retailer must give reasonable consideration to the	Not Applicable as per Obligation 202.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		information given by the residential customer and requested or held by the retailer; or any advice given by an independent financial counsellor or relevant consumer representative organisation.					
204	C5.1	Code of Conduct clause 6.1(4) Upon request, a retailer must advise a residential customer of the details and outcome of an assessment carried out under subclause 6.1(1).	Not Applicable as per Obligation 202.	NA	NA	NA	
205	C5.1	Code of Conduct clause 6.2(1) A retailer must grant a residential customer a temporary suspension of actions if the residential customer is referred to an independent financial counsellor or relevant consumer representative organisation under subclause 6.1(1)(b).	Not Applicable as per Obligation 202.	NA	NA	NA	
206	C5.1	Code of Conduct clause 6.2(2) A retailer must not unreasonably deny a residential customer's request for a temporary suspension of actions if the customer informs the retailer that the customer is experiencing payment problems and demonstrates to the retailer that the customer has made an appointment with a relevant consumer representative organisation or provides the retailer with an assessment from an independent financial counsellor or relevant consumer representative.	Not Applicable as per Obligation 202.	NA	NA	NA	
207	C5.1	Code of Conduct clause 6.2(3) A retailer must allow a temporary suspension of actions for a period of at least 15 business days.	Not Applicable as per Obligation 202.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
208	C5.1	Code of Conduct clause 6.2(4) A retailer must give reasonable consideration to a request by a residential customer or relevant consumer representative organisation to allow additional time to assess a residential customer's capacity to pay.	Not Applicable as per Obligation 202.	NA	NA	NA	
209	C5.1	Code of Conduct clause 6.3(1)(a) In circumstances where a residential customer is assessed as experiencing payment difficulties, a retailer must offer the alternative payment arrangements referred to in subclause 6.4(1) and advise the residential customer that additional assistance may be available if, due to financial hardship, the residential customer would be unable to meet its obligations under an agreed alternative payment arrangement.	Not Applicable as per Obligation 202.	NA	NA	NA	
210	C5.1	Code of Conduct clause 6.3(1)(b) In circumstances where a residential customer is assessed as experiencing financial hardship, a retailer must offer the alternative payment arrangements referred to in subclause 6.4(1) and assistance in accordance with clauses 6.6 to 6.9	Not Applicable as per Obligation 202.	NA	NA	NA	
211	C5.1	Code of Conduct clause 6.4(1)(a) If the residential customer is experiencing payment difficulties, a retailer must offer the residential customer at least the following payment arrangements: additional time to pay a bill; and if requested by the residential customer, an	Not Applicable as per Obligation 202.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		interest-free and fee-free instalment plan or other arrangement under which the residential customer is given additional time to pay a bill or to pay arrears (including any disconnection and reconnection charges), while being permitted to continue consumption.					
212	C5.1	Code of Conduct clause 6.4(1)(b) If the residential customer is experiencing financial hardship, a retailer must offer the residential customer at least the following payment arrangements: additional time to pay a bill; and an interest-free and fee-free instalment plan or other arrangement under which the residential customer is given additional time to pay a bill or to pay arrears (including any disconnection and reconnection charges), while being permitted to continue consumption.	Not Applicable as per Obligation 202.	NA	NA	NA	
213	C5.1	Code of Conduct clause 6.4(2) When offering or amending an instalment plan to a residential customer experiencing payment difficulties or financial hardship, a retailer must comply with subclause 6.4(2).	Not Applicable as per Obligation 202.	NA	NA	NA	
214	C5.1	Code of Conduct clause 6.4(3) If a residential customer accepts an instalment plan offered by the retailer, the retailer must, within 5 business days, provide the residential customer with the information specified in subclause 6.4(3)(a), and notify the residential	Not Applicable as per Obligation 202.	NA	NA	NA	



Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		customer of any amendments to the instalment plan at least 5 business days before they come into effect.					
215	C5.1	Code of Conduct clause 6.6(1) A retailer must give reasonable consideration to a request by a customer experiencing financial hardship, or a relevant consumer representative organisation, for a reduction of the customer's fees, charges or debt.	Not Rated – McGees and RMA did not report any customer claims of financial hardship during the audit period.	5	NP	NR	
216	C5.1	Code of Conduct clause 6.6(2) In giving reasonable consideration under subclause 6.6(1), a retailer should refer to the hardship procedures referred to in subclause 6.10(3).	Not Rated as per Obligation 215.	5	NP	NR	
217	C5.1	Code of Conduct clause 6.7 Where it is reasonably demonstrated to the retailer that the customer experiencing financial hardship is unable to meet the customer's obligations under the previously elected payment arrangement, a retailer must give reasonable consideration to offering the customer an instalment plan or offering to revise an existing instalment plan.	Not Rated as per Obligation 215.	5	NP	NR	
218	C5.1	Code of Conduct clause 6.8 A retailer must advise a customer experiencing financial hardship of the following: a customer's right to have the bill redirected to a third person, at no charge; payment methods available to the customer; concessions available to the customer	Not Rated as per Obligation 215.	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		and how to access them; different types of meters available to the customer and/or tariffs; independent financial counselling available to the customer; and the availability of any other financial assistance and grants schemes.					
219	C5.1	Code of Conduct clause 6.9(1) A retailer must determine the minimum payment in advance amount, as referred to in subclause 5.4(3), for residential customers experiencing payment difficulties or financial hardship in consultation with relevant consumer representative organisations.	Not Rated as per Obligation 215.	5	NP	NR	
220	C5.1	Code of Conduct clause 6.10(1) A retailer must develop a hardship policy and hardship procedures to assist customers experiencing financial hardship in meeting their financial obligations and responsibilities to the retailer.	Not Applicable as per Obligation 202.	NA	NA	NA	
221	C5.1	Code of Conduct clause 6.10(2) A retailer must ensure that its hardship policy complies with the criteria specified in subclause 6.10(2).	Not Applicable as per Obligation 202.	NA	NA	NA	
222	C5.1	Code of Conduct clause 6.10(3) A retailer must ensure that its hardship procedures comply with the criteria specified in subclause 6.10(3).	Not Applicable as per Obligation 202.	NA	NA	NA	
223	C5.1	Code of Conduct clause 6.10(4) If requested, a retailer must give residential	Not Applicable as per Obligation 202.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		customers, financial counsellors and relevant consumer representative organisations a copy of the retailer's hardship policy, including by post, at no charge.					
224	C5.1	Code of Conduct clause 6.10(5) A retailer must keep a record of the following: the relevant consumer representative organisations consulted on the contents of its hardship policy and hardship procedures; the dates the hardship policy and hardship procedures were established; the dates the hardship policy and hardship procedures were reviewed; and the dates the hardship policy and hardship procedures were amended.	Not Applicable as per Obligation 202.	NA	NA	NA	
225	C5.1	Code of Conduct clause 6.10(6) If a retailer reviews its hardship policy and hardship procedures, the retailer must submit to the Authority the results of that review within 5 business days after it is completed.	Not Applicable as per Obligation 202.	NA	NA	NA	
226	C5.1	Code of Conduct clause 6.10(7) The retailer must comply with the Authority's Financial Hardship Policy Guidelines.	Not Applicable as per Obligation 202.	NA	NA	NA	
227	C5.1	Code of Conduct clause 6.10(8) If a retailer amends its hardship policy, the retailer must submit to the Authority a copy of the retailer's hardship policy within 5 business days of the amendment.	Not Applicable as per Obligation 202.	NA	NA	NA	
228	C5.1	Code of Conduct clause 6.11	Not Rated – McGees and RMA did not report any	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		A retailer must consider any reasonable request for alternative payment arrangements from a business customer who is experiencing payment difficulties.	business customers requesting alternative payment arrangements during the audit period.				
		<b>DISCONNECTION</b>					
229	C5.1	Code of Conduct clause 7.1(1) Prior to arranging for disconnection of a customer's supply address for failure to pay a bill, a retailer must: give the customer a reminder notice not less than 13 business days from the date of dispatch of the bill, including the information specified in subclause 7.1(1)(a); use its best endeavours to contact the customer; and give the customer a disconnection warning, in the manner and timeframes specified in subclause 7.1(1)(c).	Not Rated – McGees and RMA did not report any disconnections for failure to pay a bill during the audit period.	5	NP	NR	
230	C5.1	Code of Conduct clause 7.2(1) A retailer must not arrange for disconnection of a customer's supply address for failure to pay a bill in the circumstances specified in subclause 7.2(1).	Not Rated as per Obligation 229.	5	NP	NR	
231	C5.1	Code of Conduct clause 7.3 In relation to dual fuel contracts, a retailer must not arrange for disconnection of the customer's supply address for failure to pay a bill within 15 business days from arranging for disconnection of the customer's gas supply.	Not Rated as per Obligation 229.	5	NP	NR	
232	C5.1	Code of Conduct clause 7.4(1)	Not Rated – McGees and RMA did not report any	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		A retailer must not arrange for the disconnection of a customer's supply address for denying access to the meter unless the conditions specified in subclause 7.4(1) are satisfied.	disconnections for denying access to the meter during the audit period.				
233	C5.1	Code of Conduct clause 7.5 A distributor who disconnects a customer's supply address for emergency reasons must provide a 24-hour emergency line and use its best endeavours to restore supply as soon as possible.	PFM has implemented the "Electrical Disaster Recovery Plan, Business Continuity Planning" dated 29/12/11. The plan includes for the provision of emergency supply in the case of a loss of supply, such as portable diesel generators being bought over from the main land should the need arise.  A 24hr fault number provided by PFM directs to Rottnest Island only during Summer. Outside of this peak period, the number is directed to a PFM call centre in Sydney. In either case, calls dispatch out actions on a priority basis as appropriate.  The Outage Registers during the audit period show that responses to both planned and unplanned outages was reasonable.	2	A	1	
234	C5.1	Code of Conduct clause 7.6 Subject to subclause 7.6(3), a retailer or distributor must comply with the limitations specified in clause 7.6 when arranging for disconnection or disconnecting a customer's supply address.	The audit did not find disconnections resulting from customer complaints.  The Outage Registers during the audit period showed that all: <ul style="list-style-type: none"> <li>unplanned outages were triggered for emergency reasons; and</li> <li>planned outages were reasonably managed.</li> </ul>	2	A	1	
235	C5.1	Code of Conduct clause 7.7(1)	Not Rated – there were no life support supply addresses registered on Rottnest Island during the	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		Where a customer provides a retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the customer's supply address requires life support equipment, the retailer must comply with subclause 7.7(1).	audit period.				
236	C5.1	Code of Conduct clause 7.7(2) Where a customer registered with a retailer under subclause 7.7(1) notifies the retailer of a change of the customer's supply address or contact details the retailer must undertake the actions specified in subclause 7.7(2).	Not Rated as per Obligation 235.	5	NP	NR	
236A	C5.1	Code of Conduct clause 7.7(2) Where a customer registered with a retailer under subclause 7.7(1) notifies the retailer of a change of the customer's life support equipment, or that the customer no longer requires registration as a life support customer the retailer must undertake the actions specified in subclause 7.7(2).	Not Rated as per Obligation 235.	5	NP	NR	
237	C5.1	Code of Conduct clause 7.7(3) Where a distributor has been informed by a retailer under subclause 7.7(1)(c) or by a relevant government agency that a person residing at a customer's supply address requires life support equipment, or of a change of the customer's supply address or contact details under subclause 7.7(2), the distributor must comply with subclause 7.7(3).	Not Rated as per Obligation 235.	5	NP	NR	
237A	C5.1	Code of Conduct clause 7.7(3)	Not Rated as per Obligation 235.	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		Where a distributor has been informed by a retailer of a change of the customer's life support equipment, or that the customer no longer requires registration as a life support customer under subclause 7.7(2), the distributor must comply with subclause 7.7(3).					
238	C5.1	Code of Conduct clause 7.7(4) Where life support equipment is registered at a customer's supply address under subclause 7.7(3), the distributor must: not disconnect the customer's supply address for failure to pay a bill while the person continues to reside at that address and requires the use of life support equipment; and prior to any planned interruption, provide at least 3 business days written or electronic notice to the customer's supply address and use best endeavours to obtain acknowledgement (by verbal, written or electronic means) from the customer that the notice has been received, unless expressly requested in writing by the customer not to,.	Not Rated as per Obligation 235.	5	NP	NR	
239	C5.1	Code of Conduct clause 7.7(5) Where the distributor has already provided notice of a planned interruption under the Network Quality and Reliability of Supply Code 2005 that will affect a supply address prior to the distributor registering the customer's supply address as a life support equipment address, the distributor must use best endeavours to contact that	Not Rated as per Obligation 235.	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		customer or someone residing at the supply address prior to the planned interruption.					
240	C5.1	Code of Conduct clause 7.7(6) A retailer must contact the customer to ascertain whether life support equipment is required or to request recertification in the manner and circumstances specified in subclause 7.7(6).	Not Rated as per Obligation 235.	5	NP	NR	
241	C5.1	Code of Conduct clause 7.7(7) A retailer or a distributor must remove the customer's details from the life support equipment register in the circumstances and timeframes specified in subclause 7.7(7).	Not Rated as per Obligation 235.	5	NP	NR	
		<b>RECONNECTION</b>					
242	C5.1	Code of Conduct clause 8.1(1) A retailer must arrange for reconnection of the customer's supply address if the customer remedies their breach, makes a request for reconnection, and pays the retailer's reasonable charges (if any) for reconnection, or accepts an offer of an instalment plan for the retailer's reasonable charges.	Not Rated – McGees and RMA did not report any reconnections relevant to this clause during the audit period.	5	NP	NR	
243	C5.1	Code of Conduct clause 8.1(2) A retailer must forward the request for reconnection to the relevant distributor within the timeframes specified in subclause 8.1(2).	Not Applicable – the RIA has an integrated regional license on the Island. The licensee is both the retailer and the distributor.	NA	NA	NA	
244	C5.1	Code of Conduct clause 8.2 A distributor must reconnect the customer's	Not Applicable – the RIA has an integrated regional license on the Island. The licensee is both the retailer	NA	NA	NA	



Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		supply address upon the request of a retailer within the timeframes specified in subclause 8.2(2).	and the distributor.				
		<b>PRE-PAYMENT METERS</b>					
245	C5.1	Code of Conduct clause 9.1(2) A distributor may only operate a pre-payment meter and a retailer may only offer a pre-payment meter service in an area that has been declared by the Minister by notice published in the <i>Government Gazette</i> .	Not Applicable – prepayment meters are not used on Rottnest Island.	NA	NA	NA	
246	C5.1	Code of Conduct clause 9.2(1) A retailer must not provide a pre-payment meter service at a residential customer's supply address without the verifiable consent of the customer or the customer's nominated representative.	Not Applicable as per Obligation 245.	NA	NA	NA	
247	C5.1	Code of Conduct clause 9.2(2) A retailer must establish an account for each pre-payment meter operating at a residential customer's supply address.	Not Applicable as per Obligation 245.	NA	NA	NA	
248	C5.1	Code of Conduct clause 9.2(3) A retailer must not, in relation to the offer of, or provision of a pre-payment meter service, engage in conduct that is misleading, deceptive or likely to mislead or deceive, or that is unconscionable, or exert undue pressure on a customer, nor harass or coerce a customer.	Not Applicable as per Obligation 245.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
249	C5.1	Code of Conduct clause 9.3(1) A retailer must advise a residential customer who requests information on the use of a pre-payment meter, at no charge, and in clear, simple and concise language, the information specified in subclause 9.3(1).	Not Applicable as per Obligation 245.	NA	NA	NA	
250	C5.1	Code of Conduct clause 9.3(2) No later than 10 business days after the time a residential customer enters into a pre-payment meter contract at a residential customer's supply address, a retailer must give the customer (at no charge) the information specified in subclauses 9.3(1) and 9.3(2).	Not Applicable as per Obligation 245.	NA	NA	NA	
251	C5.1	Code of Conduct clause 9.3(3) A retailer must ensure that the following information is shown on or directly adjacent to a residential customer's pre-payment meter: the positive or negative financial balance of the pre-payment meter within one dollar (\$1) of the actual balance; whether the pre-payment meter is operating on normal credit or emergency credit; a telephone number for enquiries; and the distributor's 24-hour telephone number for faults and emergencies.	Not Applicable as per Obligation 245.	NA	NA	NA	
252	C5.1	Code of Conduct clause 9.3(4) Upon request and at no charge, a retailer must give a pre-payment meter customer the following information: total energy consumption; average daily consumption; and the average daily cost of consumption for the previous 2 years, or since	Not Applicable as per Obligation 245.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		the commencement of the pre-payment meter contract (whichever is shorter), divided into quarterly segments.					
253	C5.1	Code of Conduct clause 9.3(5) If the recharge facilities available to a residential customer change from the initial recharge facilities referred to in subclause 9.3(2)(r), the retailer must notify the pre-payment meter customer, in writing or by electronic means, of the change within 10 business days.	Not Applicable as per Obligation 245.	NA	NA	NA	
254	C5.1	I Code of Conduct clause 9.4(1) f a pre-payment meter customer notifies a retailer that it wants to replace or switch the pre-payment meter to a standard meter, within 1 business day of the request the retailer must send the specified information to the customer and arrange with the relevant distributor to remove or render non-operational the pre-payment meter, and replace or switch the pre-payment meter to a standard meter.	Not Applicable as per Obligation 245.	NA	NA	NA	
255	C5.1	Code of Conduct clause 9.4(2) A retailer must not require payment of a charge for reversion to a standard meter if the pre-payment customer is a residential customer and that customer, or their nominated representative, requests reversion of a pre-payment meter within 3 months of its installation or the date the customer agreed to enter into the pre-payment contract, whichever is the latter.	Not Applicable as per Obligation 245.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
256	C5.1	Code of Conduct clause 9.4(4) If a retailer requests the distributor to revert a pre-payment meter, the distributor must do so within 5 business days of receipt of the request for supply addresses within the metropolitan region; and within 10 days for supply addresses within regional areas.	Not Applicable as per Obligation 245.	NA	NA	NA	
257	C5.1	Code of Conduct clause 9.5(1) A retailer must not provide a pre-payment meter service at a pre-payment meter customer's supply address if the customer provides the retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the address requires life support equipment. The retailer must, or must immediately arrange to, remove or render non-operational the pre-payment meter at no charge; replace or switch the pre-payment meter to a standard meter at no charge; and provide information to the pre-payment meter customer about the contract options available to the customer.	Not Applicable as per Obligation 245.	NA	NA	NA	
258	C5.1	Code of Conduct clause 9.5(2) If a retailer requests a distributor to revert a pre-payment meter under subclause 9.5(1), the distributor must revert the pre-payment meter within the time frames specified in subclause 9.5(2).	Not Applicable as per Obligation 245.	NA	NA	NA	
259	C5.1	Code of Conduct clause 9.6	Not Applicable as per Obligation 245.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		A retailer must ensure that a pre-payment meter service complies with the prescribed requirements in subclause 9.6.					
260	C5.1	Code of Conduct clause 9.7(a),(b) and (d) A retailer must ensure that: at least 1 recharge facility is located as close as practicable to a pre-payment meter, and in any case no further than 40 kilometres away; a pre-payment meter customer can access a recharge facility at least 3 hours per day, 5 days a week; and the minimum amount to be credited by a recharge facility does not exceed \$20 per increment.	Not Applicable as per Obligation 245.	NA	NA	NA	
261	C5.1	Code of Conduct clause 9.8 If a pre-payment meter customer demonstrates to a retailer that the customer is entitled to receive a concession, the retailer must ensure that the pre-payment meter customer receives the benefit of the concession.	Not Applicable as per Obligation 245.	NA	NA	NA	
262	C5.1	Code of Conduct clause 9.9(1) If requested by a pre-payment meter customer, a retailer must make immediate arrangements to check the metering data, test the pre-payment meter, and/or arrange for a test of the metering installation at the connection point.	Not Applicable as per Obligation 245.	NA	NA	NA	
263	C5.1	Code of Conduct clause 9.9(2) If requested by a retailer, a distributor must check or test a pre-payment meter.	Not Applicable as per Obligation 245.	NA	NA	NA	
264	C5.1	Code of Conduct clause 9.9(4)	Not Applicable as per Obligation 245.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		If a pre-payment meter is found to be inaccurate or not operating correctly, a retailer must immediately arrange for the repair or replacement of the pre-payment meter, correct any overcharging or undercharging, and refund any charges payable by the customer for testing the pre-payment meter.					
265	C5.1	Code of Conduct clause 9.10(1) Subject to the pre-payment meter customer notifying a retailer of the proposed vacation date, a retailer must ensure that a pre-payment customer can retrieve all remaining credit at the time the pre-payment meter customer vacates the supply address.	Not Applicable as per Obligation 245.	NA	NA	NA	
266	C5.1	Code of Conduct clause 9.10(2) If a pre-payment meter customer (including a pre-payment meter customer who has vacated the address) has been overcharged as a result of an act or omission of a retailer or distributor, the retailer must (except in the circumstances in 9.10(7)) use its best endeavours to inform the pre-payment meter customer accordingly within 10 business days of the retailer becoming aware of the error and seek reimbursement instructions from the customer or credit the customer's account if permitted.	Not Applicable as per Obligation 245.	NA	NA	NA	
267	C5.1	Code of Conduct clause 9.10(3) The retailer must pay the amount in accordance with the pre-payment meter customer's instructions within 12 business days of receiving	Not Applicable as per Obligation 245.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		the instructions.					
268	C5.1	Code of Conduct clause 9.10(4) If a retailer does not receive reimbursement instructions within 20 business days of making the request, the retailer must use reasonable endeavours to credit the amount overcharged to the customer's account.	Not Applicable as per Obligation 245.	NA	NA	NA	
269	C5.1	Code of Conduct clause 9.10(6) If a retailer proposes to recover an amount undercharged to a pre-payment meter customer as a result of an act or omission by the retailer or distributor, the retailer must comply with the conditions specified in subclause 9.10(6).	Not Applicable as per Obligation 245.	NA	NA	NA	
270	C5.1	Code of Conduct clause 9.11(1) A retailer must give reasonable consideration to a request by a residential customer or relevant consumer representative organisation for a waiver of any fee to replace or switch a pre-payment meter to a standard meter.	Not Applicable as per Obligation 245.	NA	NA	NA	
271	C5.1	Code of Conduct clause 9.11(2) and (3) Where a retailer is informed by a pre-payment meter customer that the customer is experiencing payment difficulties or financial hardship, or the retailer identifies the customer as having been disconnected in the manner specified in subclause 9.11(2)(b), the retailer must use its best endeavours to contact the customer as soon as reasonably practicable to provide the information prescribed in subclause 9.11(2)(c)-(g)	Not Applicable as per Obligation 245.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		and in the manner stated in subclause 9.12(3).					
		<b>INFORMATION &amp; COMMUNICATION</b>					
272	C5.1	Code of Conduct clause 10.1(1) A retailer must give notice of any variations in its tariffs to each of its customers affected by a variation as soon as practicable after the variation is published and no later than the next bill in the customer's billing cycle.	Tariffs are reviewed annually by the RIA and letters are sent to customers via McGees to advise of these changes.  Evidence was sighted demonstrating that on 28/6/13 the 2013/14 revised tariffs were approved by the board. This was communicated to McGees by the RIA on 4/7/13. McGees subsequently advised all customers of the revised tariffs on 8/7/13.  There is no strict requirement for RMA to separately advise customers of revised tariffs, given the same customers are already being advised by McGees.	5	NP	1	
273	C5.1	Code of Conduct clause 10.1(2) Upon request and at no charge, a retailer must provide a customer with reasonable information on the retailer's tariffs, including alternative tariffs.	Not Rated – The RIA did not receive any ad-hoc requests from customers in regard to tariffs during the audit period.	5	NP	NR	
274	C5.1	Code of Conduct clause 10.1(3) A retailer must give a customer the information requested on tariffs within 8 business days of the date of receipt, and, if requested, a retailer must provide the information in writing.	Not Rated – No request for tariff information was received by McGees or RMA during the audit period.	5	NP	NR	
275	C5.1	Code of Conduct clause 10.2(1) Upon request, a retailer must provide a <i>non-contestable</i> customer with their billing data.	Not Applicable – All customers on Rottneest Island are contestable as per ERA advice to the RIA by email on 19 September 2013.	NA	NA	NA	



Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
276	C5.1	Code of Conduct clause 10.2(2) If a <i>non-contestable</i> customer requests billing data for a period less than the previous 2 years and no more than once a year, or in relation to a dispute with the retailer, a retailer must provide the data at no charge.	Not Applicable – All customers on Rottnest Island are contestable as per ERA advice to the RIA by email on 19 September 2013.	NA	NA	NA	
277	C5.1	Code of Conduct clause 10.2(3) A retailer must give the requested billing data under subclause 10.2(1) within 10 business days of the receipt of the request or upon the payment of the retailer's reasonable charge for providing the billing data.	Not Applicable – All customers on Rottnest Island are contestable as per ERA advice to the RIA by email on 19 September 2013.	NA	NA	NA	
278	C5.1	Code of Conduct clause 10.2(4) A retailer must keep a <i>non-contestable</i> customer's billing data for 7 years.	Not Applicable – All customers on Rottnest Island are contestable as per ERA advice to the RIA by email on 19 September 2013.	NA	NA	NA	
279	C5.1	Code of Conduct clause 10.3 Upon request and at no charge, a retailer must provide a residential customer with information on the types of concessions available to the residential customer, and the name and contact details of the organisation responsible for administering those concessions (if not the retailer).	Not Applicable – There are no residential customers on Rottnest Island.	NA	NA	NA	
280	C5.1	Code of Conduct clause 10.3A At least once a year, a retailer must provide a customer with written details of the retailer's and distributor's obligations to make payments to the customer under Part 14 of this Code and under any other legislation in Western Australia,	RIA sends annual advice to McGees and McGees to customers for payments available to customers under the Code of Conduct.  ▶ A letter to customers dated 1 July 2013 was	5	A	2	<b>13.</b> Edit the letter to customers sent by McGees each year – remove the clause numbering 14.1, 14.2 and 14.3 to cover the RIA's obligations both as a retailer and a distributor.

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		including the amount of the payment and the eligibility criteria for the payment.	sighted – this included reference to clauses 14.1, 14.2 and 14.3, but omitted clauses 14.4 and 14.5.  There is no strict requirement for RMA to separately advise customers of payments available to them under the Code of Conduct, given the same customers are already being advised by McGees.				
281	C5.1	Code of Conduct clause 10.4 Upon request and at no charge, a retailer must provide a customer with general information on cost effective and efficient ways to utilise electricity; and the typical running costs of major domestic appliances.	Not Rated – No request for information was received by McGees or RMA during the audit period.  A list of Information that can be made available to customers on request is included in the Standard Form Contract, section 15.  ► The audit did not find 'typical running costs of major domestic appliances' in the Standard Form Contract.	5	NP	NR	
282	C5.1	Code of Conduct clause 10.5 If asked by a customer for information relating to the distribution of electricity, a retailer must give the information to the customer or refer the customer to the relevant distributor for a response.	Not Rated – No request for information was received by McGees or RMA during the audit period.	5	NP	NR	
283	C5.1	Code of Conduct clause 10.6 Upon request and at no charge, a distributor must provide a customer with the information specified in subclause 10.6.	Not Rated – No request for information was received by McGees or RMA during the audit period.	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
284	C5.1	Code of Conduct clause 10.7(1) Upon request, a distributor must provide a customer with their consumption data.	Not Rated – No request for consumption data was received by McGees or RMA during the audit period outside of what is already provided in monthly billing documents.	5	NP	NR	
285	C5.1	Code of Conduct clause 10.7(2) If a customer requests their consumption data under subclause 10.7(1), the distributor must provide the information at no charge in the circumstances specified in subclause 10.7(2).	Not Rated as per Obligation 284.	5	NP	NR	
286	C5.1	Code of Conduct clause 10.7(3) A distributor must provide a customer with the requested consumption data within 10 business days of the receipt of the request, or, if payment is required (and requested by the distributor within 2 business days of the request), within 10 business days of receipt of payment of the distributor's reasonable charge for providing the consumption data.	Not Rated as per Obligation 284.	5	NP	NR	
287	C5.1	Code of Conduct clause 10.7(4) A distributor must keep a customer's consumption data for 7 years.	Customer's consumption data is kept for at least seven years. Sample evidence supplied included monthly meter reading data via spreadsheets, by meter location as follows: <ul style="list-style-type: none"> <li>• Dec 2006 – Jun 2008</li> <li>• Oct 2009 – Jun 2010</li> <li>• Jul 2010 – Mar 2011</li> <li>• Jul 2012 – May 2013</li> <li>• Dec 2014</li> </ul>	4	NP	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
288	C5.1	Code of Conduct clause 10.8(1) Upon request, a distributor must inform a customer how the customer can obtain information on distribution standards and metering arrangements prescribed under the specified Acts or adopted by the distributor that are relevant to the customer.	Not Rated – No request for information was received by McGees or RMA during the audit period.	5	NP	NR	
289	C5.1	Code of Conduct clause 10.8(2) A distributor must publish information on distribution standards and metering arrangements on the distributor's website.	Distribution standards and metering arrangements was published at: <a href="http://ria.wa.gov.au/policy-and-reports/utility-reports/electrical-reports">http://ria.wa.gov.au/policy-and-reports/utility-reports/electrical-reports</a> as the Rottnest Island Electrical Distribution Manual 2015, during the audit period (Feb 15), as a result of a non-compliance discovered in the previous audit cycle.	3	A	1	
290	C5.1	Code of Conduct clause 10.9 To the extent practicable, a retailer and distributor must ensure that any written information that must be given to a customer by the retailer or distributor or its electricity marketing agent under the Code of Conduct is expressed in clear, simple, and concise language and is in a format that makes it easy to understand.	Documentation prepared by the licensee for information purposes is generally in accordance with the requirements.  ► The current McGees bill template consists of several pages, comprising a Tax Invoice and Utility Statement. For one of the sample bills audited (118903), a page that should have displayed a usage comparison for electricity actually showed a usage comparison for gas (assumed clerical error, as this was not seen repeated on other bill examples 115498 & 118903). This page also had a total that did not include the Electricity Supply Charge component of the bill and contained some	5	NP	1	

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			<p>unnecessary duplication of information present on other sheets (seen repeated on all bill examples).</p> <p>► The current RMA bill template consists of a single page per supply address and a single electricity charge comprising consumption and supply charges.</p> <p>Also refer to Obligation 155.</p> <p>(EVIDENCE: McGees INV. NOS. 109186, 115498, 118903)</p> <p>(EVIDENCE: RMA INV. NOS. IV2684166, IV2684164)</p>				
291	C5.1	Code of Conduct clause 10.10.(1) Upon request, a retailer and a distributor must tell a customer how the customer can obtain a copy of the Code of Conduct.	Not Rated – No request was received by McGees or RMA during the audit period.	5	NP	NR	
292	C5.1	Code of Conduct clause 10.10(2) A retailer and distributor must make electronic copies of the Code of Conduct available, at no charge, on their websites.	The Code of Conduct is available on the RIA website free of charge at: <a href="http://ria.wa.gov.au/policy-and-reports/utility-reports/electrical-reports">http://ria.wa.gov.au/policy-and-reports/utility-reports/electrical-reports</a>	5	N	1	
293	C5.1	Code of Conduct clause 10.10(3) A retailer and a distributor must make a copy of the Code of Conduct available for inspection, at no charge, at their respective offices.	The Code of Conduct is available at the RIA office free of charge.	5	N	1	
294	C5.1	Code of Conduct clause 10.11(1) Upon request and at no charge, a retailer and a distributor must make available to a residential	Not Applicable – There are no residential customers on Rottnest Island.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		customer services that assist the residential customer in interpreting information provided by the retailer or distributor (including independent multi-lingual and TTY services, and large print copies).					
295	C5.1	Code of Conduct clause 10.11(2) A retailer and, where appropriate, a distributor, must include in relation to residential customers the telephone number for its TTY services and for independent multi-lingual services, as well as the National Interpreter Symbol with the words "Interpreter Services", on the bill and bill-related information, reminder notices and disconnection warnings.	Not Applicable – There are no residential customers on Rottneest Island.	NA	NA	NA	
296	C5.1	Code of Conduct clause 10.12(1) Upon request and at no charge, a distributor must advise a customer of the availability of different types of meters, as well as their suitability to the customer's supply address, purpose, costs, and installation, operation and maintenance procedures.	Not Rated – No request was received by McGees or RMA during the audit period.	5	NP	NR	
297	C5.1	Code of Conduct clause 10.12(2) Upon request, a retailer must advise the customer of the availability of different types of meters or refer the customer to the relevant distributor for a response.	Not Rated – No request was received by McGees or RMA during the audit period.	5	NP	NR	
		<b>COMPLAINTS AND DISPUTE RESOLUTION</b>					
298	C5.1	Code of Conduct clause 12.1(1)	The RIA has a system for managing complaints	5	NP	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		A retailer and distributor must develop, maintain and implement an internal process for handling complaints and resolving disputes.	<p>comprising of the:</p> <ul style="list-style-type: none"> <li>Utilities Customer Complaints Procedure,</li> <li>Utilities Customer Complaints Flow Chart – Process,</li> <li>Utilities Customer Complaints Flow Chart - Procedure; and</li> <li>UTILITY (Electricity, Water, Gas) Customer Complaint Form.</li> </ul> <p>It is noted that while there exists the facility to lodge complaints to the RIA direct via their website and the dedicated Utilities Complaint Officer, this is not used. Complaints are normally received from customers via McGees and RMA, being the billing agents. These complaints are captured in the Electrical Customer Complaints Reporting Register and acted on by the RIA as appropriate</p>				
299	C5.1	Code of Conduct clause 12.1(2) The complaints handling process under subclause 12.1(1) must comply with the requirements specified in subclauses 12.1(2)(a), (b) and (c) and be made available at no cost.	The complaint handling process is described in the Standard Form Contract, section 17. The Standard Form Contract is provided to customers at the onset of every contract and complies with the requirements specified.	5	NP	1	
300	C5.1	Code of Conduct clause 12.1(3) A retailer or a distributor must advise the customer in accordance with subclause 12.1(3).	<p>The complaint handling process is described in the Standard Form Contract, section 17.</p> <p>► Refer to Obligation 172. Findings as per Code of Conduct clause 4.16(1)(a).</p>	5	B	2	Recommendation as per Obligation 172.
301	C5.1	Code of Conduct clause 12.1(4)	A review of complaints recorded in the Electrical	5	B	1	<b>14. [OFI]</b> Ensure consistency

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		Upon receipt of a written complaint by a customer, a retailer or distributor must acknowledge the complaint within 10 business days and respond to the complaint within 20 business days.	<p>Customer Complaints Reporting Registers during the audit period indicates that the RIA complied with this Code requirement.</p> <p>► However, the complaint handling process described in the Standard Form Contract, section 17 states "A representative of the Rottnest Island Authority will acknowledge the complaint within 10 business days and shall address the complaint within 20 business days."</p> <p>In contrast, the Utilities Customer Complaints Procedure states the "RIA will aim to acknowledge written queries or complaints by a customer within 10 business days and respond to queries or complaints by addressing the matters within 15 business days."</p>				between the Utilities Customer Complaints Procedure and Standard Form Contract.
302	C5.1	Code of Conduct clause 12.2 A retailer must comply with any guideline developed by the Authority relating to distinguishing customer queries from customer complaints.	The Utilities Customer Complaints Procedure clearly defines a Customer Complaint vs. Customer Query.	5	NP	1	
303	C5.1	Code of Conduct clause 12.3 Upon request and at no charge, a retailer, distributor and electricity marketing agent must give a customer information that will assist the customer in utilising the respective complaints handling processes.	Not Rated – No request was received by McGees or RMA during the audit period.	5	NP	NR	
304	C5.1	Code of Conduct clause 12.4	Not Applicable – There is only one entity on Rottnest	NA	NA	NA	



Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		When a retailer, distributor or electricity marketing agent receives a complaint that does not relate to its functions, it must advise the customer of the entity that it reasonably considers to be the appropriate entity to deal with the complaint (if known).	Island and except for reference to the Ombudsman, which is included in the Standard Form Contract and Utilities Customer Complaints Procedure; there is no other requirement for referring complaints.				
		<b>REPORTING</b>					
305	C5.1	Code of Conduct clause 13.1 A retailer and a distributor must prepare a report in respect of each reporting year setting out the information specified by the Authority.	As per Obligation 124, the Electricity Reporting Datasheets Distribution Code of Conduct 2013-2014 and Electricity Reporting Datasheets Retail Indicators 2013-2014 are published at: <a href="http://ria.wa.gov.au/policy-and-reports/utility-reports/electrical-reports">http://ria.wa.gov.au/policy-and-reports/utility-reports/electrical-reports</a> .  A letter dated 24/9/13 from the Authority to the RIA confirms that the RIA complied by preparing a report for the year ending 30/6/13.	5	NP	1	
306	C5.1	Code of Conduct clause 13.2 The report specified in clause 13.1 must be provided to the Authority by the date, and in the matter and form, specified by the Authority.	All reports during the audit period were provided to the authority by the due date and in the correct format.	5	NP	1	
307	C5.1	Code of Conduct clause 13.3 The report specified in clause 13.1 must be published by the date specified by the Authority. In accordance with clause 13.3(2), a report is published if: - copies of it are available to the public without cost, at places where the retailer or distributor	<p>▶ As per "Compliance Report – Electrical" sent to the Authority for the year ended 30/6/14, the 2012/13 Code of Conduct Report was published two days late on the RIA website due to a staff member's absence.</p> <p>The 2013/14 report was published on time.</p>	5	B	2	Recommendation as per Obligation 125.

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		transacts business with the public; and - a copy of it is posted on the retailer or distributor's website.					
		<b>SERVICE STANDARD PAYMENTS</b>					
308	C5.1	Code of Conduct clause 14.1(1) Subject to clause 14.6, a retailer must pay the stated compensation to a customer where the customer is not reconnected in accordance with the timeframes specified in Part 8.	Not Rated – There were no applicable reconnection requests from customers during the audit period as per Obligation 242.	5	NP	NR	
309	C5.1	Code of Conduct clause 14.1(2) Subject to clause 14.6, a distributor must compensate a retailer for the payment if a retailer is liable to and makes a payment due to an act or omission of the distributor.	Not Applicable – The RIA has an Integrated Regional Licence.	NA	NA	NA	
310	C5.1	Code of Conduct clause 14.2(1) Subject to clause 14.6, if a retailer fails to comply with any of the procedures specified in Part 6 and Part 7 prior to arranging for disconnection or disconnecting a customer for failure to pay a bill, or arranges for disconnection or disconnects a customer in contravention of clauses 7.2, 7.3, 7.6 or 7.7 for failure to pay a bill, the retailer must pay the specified compensation to the customer.	Not Rated – There were no disconnections for failure to pay a bill during the audit period.	5	NP	NR	
311	C5.1	Code of Conduct clause 14.2(2) Subject to clause 14.6, a distributor must compensate a retailer for the payment if a retailer is liable to and makes a payment under subclause 14.2(1) due to an act or omission of	Not Applicable – The RIA has an Integrated Regional Licence.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		the distributor.					
312	C5.1	Code of Conduct clause 14.3(1) Subject to clause 14.6, a retailer must pay the customer \$20 where the retailer has failed to acknowledge or respond to a complaint within the timeframes prescribed in subclause 12.1(4).	Not Rated as per Obligation 301.	5	NP	NR	
313	C5.1	Code of Conduct clause 14.4(1) Subject to clause 14.6, a distributor must pay the customer \$20 where the distributor has failed to acknowledge or respond to a complaint within the timeframes prescribed in subclause 12.1(4).	Not Rated – There were no customer complaints related to the distribution services during the audit period.	5	NP	NR	
314	C5.1	Code of Conduct clause 14.5 Subject to subclause 14.6, if a distributor disconnects a customer's supply address other than as authorised by this Code or otherwise by law, or as authorised by a retailer, then the distributor must pay the customer \$100 for each day that the customer was wrongfully disconnected.	Not Rated – There were no wrongful disconnections during the audit period.	5	NP	NR	
315	C5.1	Code of Conduct clause 14.7(1) A retailer who is required to make a compensation payment for failing to satisfy a service standard under clauses 14.1, 14.2 or 14.3 must do so in the manner specified in subclause 14.7(1).	Not Rated – There were no failures to satisfy service standards under clauses 14.1, 14.2 or 14.3 during the audit period.	5	NP	NR	
316	C5.1	Code of Conduct clause 14.7(2) A distributor who is required to make a compensation payment for failing to satisfy a	Not Rated – There were no failures to satisfy service standards under clauses 14.4 or 14.5 during the audit period.	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		service standard under clauses 14.4 or 14.5 must do so in the manner specified in subclause 14.7(2).					
<b>Section 15 - Electricity Industry Metering Code – Licence Conditions and Obligations</b>							
317	C5.1	Electricity Industry Metering Code clause 2.2(1)(a) A network operator must treat all Code participants that are its associates on an arms-length basis.	Not Applicable – The RIA has an Integrated Regional Licence and is the only supplier on Rottneest island.	NA	NA	NA	
318	C5.1	Electricity Industry Metering Code clause 2.2(1)(b) A network operator must ensure that no Code participant that is its associate receives a benefit in respect of the Code unless the benefit is attributable to an arm's length application of the Code or is also made available to all other Code participants on the same terms and conditions.	Not Applicable – The RIA has an Integrated Regional Licence and is the only supplier on Rottneest island.	NA	NA	NA	
319	C5.1	Electricity Industry Metering Code clause 3.1 A network operator must ensure that its meters meet the requirements specified in the applicable metrology procedure and also comply with any applicable specifications or guidelines (including any transitional arrangements) specified by the National Measurement Institute under the National Measurement Act.	A meter replacement process was started in 2012. Meters are removed from use and replaced with meters supplied by Horizon Power. 20% of meters are to be replaced on a yearly basis until completion.  ▶ A report showing the progress of the meter replacement roll-out and due date for completion was requested, but not provided.  ▶ The Summary of Master Meter Replacement table, does not clearly show how many meters were	2	C	2	<b>15.</b> Confirm when all meters will have certificate of calibration and therefore be compliant. <b>16.</b> Provide evidence of calibration certificates for new meters. <b>17.</b> Confirm with the Authority the options available to the RIA with respect to adopting a pre-approved metrology procedure (such as that used by Horizon Power).

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			<p>replaced in 2013, 2014 and 2015, or when all meters will be compliant.</p> <ul style="list-style-type: none"> <li>▶ Meters should be supplied with certification of Calibration; sample evidence of this was not provided during the audit.</li> <li>▶ The RIA does not have a metrology procedure in place.</li> </ul>				
320	C5.1	Electricity Industry Metering Code clause 3.2(1) An accumulation meter must at least conform to the requirements specified in the applicable metrology procedure and display, or permit access to a display of the measurements specified in subclauses 3.2(1)(a)(b) using dials, a cyclometer, an illuminated display panel or some other visual means.	<ul style="list-style-type: none"> <li>▶ PFM's "PRO-RNI-I03-030-1 Meter Installation and Calibration Procedure" prescribes that new meters must comply with the Metrology Procedure and National Measurement Act and be installed in accordance with the Electricity Industry Metering Code 2005. The applicable Code is now the Electricity Industry Metering Code 2012.</li> </ul> <p>Findings as per Obligation 319.</p>	2	C	2	<p><b>18. [OFI]</b> Update Meter Installation and Calibration Procedure to refer to Electricity Industry Metering Code 2012 and associated clauses.</p> <p>Recommendations as per Obligation 319.</p>
321	C5.1	Electricity Industry Metering Code clause 3.3(1) An interval meter must at least have an interface to allow the interval energy data to be downloaded in the manner prescribed using an interface compatible with the requirements specified in the applicable metrology procedure.	Not Rated - Some of the meters installed in the system are interval meters however they are not used as interval meters and are subject to manual reading as for the rest of the metering assets.	5	NP	NR	
322	C5.1	Electricity Industry Metering Code clause 3.3(3) If a metering installation is required to include a communications link, the link must (where necessary), include a modem and isolation device approved under the relevant telecommunications regulations, to allow the interval energy data to be downloaded in the	Not Rated – There were no metering installations on Rottneest Island requiring communication links during the audit period.	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		manner prescribed.					
323	C5.1	Electricity Industry Metering Code clause 3.3A(1) A network operator must ensure that bidirectional electricity flows do not occur at a metering point unless the metering installation for the metering point is capable of separately measuring and recording electricity flows in each direction.	Based on previous audit non-compliances and recommendations (as per previous audit PAIP): <ul style="list-style-type: none"> <li>Bi-directional meters have been installed at the Primary School, Geordie Bay Café and Police Station as part of the 2013/2014 meter replacement program.</li> <li>Project works for the Rottnest Island Business Community must be approved by the Development Application Team (DAT) prior to commencing.</li> <li>Any proposed installation of solar panels will be identified and referred to the FM contractor to enable them to provide quotes on installing bi-directional meters.</li> </ul>	3	A	1	
324	C5.1	Electricity Industry Metering Code clause 3.3B A user who is aware of bi-directional flows at a metering point which was not previously subject to a bi-directional electricity flows or any changes in a customer's or user's circumstances in a metering point which will result in bi-directional electricity flows must notify the network operator within 2 business days.	Not Applicable – For the purposes of the Code, a “user” means a person who has an access contract. There are no access contracts on Rottnest Island as defined by the Code.	NA	NA	NA	
325	C5.1	Electricity Industry Metering Code clause 3.3C An accumulation meter or an interval meter that separately measures and records bi-directional electricity flows at the metering point must record the net electricity production transferred into the network that exceeds electricity consumption and the net electricity consumption transferred out of	As per Obligation 323.	3	A	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		the network that exceeds electricity production.					
326	C5.1	Electricity Industry Metering Code clause 3.5(1) and (2) A network operator must ensure that there is a metering installation at every connection point on its network which is not a Type 7 connection point. Unless it is a Type 7 metering installation, the metering installation must meet the functionality requirements prescribed.	We have received the spreadsheet "Rottneest Metering Database.xls". This lists individual metering installations at each connection point, however, we are uncertain if this comprises all connection points in the network which are not Type 7 (street, traffic, park, community, or security lighting; or ticket issuing machines, parking meters, or community watering systems; telephone service requirements).  Meter reading results are entered in PFM's monthly "Electrical Meter Reading Schedules".  ► Insufficient evidence supplied to determine compliance with prescribed functionality requirements.	3	C	2	19. Document prescribed functionality requirements, including applicable drawings if necessary.
327	C5.1	Electricity Industry Metering Code clause 3.5(3) A network operator must, unless otherwise agreed, for each metering installation on its network, on and from the time of its connection to the network, provide, install, operate and, subject to subclause 3.7(5), maintain the metering installation in the manner prescribed.	Meters are installed and maintained in accordance with PFM's "PRO-RNI-I03-030-1 Meter Installation and Calibration Procedure", which refers to the Electricity Industry Metering Code 2005.  As per Obligation 320, the applicable Code is now the Electricity Industry Metering Code 2012.  Findings as per Obligation 319.  ► Currently, 20% of meters are being replaced on a yearly basis in lieu of annual testing / calibration	3	C	2	Recommendations as per Obligation 319. OFI as per Obligation 320.

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			requirements.				
328	C5.1	Electricity Industry Metering Code clause 3.5(4) A network operator must ensure that, except for a Type 7 metering installation, the metering point for a revenue metering installation is located as close as practicable to the connection point in accordance with good electricity industry practice.	Meters are installed and maintained in accordance with PFM's "PRO-RNI-I03-030-1 Meter Installation and Calibration Procedure" and good industry practice.  ► Insufficient evidence supplied to determine compliance.	5	D	2	OFI as per Obligation 320.  <b>20.</b> Establish a documented process to ensure that installations are performed as close as practicable to the connection point, with sample drawings and photos if appropriate.
329	C5.1	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.	Not Applicable – For the purposes of the Code, a "user" means a person who has an access contract. There are no access contracts on Rottnest Island as defined by the Code.	NA	NA	NA	
330	C5.1	Electricity Industry Metering Code clause 3.5(9) If a network operator becomes aware that a metering installation does not comply with the Code, the network operator must advise affected parties of the non-compliance and arrange for the non-compliance to be corrected as soon as practicable.	The 2012-2013 Annual Compliance Report to the Authority noted four Type 2 non compliances as follows: <ul style="list-style-type: none"><li>• Licence Condition #341</li><li>• Licence Condition #337</li><li>• Licence Condition #348</li><li>• Licence Condition #354</li></ul> ► The audit found that no evidence was available to confirm that affected parties were advised as per Code requirements.	3	D	2	<b>21.</b> Ensure a procedure is in place to advise affected parties of all metering installation non compliances. Evidence should be retained for auditing purposes.
331	C5.1	Electricity Industry Metering Code clause 3.7 All devices that may be connected to a	Not Rated – There were no metering installations on Rottnest Island requiring communication links during	5	NP	NR	



Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		telecommunications network must be compatible with the telecommunications network and comply with all applicable State and Commonwealth enactments.	the audit period.				
332	C5.1	Electricity Industry Metering Code clause 3.8 Subject to clause 3.27, a network operator must, for each metering installation on its network, ensure that the metering installation is secured by means of devices or methods which, to the standard of good electricity industry practice, hinder unauthorized access and enable unauthorized access to be detected.	Manual readings are taken on a monthly basis, at which time meters are inspected for unauthorised access.  ▶ However, the audit found that this requirement was not specifically documented in PFM's "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure".  PFM maintains a "Locked Meters" spreadsheet that lists all meter locations and the physical security employed, including access requirements by key.  While the audit found that not all meters are locked or secured within a locked enclosure, this is compliant with good electricity industry practice.	4	A	1	<b>22. [OFI]</b> Update "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure" to include inspection of meters for unauthorised access.  OFI as per Obligation 158.
333	C5.1	Electricity Industry Metering Code clause 3.9(3) Subject to subclauses 3.9(4), 3.9(5) and 3.9(7), each metering installation must meet at least the requirements for that type of metering installation specified in Table 3 in Appendix 1 of the Code.	As per Obligation 319.  ▶ Insufficient evidence supplied to determine compliance with requirements.	3	C	3	<b>23.</b> Confirm meter types applicable to Rottnest Island and provide evidence that metering installations meet requirements of Table 3 in Appendix 1 of the Code, including meters not yet replaced.
334	C5.1	Electricity Industry Metering Code clause 3.9(7) For a metering installation used to supply a customer with requirements above 1000 volts that require a VT and whose annual consumption	Not Rated – As per "Rottnest Metering Database.xls", there are no metering installations on Rottnest Island supplying customers above 1000 volts.	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		is below 750MWh, the metering installation must meet the relevant accuracy requirements of a Type 3 metering installation for active energy only.					
335	C5.1	Electricity Industry Metering Code clause 3.9(9) If compensation is carried out within the meter then the resultant metering system error must be as close as practicable to zero.	Not Rated – Compensation was not carried out within any installed meters during the audit period.	5	NP	NR	
336	C5.1	Electricity Industry Metering Code clause 3.10 A network operator must ensure that any programmable settings within any of its metering installations, data loggers or peripheral devices, that may affect the resolution of displayed or stored data, meet the relevant requirements specified in the applicable metrology procedure and comply with any applicable specifications or guidelines specified by the National Measurement Institute under the National Measurement Act.	Not Rated – New meters are programmable, however, are still being used and configured for manual reading only.	5	NP	NR	
337	C5.1	Electricity Industry Metering Code clause 3.11(1) A network operator must ensure that a metering installation on its network is operating consistently with good electricity industry practice to measure and record data, and to permit collection of data within the time specified in the applicable service level agreement, for at least the percentages of the year specified.	Energy data is measured and recorded as per PFM's "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure".  Sample evidence supplied included monthly meter reading data via spreadsheets, by meter location as follows: <ul style="list-style-type: none"> <li>• Dec 2006 – Jun 2008</li> <li>• Oct 2009 – Jun 2010</li> <li>• Jul 2010 – Mar 2011</li> </ul>	3	A	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			<ul style="list-style-type: none"> <li>Jul 2012 – May 2013</li> <li>Dec 2014</li> </ul> <p>There are no users on Rottneest Island with access contracts and therefore service level agreements do not exist.</p>				
338	C5.1	Electricity Industry Metering Code clause 3.11(2) If an outage or malfunction occurs to a metering installation, the network operator must make repairs to the metering installation in accordance with the applicable service level agreement.	Not Applicable – There are no users on Rottneest Island with access contracts and therefore service level agreements do not exist.	NA	NA	NA	
339	C5.1	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.	Not Applicable – The RIA has an Integrated Regional Licence and is the only supplier on Rottneest island.	NA	NA	NA	
340	C5.1	Electricity Industry Metering Code clause 3.11A(1) A network operator must ensure that the meters on its network are systematically sampled and tested for accuracy in accordance with AS 1284.13.	PFM's "PRO-RNI-I03-030-1 Meter Installation and Calibration Procedure" prescribes that a "percentage (20%) of electrical meters are removed each year for testing".  Findings as per Obligations 319 and 327.	3	A	2	Recommendations as per Obligation 319. OFI as per Obligation 320.
341	C5.1	Electricity Industry Metering Code clause 3.11A(2) Subject to clause 3.11A(3), if a "population" of meters is deemed to have failed under AS 1284.13, the network operator must ensure that	Not Rated – Based on samples of meter reading data audited, there was no evidence of population failure during the audit period.	2	A	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		all the meters that make up the population are removed and replaced with new meters within 3 years of the testing of the population.					
342	C5.1	Electricity Industry Metering Code clause 3.12(1) A network operator must ensure that each metering installation complies with at least the prescribed design requirements.	<ul style="list-style-type: none"> <li>▶ Metering installations comply with PFM's "PRO-RNI-I03-030-1 Meter Installation and Calibration Procedure" which requires compliance with the Electricity Industry Metering Code 2005. Compliance should be with the Electricity Industry Metering Code 2012.</li> <li>▶ Insufficient evidence supplied to determine compliance with prescribed design requirements.</li> </ul>	3	D	2	OFI as per Obligation 320. <b>24.</b> Compliance of metering installation with at least the prescribed design requirements should be documented through applicable drawings if necessary and installation conformance records.
343	C5.1	Electricity Industry Metering Code clause 3.12(2) A network operator must ensure that instrument transformers in its metering installations comply with the relevant requirements of any applicable specifications or guidelines (including any transitional arrangements) specified by the National Measurement Institute under the National Measurement Act and any requirements specified in the applicable metrology procedure.	<ul style="list-style-type: none"> <li>▶ As per Obligation 319 – The RIA does not have a metrology procedure in place.</li> </ul>	5	C	2	Refer to Recommendation 17 as per Obligation 319
344	C5.1	Electricity Industry Metering Code clause 3.12(3) A network operator must provide isolation facilities, to the standard of good electricity industry practice, to facilitate testing and calibration of the metering installation.	Fuse isolation is used throughout the metering installations on Rottneest Island.	5	NP	1	
345	C5.1	Electricity Industry Metering Code clause 3.12(4) A network operator must maintain drawings and	<ul style="list-style-type: none"> <li>▶ Metering installation drawings were not available for the audit.</li> </ul>	3	C	2	<b>25.</b> Develop metering installation drawings / plans, integrated with document control and asset

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		supporting information, to the standard of good electricity industry practice, detailing the metering installation for maintenance and auditing purposes.					management systems.
346	C5.1	Electricity Industry Metering Code clause 3.13(1) A network operator must procure the user or the user's customer to install (or arrange for the installation of) a full check metering installation or partial check metering installation in accordance with the prescribed requirements.	Not Applicable – For the purposes of the Code, a “user” means a person who has an access contract. There are no access contracts on Rottneest Island as defined by the Code.	NA	NA	NA	
347	C5.1	Electricity Industry Metering Code clause 3.13(3)(c) A partial check metering installation must be physically arranged in a manner determined by the network operator, acting in accordance with good electricity industry practice.	Not Applicable – All supply is less than 100GWh per annum as per clause 3.13(1), Table 1.	NA	NA	NA	
348	C5.1	Electricity Industry Metering Code clause 3.13(4) A check metering installation for a metering point must comply with the prescribed requirements.	Not Applicable – All supply is less than 100GWh per annum as per clause 3.13(1), Table 1.	NA	NA	NA	
349	C5.1	Electricity Industry Metering Code clause 3.14(3) If, under clause 3.14(2), a metering installation uses metering class CTs and VTs that do not comply with the Table 3 in Appendix 1, then the network operator must either or both install meters of a higher class accuracy and apply accuracy calibration factors within the meter to compensate for CT and VT errors, in order to achieve the accuracy requirements in Table 3 in Appendix 1.	► Compliance information was not available during the audit.	5	C	2	<b>26.</b> Document the compliance of all CTs and VTs with Table 3 in Appendix 1 of the Electricity Metering Code.

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
350	C5.1	Electricity Industry Metering Code clause 3.16(1) The network operator must ensure that a Type 1 metering installation to Type 5 metering installation on the network has the facilities and functionality prescribed.	Not Applicable – Applies to wholesale electricity market.	NA	NA	NA	
351	C5.1	Electricity Industry Metering Code clause 3.16(2) The network operator must ensure that a Type 1 metering installation to Type 4 metering installation on the network includes a communications link.	Not Applicable – Applies to wholesale electricity market.	NA	NA	NA	
352	C5.1	Electricity Industry Metering Code clause 3.16(3) If a device is used as a data logger, the energy data for a metering point on the network must be collated in trading intervals or sub-multiples of a trading interval within the metering installation.	Not Applicable – Applies to wholesale electricity market.	NA	NA	NA	
353	C5.1	Electricity Industry Metering Code clause 3.16(3A) If, under subclause 3.16(3), energy data for a metering point on the network is collated in sub-multiples of a trading interval, then unless the Code participant agrees otherwise, the network operator must aggregate the energy data into trading intervals before providing it to a Code participant.	Not Applicable – Applies to wholesale electricity market.	NA	NA	NA	
354	C5.1	Electricity Industry Metering Code clause 3.18(1) If the Electricity Retail Corporation supplies electricity to a contestable customer at a connection point under a non-regulated contract, and in circumstances where immediately before	Not Applicable – Applies to wholesale electricity market.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		entering into the contract, the electricity retail corporation supplied electricity to the contestable customer under a regulated contract, then the metering installation for the connection point must comply with the prescribed wholesale market metering installation requirements.					
355	C5.1	Electricity Industry Metering Code clause 3.20(1) A network operator must, if reasonably requested by a Code participant, provide enhanced technology features in a metering installation.	Not Applicable – Applies to wholesale electricity market.	NA	NA	NA	
356	C5.1	Electricity Industry Metering Code clause 3.20(3) A network operator may only impose a charge for the provision of metering installations with enhanced technology features in accordance with the applicable service level agreement between it and the user.	Not Applicable – Applies to wholesale electricity market. For the purposes of the Code, a “user” means a person who has an access contract. There are no access contracts on Rottnest Island as defined by the Code.	NA	NA	NA	
357	C5.1	Electricity Industry Metering Code clause 3.21(1) Meters containing an internal real time clock must maintain time accuracy as prescribed. Time drift must be measured over a period of 1 month.	Not Rated – Internal real time clocks are not used in the metering installations on Rottnest Island.	5	NP	NR	
358	C5.1	Electricity Industry Metering Code clause 3.21(2) If a metering installation includes measurement elements and an internal data logger at the same site, it must include facilities on site for storing the interval energy data for the periods prescribed.	Not Rated – There are no metering installations on Rottnest Island with these requirements.	5	NP	NR	
359	C5.1	Electricity Industry Metering Code clause 3.22 A network operator providing one or more metering installations with enhanced technology	Not Rated – There are no metering installations on Rottnest Island with enhanced technology.	5	NP	NR	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		features must be licensed to use and access the metering software applicable to all devices being installed and be able to program the devices and set parameters.					
360	C5.1	Electricity Industry Metering Code clause 3.23(a) Where signals are provided from the meter for the user or the user's customer use, a network operator must ensure that signals are isolated by relays or electronic buffers to prevent accidental or malicious damage to the meter.	Not Applicable – This does not apply to the meter installations on Rottnest Island. For the purposes of the Code, a “user” means a person who has an access contract. There are no access contracts on Rottnest Island as defined by the Code.	NA	NA	NA	
361	C5.1	Electricity Industry Metering Code clause 3.23(b) Where signals are provided from the meter for the user or the user's customer use, a network operator must provide the user or the user's customer with sufficient details of the signal specification to enable compliance with clause 3.23(c) of the Code.	Not Applicable – This does not apply to the meter installations on Rottnest Island. For the purposes of the Code, a “user” means a person who has an access contract. There are no access contracts on Rottnest Island as defined by the Code.	NA	NA	NA	
362	C5.1	Electricity Industry Metering Code clause 3.24A(1) If a retailer requests a network operator to install a pre-payment meter at a connection point, then the pre-payment meter must be sufficient to enable the retailer to comply with the retailer's obligations under the Code of Conduct.	Not Applicable – Prepayment meters are not used on Rottnest Island.	NA	NA	NA	
363	C5.1	Electricity Industry Metering Code clause 3.24B(1) If a retailer requests a network operator to replace a pre-payment meter at a connection point with a meter that is not a pre-payment	Not Applicable – Prepayment meters are not used on Rottnest Island.	NA	NA	NA	



Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		meter then the network operator must do so in accordance with this Code and the Code of Conduct.					
364	C5.1	Electricity Industry Metering Code clause 3.27 A person must not install a metering installation on a network unless the person is the network operator or a registered metering installation provider for the network operator doing the type of work authorised by its registration.	PFM outsource all meter installations to EcoEnergy (WA). As part of this agreement, EcoEnergy (WA) are responsible for employing personnel that hold the correct licences for installing meters.	3	A	1	
365	C5.1	Electricity Industry Metering Code clause 3.29 A network operator must publish a list of registered metering installation providers, including the prescribed details, and at least annually, update the list.	The RIA has published on its website ( <a href="http://ria.wa.gov.au/policy-and-reports/utility-reports/electrical-reports">http://ria.wa.gov.au/policy-and-reports/utility-reports/electrical-reports</a> ) its registered metering installation provider and Electrical Contractor Programmed Facility Management (Licence number EC008300).	5	NP	1	
366	C5.1	Electricity Industry Metering Code clause 4.1(1) A network operator must establish, maintain and administer a metering database containing, for each metering point on its network, standing data and energy data.	PFM has implemented the "PRO-RNI-I03-030-1 Meter Installation and Calibration Procedure".  PFM have established a database containing, for each metering point on its network, standing data and energy data.  Standing data is maintained by PFM in the file "Rottnest Metering Database.xls", the "Rottnest Metering Register Data".  Although PFM have in place "PRO-RNI-I03-038-1 Standing Data Items Compliance Review Procedure", which requires a review of standing data items in	3	B	3	<p>27. Specify distribution loss factor and reference test and calibration details and results in metering register data.</p> <p>28. Document information to determine applicability of instrument transformer connected ratio, calibration tables, summation scheme and data communication details as per Table 2 of Code.</p> <p>29. [OFI] Specify network tariff description and customer contestability in metering register data.</p>

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			<p>March of each year, there was no evidence that this procedure was being followed.</p> <ul style="list-style-type: none"> <li>▶ Distribution loss factor and reference test and calibration details and results are not included in the standing data maintained – this is a Code requirement.</li> <li>▶ The audit found that instrument transformer connected ratio, calibration tables, summation scheme and data communication details are not included in the standing data maintained, however, insufficient information was supplied to determine applicability.</li> <li>▶ Network tariff and customer contestability columns are included in the standing data maintained, but both columns are not populated with expected values.</li> </ul> <p>Energy data is updated as per PFM's "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure".</p> <p>The RIA has an Integrated Regional Licence and there are no other users or Code participants.</p> <p>There is only one tariff offered by the RIA throughout Rottnest Island.</p> <p>All customers on Rottnest Island are contestable as per ERA advice to the RIA by email on 19 September 2013.</p>				OFI as per Obligation 158.

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
367	C5.1	Electricity Industry Metering Code clause 4.1(2) A network operator must ensure that its metering database and associated links, circuits, information storage and processing systems are secured by means of devices or methods which, to the standard of good electricity industry practice, hinder unauthorized access and enable unauthorized access to be detected.	<p>PFM is responsible for all metering related tasks associated with the license area.</p> <p>The PFM IT systems are subject to a Security Policy with the asset management system being identified as a “critical” system. Electronic firewalls and user access control are in place in accordance with good industry practice to prevent unauthorised access.</p> <p>▶ A local branch server exists on Rottnest Island – during the audit, it was discovered that the local branch server is not isolated (its physical security is reliant on the general security of the office building).</p> <p>General control / security of PFM's computer systems is adequately covered as follows:</p> <ul style="list-style-type: none"> <li>• ICT Acceptable Computer Usage Policy,</li> <li>• Mobility Policy; and</li> <li>• Security Policy.</li> </ul> <p>PFM adhere to good industry practice with respect to password maintenance across all their systems, including level of complexity, frequency of change and similarity with previously used passwords.</p> <p>Physical security to facilities, including system servers appears adequate. PFM's core systems are located in a Burswood data centre secured by swipe card.</p>	4	A	2	30. Employ additional and documented controls to secure the local branch server from general office access. Ensure physical access to the server is maintained for authorised users only.

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			PFM's servers have several levels of redundancy. In addition to local disk redundancy via RAID, email failover is available from Burswood to Kewdale and other critical systems such as Maximo can become available in as quickly as 5 minutes following a failure. Backup policies and disaster recovery are consistent with good industry practice.				
368	C5.1	Electricity Industry Metering Code clause 4.1(3) A network operator must prepare, and if applicable, must implement a disaster recovery plan to ensure that it is able, within 2 business days after the day of any disaster, to rebuild the metering database and provide energy data to Code participants.	Not Applicable – There are no other Code participants within the licence area.	NA	NA	NA	
369	C5.1	Electricity Industry Metering Code clause 4.2(1) A network operator must ensure that its registry complies with the Code and the prescribed clause of the market rules.	As per Obligation 366.	3	B	3	Recommendations as per Obligation 366.
370	C5.1	Electricity Industry Metering Code clause 4.3(1) The standing data for a metering point must comprise at least the items specified.	As per Obligation 366.	3	B	3	Recommendations as per Obligation 366.
371	C5.1	Electricity Industry Metering Code clause 4.4(1) If there is a discrepancy between energy data held in a metering installation and data held in the metering database, the affected Code participants and the network operator must liaise together to determine the most appropriate way	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		to resolve a discrepancy.					
372	C5.1	Electricity Industry Metering Code clause 4.5(1) A Code participant must not knowingly permit the registry to be materially inaccurate.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
373	C5.1	Electricity Industry Metering Code clause 4.5(2) Subject to subclause 5.19(6), if a Code participant, other than a network operator, becomes aware of a change to, or 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.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
374	C5.1	Electricity Industry Metering Code clause 4.6(1) If the network operator is notified of a change to, or inaccuracy in, an item of standing data by a Code participant which is the designated source for the item of standing data under Table 2 in clause 4.3(1), then the network operator must update the registry to reflect the change to, or correct the inaccuracy in, the standing data..	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
375	C5.1	Electricity Industry Metering Code clause 4.6(2) If a network operator is notified of a change to, or inaccuracy in, an item of standing data by a Code participant which is not the designated source for the item of standing data, or otherwise becomes aware of a change to or inaccuracy in an item of standing data, then the network operator must undertake investigations to the standard of good electricity industry practice to determine whether	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		the registry should be updated, and update the registry as required.					
376	C5.1	Electricity Industry Metering Code clause 4.7 If standing data for a metering point is updated in the registry, the network operator must, within 2 business days after the update (or such other time as is specified in the applicable service level agreement) notify the update to the current user and each previous user, if the updated standing data relates to a period or periods when the previous user was the current user.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
377	C5.1	Electricity Industry Metering Code clause 4.8(3) A network operator must allow a user who is a retailer or a generator to have local and (where a suitable communications link is installed) remote access to the energy data for metering points at its associated connection points, using a password provided by the network operator which provides 'read only' access.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
378	C5.1	Electricity Industry Metering Code clause 4.8(3)A A network operator must allow a user who is a retailer or a generator to have access to data held in its metering database for metering points at its associated connection points, by means of a website (or otherwise by remote access to a "data storage device" as that expression is defined in the Electronic Transactions Act 2003), using a password provided by the network operator which provides 'read only' access.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
379	C5.1	Electricity Industry Metering Code clause 4.8(4)(a) A network operator must have devices and methods in place that ensure that energy data held in its metering installation is secured from unauthorised local or remote access using the methods prescribed.	As per Obligation 331 and 332.  There were no metering installations on Rottneest Island requiring communication links during the audit period, hence no ability for remote access.	4	A	1	OFls as per Obligation 332.
380	C5.1	Electricity Industry Metering Code clause 4.8(4)(b) A network operator must have devices and methods in place that ensure that the data held in its metering database is secured from unauthorised local or remote access using the methods prescribed.	As per Obligation 367.	4	A	2	Recommendation as per Obligation 367.
381	C5.1	Electricity Industry Metering Code clause 4.8(5) Without limiting subclause 4.8(4), a network operator must ensure that electronic passwords and other electronic security controls are only issued to the specified authorised personnel and otherwise keep its records of electronic passwords and other electronic security controls secure from unauthorised access.	As per Obligation 367.  Both PFM and RIA adhere to good industry practice with respect to password maintenance across all their systems, including level of complexity, frequency of change and similarity with previously used passwords.  RIA user access is controlled via an on boarding process managed by HR that ensures access is only provided as required for the job function / role (as per ICT Access Request Form and Remote Access Request Form).	4	A	1	
382	C5.1	Electricity Industry Metering Code clause 4.9 A network operator must retain energy data in its metering database for each metering point on its	The Electricity Industry Metering Code requires that records be kept for up to 7 years – 13 months in a readily accessible format and a further 5 years 11	4	NP	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		network (including any energy data that has been replaced under subclause 5.24) for at least the periods, and with the level of accessibility, prescribed.	<p>months in a format that is accessible within a reasonable period of time.</p> <p>PFM readily provided the audit with monthly meter reading data via spreadsheets (going back more than 7 years), by meter location as follows:</p> <ul style="list-style-type: none"> <li>• Dec 2006 – Jun 2008</li> <li>• Oct 2009 – Jun 2010</li> <li>• Jul 2010 – Mar 2011</li> <li>• Jul 2012 – May 2013</li> <li>• Dec 2014</li> </ul>				
383	C5.1	Electricity Industry Metering Code clause 5.1 (1) A network operator must use all reasonable endeavours to accommodate another Code participant's requirement to obtain a metering service and requirements in connection with the negotiation of a service level agreement.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
384	C5.1	Electricity Industry Metering Code clause 5.1 (2) Without limiting subclause 5.1(1), a network operator must expeditiously and diligently process all requests for a service level agreement and negotiate its terms in good faith, and, to the extent reasonably practicable in accordance with good electricity industry practice, permit a Code participant to acquire a metering service containing only those elements of the metering service which the Code participant wishes to acquire.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	



Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
385	C5.1	Electricity Industry Metering Code clause 5.3 A network operator must, for each metering point on its network, obtain energy data from the metering installation and transfer the energy data into its metering database by no later than 2 business days after the date for the scheduled meter reading for the metering point (or such other time as is specified in the applicable service level agreement).	PFM's "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure" is in place. The procedure requires that meter readings are entered into the database within 2 business days from the completion of the meter reading run.	4	A	1	OFI as per Obligation 158.
386	C5.1	Electricity Industry Metering Code clause 5.4(1) A network operator must, for each meter on its network, at least once in every 12 month period undertake a meter reading that provides an actual value that passes the validation processes in Appendix 2.	PFM performs monthly checks of its meter readings in accordance with "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure".  Readings are verified against preceding months on a monthly basis, via spreadsheet based processes.  <ul style="list-style-type: none"> <li>There is no documented procedure associated with the validation of meter readings.</li> <li>There were three instances during the audit period of better quality actual values (second value) being available and replacing their first (actual) value due to errors in the meter readings being discovered and reported by customers.</li> </ul>	3	C	3	<p><b>31.</b> Confirm metering types employed on Rottnest Island and cross reference with Code requirements for verification and validation. Develop verification and validation procedures for meter readings as per Electricity Industry Code Appendix 2.</p> <p><b>32. [OFI]</b> Amend "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure" to ensure Code compliance.</p> <p><b>33. [OFI]</b> Review verification and validation procedures on an ongoing basis to minimise the acceptance of incorrect data.</p> <p>OFI as per Obligation 158.</p>
387	C5.1	Electricity Industry Metering Code clause 5.4(1A) The meter reading referred to in clause 5.4(1) must not be undertaken by the customer associated with the meter, and must be	Meter readings during the audit period were outsourced to EcoEnergy (WA).  There were no instances of a customer reading their	4	A	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		undertaken by a person who is employed or appointed by the network operator and who is suitably skilled in accordance with good electricity industry practice to carry out meter readings.	<p>own meter during the audit period.</p> <p>For each purchase order associated with meter reading services, EcoEnergy warrants, as part of the terms of supply:</p> <p>“(a) all of the Deliverables will be provided in an efficient manner in accordance with all applicable legislation and laws or regulations;</p> <p>(b) all of the Deliverables will be of the highest standard and in accordance with the Company's specifications (where those specifications are made known to the Supplier) or in the absence of such specifications, in accordance with any applicable standards set by the Standards Association of Australia.</p> <p>(c) In relation to the performance of the Deliverables the Supplier and its Personnel will exercise the standards of diligence, skill and care normally exercised by a similarly qualified and competent person in the performance of comparable work;</p> <p>(d) any equipment used on Site by the Supplier will be in safe working condition, will comply with all legislation which is applicable to such equipment and will be operated by suitably qualified and competent Personnel, to the satisfaction of the Company”.</p>				
388	C5.1	Electricity Industry Metering Code clause 5.4(2) A user must, when reasonably requested by a network operator, assist the network operator to comply with the network operator's obligation	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		under subclause 5.4(1).					
389	C5.1	Electricity Industry Metering Code clause 5.5(2) Subject to subclause 5.5(2A)(b), a network operator may impose a charge for the provision of data, but only if a user has requested the energy data to the extent permitted by, and in accordance with the applicable service level agreement between it and the user, and if a customer has given a direction under subclause 5.17A(1), in accordance with the prescribed conditions.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
390	C5.1	Electricity Industry Metering Code clause 5.5(2A) A network operator must not impose a charge for the provision of standing data and for the provision of energy data if another enactment prohibits it doing so.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
391	C5.1	Electricity Industry Metering Code clause 5.6(1) Subject to subclause 5.6(2), a network operator must provide validated, and where necessary, substituted or estimated energy data for a metering point to the user for the metering point and the IMO within the timeframes prescribed in subclause 5.6(1)(2).	Not Applicable – this clause refers to an arrangement between the Network Operator and another Code participant (a Retailer) – therefore not applicable to the RIA as the Integrated Regional Licence holder. There is no IMO (independent market operator) on Rottneest Island.	NA	NA	NA	
392	C5.1	Electricity Industry Metering Code clause 5.7 If a replacement energy data value is inserted in a metering database for a metering point, the network operator must provide replacement energy data to the user for the metering point and the IMO within the timeframes prescribed.	Not Applicable as per Obligation 391.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
393	C5.1	Electricity Industry Metering Code clause 5.8 A network operator must provide a user with whatever information the network operator has that is necessary to enable the user to comply with its obligations under the Code of Conduct, within the time necessary for the user to comply with the obligations.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
394	C5.1	Electricity Industry Metering Code clause 5.9 A network operator must provide standing data, provided to or obtained by it under this Code, to users where required to do so under any enactment.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
395	C5.1	Electricity Industry Metering Code clause 5.10 A network operator must provide a subset of the standing data to a retailer in accordance with the provisions of Annex 4 of the Customer Transfer Code.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
396	C5.1	Electricity Industry Metering Code clause 5.11 If a transfer occurs at a connection point, then within 2 business days after the transfer date, as defined in the Customer Transfer Code, the network operator must provide the incoming retailer with a copy of the standing data for each metering point associated with the connection point.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other retailers.	NA	NA	NA	
397	C5.1	Electricity Industry Metering Code clause 5.12(1) If a user gives a network operator an energy data request for a metering point in accordance with the communication rules, and the energy data	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		request relates only to a time or times for which the user was the current user at the metering point, then the network operator must provide a user with a complete set of energy data for the metering point within the timeframes prescribed.					
398	C5.1	Electricity Industry Metering Code clause 5.13 If the current user for a metering point gives the network operator a standing data request for the metering point in accordance with the communication rules then the network operator must provide the current user with a complete current set of standing data for a metering point and advise whether there is a communications link for the metering point, within the timeframes prescribed.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
399	C5.1	Electricity Industry Metering Code clause 5.14(3) If a user makes a bulk standing data request, the network operator must in accordance with the communication rules, acknowledge receipt of the request and provide the requested standing data within the timeframes prescribed.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
400	C5.1	Electricity Industry Metering Code clause 5.15 If a network operator provides energy data to a user or the IMO it must also provide the date of the meter reading in accordance with the requirements specified.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
401	C5.1	Electricity Industry Metering Code clause 5.16 If a user collects or receives energy data from a metering installation then the user must provide	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		the network operator with the energy data (in accordance with the communication rules) within the timeframes prescribed.					
402	C5.1	Electricity Industry Metering Code clause 5.17(1) A user must provide standing data and validated, and where necessary substituted or estimated, energy data to the user's customer to which that information relates where the user is required by an enactment or an agreement to do so for billing purposes or for the purpose of providing metering services to the customer.	Not Applicable – For the purposes of the Code, a “user” means a person who has an access contract. There are no access contracts on Rottnest Island as defined by the Code.	NA	NA	NA	
403	C5.1	Electricity Industry Metering Code clause 5.17A(1) A network operator must provide data for a metering point from its metering database to a person if (and to the extent that) the customer associated with the metering point gives the network operator a direction to do so that complies with subclause 5.17A(2).	There were several customer requests for metering data during the audit period; all data was provided and compliant with these requirements.  The FOU (as of early 2015, now FUSS) Contract includes responsibilities for compliance to all electricity licence requirements – metering and provision of data to customers included.	5	NP	1	
404	C5.1	Electricity Industry Metering Code clause 5.17A(3) A network operator must comply with a direction under subclause 5.17A(1) within the timeframes prescribed.	There were several customer requests for metering data during the audit period; all data was provided within 10 business days.	5	NP	1	
405	C5.1	Electricity Industry Metering Code clause 5.18 If a user collects or receives information regarding a change in the energisation status of a metering point then the user must provide the network operator with the prescribed information,	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		including the stated attributes, within the timeframes prescribed.					
406	C5.1	Electricity Industry Metering Code clause 5.19(1) A user must, when requested by the network operator acting in accordance with good electricity industry practice, use reasonable endeavours to collect information from customers, if any, that assists the network operator in meeting its obligations described in the Code and elsewhere, and provide that information to the network operator.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
407	C5.1	Electricity Industry Metering Code clause 5.19(2) A user must, to the extent that it is able, collect and maintain a record of the prescribed information in relation to the site of each connection point with which the user is associated.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
408	C5.1	Electricity Industry Metering Code clause 5.19(3) Subject to subclauses 5.19(3A) and 5.19(6), the user must, within 1 business day after becoming aware of any change in an attribute described in subclause 5.19(2), notify the network operator of the change.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
409	C5.1	Electricity Industry Metering Code clause 5.19(5) A network operator must give notice to a user, or (if there is a different current user) the current user, acknowledging receipt of any customer, site or address attributes from the user within the timeframes prescribed.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
410	C5.1	Electricity Industry Metering Code clause 5.19(6) The user must use reasonable endeavours to ensure that it does not notify the network operator of a change in an attribute described in subclause 5.19(2) that results from the provision of standing data by the network operator to the user.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
411	C5.1	Electricity Industry Metering Code clause 5.20(1) A network operator must, by not later than 6 months after the date this Code applies to the network operator, develop, in accordance with the communication rules, an Energy Data Verification Request Form.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other suppliers.	NA	NA	NA	
412	C5.1	Electricity Industry Metering Code clause 5.20(2) An Energy Data Verification Request Form must require a Code participant to provide the information prescribed.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
413	C5.1	Electricity Industry Metering Code clause 5.20(4) If a Code participant requests verification of energy data under subclause 5.20(3), the network operator must, in accordance with the metrology procedure, subject to subclause 5.20(5), use reasonable endeavours to verify energy data and inform the requesting Code participant of the result of the verification and provide the verified energy data within the timeframes prescribed.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
414	C5.1	Electricity Industry Metering Code clause 5.21(2) A network operator must comply with any	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	



Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		reasonable request under subclause 5.21(1).					
415	C5.1	Electricity Industry Metering Code clause 5.21(4) A test or audit under subclause 5.21(1) is to be conducted in accordance with the metrology procedure and the applicable service level agreement.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
416	C5.1	Electricity Industry Metering Code clause 5.21(5) A Code participant must not request a test or audit under subclause 5.21(1) unless the Code participant is a user and the test or audit relates to a time or times at which the user was the current user or the Code participant is the IMO.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
417	C5.1	Electricity Industry Metering Code clause 5.21(6) A Code participant must not make a request under subclause 5.21(1) that is inconsistent with any access arrangement or agreement.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
418	C5.1	Electricity Industry Metering Code clause 5.21(8) A network operator may only impose a charge for the testing of the metering installations, or auditing of information from the meters associated with the metering installations, or both, in accordance with the applicable service level agreement between it and the user.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
419	C5.1	Electricity Industry Metering Code clause 5.21(9) Any written service level agreement entered into under subclause 5.21(7) must include a provision that no charge is to be imposed if the test or audit reveals a non-compliance with this Code.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	

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420	C5.1	Electricity Industry Metering Code clause 5.21(11)  If a test or audit shows that the accuracy of the metering installation or information from the meter associated with the metering installation does not comply with the requirements under this Code, the network operator must advise the affected parties as soon as practicable of errors detected under a test or audit, the possible duration of the errors, and must restore the accuracy of the metering installation in accordance with the applicable service level agreement.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
421	C5.1	Electricity Industry Metering Code clause 5.21(12)  The original stored error correction data in a meter must not be altered except during accuracy testing and calibration of a metering installation.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
422	C5.1	Electricity Industry Metering Code clause 5.22(1) A network operator must validate energy data in accordance with this Code applying, as a minimum, the prescribed rules and procedures set out in Appendix 2 and must, where necessary, substitute and estimate energy data under this Code applying, as a minimum, the prescribed rules and procedures set out in Appendix 3.	There were no requirements for substitution or estimation of energy data during the audit period as per Obligation 159.  PFM's "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure" prescribes that energy data is substituted and estimated where required in accordance with the Electricity Industry (Metering) Code 2005.  ► As per Obligation 386 in regard to validation requirements.	3	C	3	Recommendations as per Obligation 386. OFI as per Obligation 158.

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423	C5.1	Electricity Industry Metering Code clause 5.22(2) The network operator must use check metering data, where available, to validate energy data provided that the check metering data has been appropriately adjusted for differences in metering installation accuracy in accordance with subclause 3.13.	Not Applicable – Check metering is not applicable for the supply levels on Rottne Island.	NA	NA	NA	
424	C5.1	Electricity Industry Metering Code clause 5.22(3) If a check meter is not available or energy data cannot be recovered from the metering installation within the time required under this Code, then the network operator must prepare substitute values using a method contained in Appendix 3 and agreed where necessary with the relevant Code participants.	Not Rated – No cases of substitution or estimation of energy data was required during the audit period.  PFM's "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure" prescribes that energy data is substituted and estimated where required in accordance with the Electricity Industry (Metering) Code 2005.	4	NP	NR	OFI as per Obligation 158.
425	C5.1	Electricity Industry Metering Code clause 5.22(4) If a network operator detects a loss of energy data or incorrect energy data from a metering installation, it must notify each affected Code participant of the loss or error within 24 hours after detection.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
426	C5.1	Electricity Industry Metering Code clause 5.22(5) Substitution or estimation of energy data is required when energy data is missing, unavailable or corrupted, including in the circumstances described in this subclause.	Not Rated – No cases of substitution or estimation of energy data as required by this clause during the audit period.  PFM's "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure" prescribes that energy data is substituted and estimated where required in accordance with the Electricity Industry (Metering) Code 2005.	5	NP	NR	OFI as per Obligation 158.

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427	C5.1	Electricity Industry Metering Code clause 5.22(6) A network operator must review all validation failures before undertaking any substitution.	Not Rated as per Obligation 426.	5	NP	NR	
428	C5.1	Electricity Industry Metering Code clause 5.23(1) If a network operator determines that there is no possibility of determining an actual value for a metering point, then the network operator must designate an estimated or substituted value for the metering point to be a deemed actual value for the metering point.	Not Rated – There were no instances where an actual value could not be determined during the audit period.	5	NP	NR	
429	C5.1	Electricity Industry Metering Code clause 5.23(3) If a network operator has designated a deemed actual value for a metering point then the network operator must repair or replace the meter or one or more of components of metering equipment (as appropriate) at the metering point and subclauses 5.24(3(c) and 5.24(4) apply in respect of the estimated or substituted value which was designated to be the deemed actual value.	Not Rated as per Obligation 428.	5	NP	NR	
430	C5.1	Electricity Industry Metering Code clause 5.24(1) If a network operator uses an actual value (first value) for energy data for a metering point, and a better quality actual or deemed actual value is available (second value), the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice.	There were three instances during the audit period of better quality actual values (second value) being available and replacing their first (actual) value due to errors in the meter readings being discovered and reported by customers.  In all three cases billing adjustments were promptly made and invoices reissued to the impacted customers.	5	NP	1	
431	C5.1	Electricity Industry Metering Code clause 5.24(2) If a network operator uses a deemed actual value	Not Rated – There were no instances of deemed actual values being used during the audit period.	5	NP	NR	

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		(first value) for energy data for a metering point, and a better quality deemed actual value is available (second value), then the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice.					
432	C5.1	Electricity Industry Metering Code clause 5.24(3) If a network operator uses an estimated or substituted value (first value) for energy data for a metering point, and a better quality actual, deemed, estimated or substituted value is available (second value), then the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice or the user and its customer jointly request it to do so.	Not Rated – There were no instances of estimated or substituted values for energy data being used during the audit period.	5	NP	NR	
433	C5.1	Electricity Industry Metering Code clause 5.24(4) A network operator (acting in accordance with good electricity industry practice) must consider any reasonable request from a Code participant for an estimated or substituted value to be replaced under subclause 5.24.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
434	C5.1	Electricity Industry Metering Code clause 5.25 A network operator must ensure the accuracy of estimated energy data in accordance with the methods in its metrology procedure and ensure that any transformation or processing of data preserves its accuracy in accordance with the metrology procedure.	Not Rated – There were no instances of estimated energy data during the audit period. All meters are set to provide manual readings. No transformation or processing of data occurs.	5	NP	NR	

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435	C5.1	Electricity Industry Metering Code clause 5.27 Upon request from a network operator, the current user for a connection point must provide the network operator with customer attribute information that it reasonably believes are missing or incorrect within the timeframes prescribed.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
436	C5.1	Electricity Industry Metering Code clause 5.29 If a network operator makes an election under subclause 5.28 in respect of a network, then, (unless the election is terminated under the meter data agency agreement) the parties must undertake the activities prescribed, as applicable.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other suppliers.	NA	NA	NA	
437	C5.1	Electricity Industry Metering Code clause 5.30(1) If a network operator makes an election under subclause 5.28 in relation to the network, then the parties must enter into an agreement in relation to the network, which must deal with at least the matters prescribed.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other suppliers.	NA	NA	NA	
438	C5.1	Electricity Industry Metering Code clause 5.31(1) If a network operator makes an election under subclause 5.28 in relation to a network, the electricity networks corporation must assess the compliance of each metering installation in the network with this Code and notify the electing network operator of each non-compliant metering installation.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other suppliers.	NA	NA	NA	
439	C5.1	Electricity Industry Metering Code clause 5.31(2) For each non-compliant metering installation	Not Applicable – The RIA has an Integrated Regional Licence and there are no other suppliers.	NA	NA	NA	

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		notified under subclause 5.31(1)(b), the electing network operator may, by notice to the electricity networks corporation, require the electricity networks corporation to upgrade a non-compliant metering installation, in which case the electricity networks corporation must undertake the upgrade in accordance with the metering data agency agreement and good electricity industry practice.					
440	C5.1	Electricity Industry Metering Code clause 5.34(2) Except to the extent that the metering data agency agreement provides otherwise, the costs which may be recovered by the electricity networks corporation under subclause 5.34(1) must not exceed the amounts prescribed.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other suppliers.	NA	NA	NA	
441	C5.1	Electricity Industry Metering Code clause 5.37(1)(a) A network operator must for the year ending on each 30 June, prepare a report setting out the information listed in subclause 5.37(2) for each metering service it was requested during the year to provide or scheduled during the year to carry out.	Clause 5.37 has been added to the Electricity Industry Metering Code 2012 issued by the Minister on the 30 <sup>th</sup> of November 2012 and gazetted on the 7 December 2012.  The first Electricity Industry Metering Code Report 2013-2014 is published on the RIA website at: <a href="http://ria.wa.gov.au/policy-and-reports/utility-reports/electrical-reports">http://ria.wa.gov.au/policy-and-reports/utility-reports/electrical-reports</a> . It contains all required information.	5	NP	1	
442	C5.1	Electricity Industry Metering Code clause 5.37(1)(b) A network operator must provide a copy of the report described in subclause 5.37(1)(a) to the Minister and the Authority not less than 5	► The Electricity Industry Metering Code Report 2013-2014 was provided to the Minister on 18/9/14 and published to the RIA website on 24/9/14, before the minimum 5 business day requirement had lapsed.	5	B	2	<b>34.</b> Incorporate a check prior to the publication of all required reports that confirms compliance with all minimum notice periods to the Minister and Authority.

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		business days before it is published under subclause 5.37(3).					
443	C5.1	Electricity Industry Metering Code clause 5.37(1)(a) A network operator must publish the report described in subclause 5.37(1) within 3 months after the year ends.	The Electricity Industry Metering Code Report 2013-2014 was published to the RIA website on 24/9/14, before the requirement of 30/9/14.	5	NP	1	
444	C5.1	Electricity Industry Metering Code clause 5.37(2) The report prepared by the network operator must include the information prescribed.	As per Obligation 441.	5	NP	1	
445	C5.1	Electricity Industry Metering Code clause 5.37(3) For each relevant metering service, the information in subclause 5.37(2) must be reported separately for the specified classes of connection point.	Rottnest Island customers are contestable and in Western Australia outside the Metropolitan area – this is the only class which needs to be included in the report. The Electricity Industry Metering Code Report 2013-2014 is consistent with this requirement.	5	NP	1	
446	C5.1	Electricity Industry Metering Code clause 5.38 A network operator must keep such records of information as are required for the purposes of subclause 5.37, and must retain the information (in a format that is accessible within a reasonable period of time) for at least 7 years after the day on which a report containing the information is published under subclause 5.37(1)(c)	Not Rated – Clause 5.37 was only introduced in 2012, resulting in one full report for the 2013-2014 period, as published on the RIA website. The minimum requirement to keep 7 years of historic records does not apply.	4	NP	NR	
447	C5.1	Electricity Industry Metering Code clause 6.1(1) A network operator must, in relation to its network, comply with the agreements, rules, procedures, criteria and processes prescribed.	Meters are currently being removed from use and replaced with meters supplied by Horizon Power. Horizon Power's Metrology Procedure for Metering Installations, 23 June 2006, approved by the Authority, states in Section 1.3.5: "This Metrology Procedure	3	C	2	Refer to Recommendation 17 as per Obligation 319. OFI as per Obligation 320.



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			<p>applies to any electricity network for which Horizon Power is the Network Operator or for which Horizon Power has been appointed metering data agent.”</p> <ul style="list-style-type: none"> <li>▶ PFM have confirmed that Horizon Power has not been appointed the metering data agent for Rottneest Island and therefore, their metrology procedure does not currently apply.</li> <li>▶ As per Obligation 319 – The RIA does not have a metrology procedure in place.</li> </ul> <p>PFM maintains its meters in accordance with the “PRO-RNI-I03-030-1 Meter Installation and Calibration Procedure”.</p> <p>Requirements for model service level agreement and communication rules are not applicable to the RIA as the RIA is the sole supplier on the island.</p>				
448	C5.1	Electricity Industry Metering Code clause 6.1(2) A user must, in relation to a network on which it has an access contract, comply with the rules, procedures, agreements and criteria prescribed.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other users.	NA	NA	NA	
449	C5.1	Electricity Industry Metering Code clause 6.20(4) A network operator must amend any document in accordance with the Authority’s final findings.	Not Rated – There were no notices given by the Authority to amend documents during the audit period.	5	NP	NR	
450	C5.1	Electricity Industry Metering Code clause 6.20(5) The network operator must publish any document that has been amended under subclause 6.20(4).	Not Rated as per Obligation 449.	5	NP	NR	
451	C5.1	Electricity Industry Metering Code clause 7.2(1) Code participants must use reasonable endeavours to ensure that they can send and	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	

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		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.					
452	C5.1	Electricity Industry Metering Code clause 7.2(2) A network operator must notify each Code participant of its initial contact details and of any change to its contact details at least 3 business days before the change takes effect.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
453	C5.1	Electricity Industry Metering Code clause 7.2(4) If requested by a network operator with whom it has entered into an access contract, the Code participant must notify its contact details to a network operator within 3 business days after the request.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
454	C5.1	Electricity Industry Metering Code clause 7.2(5) A Code participant must notify any affected network operator of any change to the contact details it notified to the network operator under subclause 7.2(4) at least 3 business days before the change takes effect.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
455	C5.1	Electricity Industry Metering Code clause 7.5 A Code participant must subject to subclauses 5.17A and 7.6 not disclose, or permit the disclosure of, confidential information provided to it under or in connection with the Code and may only use or reproduce confidential information for the purpose for which it was disclosed or another purpose contemplated by the Code.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	

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456	C5.1	Electricity Industry Metering Code clause 7.6(1) A Code participant must disclose or permit the disclosure of confidential information that is required to be disclosed by the Code.	It was confirmed during the course of the audit that the RIA permits the disclosure of confidential information as required by the Code.  RIA's Corporate Information Confidentiality Agreement signed by employees permits access to information for "legitimate business purposes".  The RIA, PFM, McGees and RMA all provided requested information (including confidential) for the purposes of this audit.	5	NP	1	
457	C5.1	Electricity Industry Metering Code clause 8.1(1) If any dispute arises between any Code participants then (subject to subclause 8.2(3)) representatives of disputing parties must meet within 5 business days after a notice given by a disputing party to the other disputing parties and attempt to resolve the dispute by negotiations in good faith.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
458	C5.1	Electricity Industry Metering Code clause 8.1(2) If a dispute is not resolved within 10 business days after the dispute is referred to representative negotiations, the disputing parties must refer the dispute to a senior management officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
459	C5.1	Electricity Industry Metering Code clause 8.1(3) If the dispute is not resolved within 10 business	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	

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		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.					
460	C5.1	Electricity Industry Metering Code clause 8.1(4) If the dispute is resolved by representative negotiations, senior management negotiations or CEO negotiations, the disputing parties must prepare a written and signed record of the resolution and adhere to the resolution.	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
461	C5.1	Electricity Industry Metering Code clause 8.3(2) The disputing parties must at all times conduct themselves in a manner which is directed towards achieving the objective in subclause 8.3(1).	Not Applicable – The RIA has an Integrated Regional Licence and there are no other Code participants.	NA	NA	NA	
		<b>Electricity Industry (Network Quality and Reliability of Supply) Code 2005</b>					
462	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 5(1) A distributor or transmitter must, as far as reasonably practicable, ensure that electricity supply to a customer's electrical installations complies with prescribed standards.	RIA have established the Facilities, Operations and Utilities Contract (as of early 2015 the Facilities, Utilities and Support Services Contract) and placed responsibility on the facility manager, PFM for compliance with the prescribed standards.  To monitor that electricity supply complies with prescribed standards, PFM commissioned NILSEN to conduct a Network Reliability and Power Quality Analysis of the power supply infrastructure at Rottne	2	B	2	<b>35.</b> Establish a documented process to evaluate the results of independent tests of network quality of supply. Evaluate applicable results.

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			<p>Island for the periods 2 – 17 Jan 2014 and 29 Dec 2014 – 5 Jan 2015.</p> <p>In both reports NILSEN discovered issues that resulted in recommendations to PFM for follow-up. A recommendation was made in the independent NQRS Audit Report of 2014 by Qualeng stating "No evaluation of the power quality monitoring results was noted. An evaluation is required leading to acceptance of the results or improvement action."</p> <p>► Further tests by Nilsen for the period of 2014-15 have shown issues however there has been no evaluation of the results.</p> <p>PFM have confirmed that there were no Electricity Industry (Network Quality and Reliability of Supply) Code (<b>NQRS Code</b>) related breaches during the audit period.</p> <p>Each year the RIA is required to publish a Network Quality and Reliability of Supply Report, the most recent of which, within the audit period, is for the year 1/7/13 to 30/6/14. Reliability of supply in terms of duration and frequency of interruptions appears satisfactory.</p> <p>The RIA must also arrange for an independent audit of this report, to ensure compliance with the Network Quality and Reliability of Supply (NQRS) Code. The latest audit was the "Rottneet Island 2014 Network Quality and Reliability of Supply, Performance Audit –</p>				

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			Operation of Compliance Monitoring Systems" completed by Qualeng in September 2014. Qualeng found that the RIA has in place systems to monitor its compliance with the requirements of the Code.				
463	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 8  A distributor or transmitter must, so far as reasonably practicable, disconnect the supply of electricity to installations or property in specified circumstances, unless it is in the interest of the customer to maintain the supply.	Sections 6 and 12 of the Standard Form Contract provide for the disconnection of supply where deemed necessary.  An audit of the Outage Registers for 2013-2014 and 2014-2015 maintained by PFM indicated that the licensee took appropriate action with respect to both planned and unplanned disconnections.	5	NP	1	
464	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 9  A distributor or transmitter must, as far as reasonably practicable, ensure that the supply of electricity is maintained and the occurrence and duration of interruptions is kept to a minimum.	As per Obligation 462.  Outages are covered by performance indicators that are monitored by RIA and PFM monthly (RIA Ops Reports).  The NQRS Report 2014 reported that there were no supply interruptions greater than 12 hours and no customer had more than the stipulated 16 occurrences of interruptions in 2013/14.	5	NP	1	
465	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 10(1)  A distributor or transmitter must, so far as reasonably practicable, reduce the effect of any interruption on a customer.	PFM have in place contingency plans to deal with emergencies and interruptions of supply to customers.  PFM has implemented the "Electrical Disaster Recovery Plan, Business Continuity Planning" dated 29/12/11. The plan includes for the provision of emergency supply in the case of a loss of supply, such	2	A	1	

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			<p>as portable diesel generators being bought over from the main land should the need arise.</p> <p>Electricity Business Continuity Drill Forms were sighted for 5/9/13, 18/9/13, 28/3/14 and 30/5/14.</p> <p>PFM's "PRO-RNI-I03-034-1 Planned Outage Notification Procedure" stipulates that all "planned outages are to be undertaken to cause minimal disruption to customers."</p>				
466	C5.1	<p>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 10(2)</p> <p>A distributor or transmitter must consider whether, in specified circumstances, it should supply electricity by alternative means to a customer who will be affected by a proposed interruption.</p>	<p>As per Obligation 465.</p> <p>PFM's "PRO-RNI-I03-034-1 Planned Outage Notification Procedure" stipulates that all customers "requiring alternative power sources must be identified and supplied and connected by PFM."</p>	2	A	1	
467	C5.1	<p>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 12(3)</p> <p>A distributor must take prescribed action in the event of a significant interruption to a small use customer.</p>	<p>As per obligation 465.</p> <p>In addition, the Standard Form Contract provides for the RIA and the customer to agree on methods to immediately restore the supply and/or maintenance and/or replacement of equipment.</p> <p>PFM have in place the "PRO-RNI-I03-034-1 Planned Outage Notification Procedure" for the notification of interruptions to customers and the possible utilisation of alternative supply.</p>	2	A	1	

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468	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 13(2) A distributor or transmitter must, so far as reasonably practicable, ensure that customers in specified areas do not have average total lengths of interruptions of supply greater than specified durations.	The NQRS report of 2014 documented that the customers' average total lengths of interruptions of supply was 86 minutes for 2014, over four years the average figure was 157 minutes, both figures are less than the prescribed 290 minutes.	3	A	1	
469	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 13(3) The average total length of interruptions of supply is to be calculated using the specified method.	The total length of interruptions of supply has been calculated using the specified method over a four year period.	4	A	1	
470	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 14(8) A distributor or transmitter must, on request, provide to an affected customer a free copy of an instrument issued by the Minister and of any notice given under section 14(7) of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005.	Not Rated – The audit received confirmation from the RIA that no notice was received from the Minister under section 14 of the NQRS Code during the audit period.	5	NP	NR	
471	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 15(2) A distributor or transmitter that agrees with a customer to exclude or modify certain provisions must set out the advantages and disadvantages to the customer of doing so in their agreement.	Not Rated – The audit confirmed that no agreement was made with any customer to exclude or modify any provisions regarding the NQRS Code during the audit period.	5	NP	NR	
472	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 18 A distributor operating a relevant distribution system must, in specified circumstances, make a	Not Rated – No failure to give required notice of planned interruptions (72 hours) was found during the audit period, thus no payments were made to customers.	5	NP	NR	



Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		payment to a customer within a specific timeframe for a failure to give required notice of planned interruption.	<p>PFM are responsible for notifying customers of all planned outages – the audit found that this is normally done via email, unless an emergency arises, in which case notification is by phone.</p> <p>PFM's "PRO-RNI-I03-034-1 Planned Outage Notification Procedure" stipulates that all customers must be notified via email, memo and/or phone call at least 72 hours prior to a planned shutdown.</p>				
473	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 19 A distributor operating a relevant distribution system must, in specified circumstances, make a payment to a customer within a specific timeframe if a supply interruption exceeds 12 hours.	Not Rated – No supply interruptions exceeding 12 hours were found during the audit period, thus no payments were made to customers.	5	NP	NR	
474	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 21(1) A distributor operating a relevant distribution system must provide eligible customers with information about applying for payments for failure to meet the requirements in sections 18 and 19 of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005.	<p>Advice of customer right for payments is provided by the RIA to customers on an annual basis via McGees.</p> <p>There is no strict requirement for RMA to separately advise customers of right for payments, given the same customers are already being advised by McGees.</p> <p>(EVIDENCE: 1/7/13 letter to customers from McGees)</p>	5	NP	1	
475	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 21(2) A distributor operating a relevant distribution	Advice of customer right for payments is provided by the RIA to customers on an annual basis via McGees.	5	NP	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		system must provide written notice to customers about payments for failure to meet the requirements in sections 18 and 19 of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005.	There is no strict requirement for RMA to separately advise customers of right for payments, given the same customers are already being advised by McGees.  (EVIDENCE: 1/7/13 letter to customers from McGees)				
476	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 21(3) A distributor operating a relevant distribution system must provide written notice to eligible customers about payments for failure to meet the requirements in sections 18 and 19 of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005 not less than once in each financial year.	Advice of customer right for payments is provided by the RIA to customers on an annual basis via McGees.  There is no strict requirement for RMA to separately advise customers of right for payments, given the same customers are already being advised by McGees.  (EVIDENCE: 1/7/13 letter to customers from McGees)	5	NP	1	
477	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 23(1) A distributor or transmitter must take all such steps as are reasonably necessary to monitor the operation of its network to ensure compliance with specified requirements.	The FOU (as of early 2015 FUSS) has in place a set of strategies to monitor and ensure compliance of the network with requirements: <ul style="list-style-type: none"> <li>performance indicators to measure the compliance of the network operation with requirements;</li> <li>PFM's Monthly Reports to monitor and report on compliance through parameters such as: <ul style="list-style-type: none"> <li>meter readings submission for accounting purposes;</li> <li>interruptions to customers;</li> <li>service delivery statistics;</li> </ul> </li> <li>compliance reports are provided by PFM to RIA reporting non-compliance against obligations;</li> <li>an Obligation Calendar is in place;</li> <li>external audits and reports are commissioned,</li> </ul>	2	A	1	

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
			such as the "Rottneest Power Quality Report 2012" by Nilsen WA Pty Ltd to report on compliance.				
478	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 23(2) A distributor or transmitter must keep records of information regarding its compliance with specific requirements for the period specified.	As per Obligation 477.  Records of compliance information are kept by PFM and periodically submitted to the RIA.	2	A	1	
479	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 24(3) A distributor or transmitter must complete a quality investigation requested by a customer in accordance with specified requirements.	Not Rated – The audit confirmed that there were no quality investigations requested by customers during the audit period.  (EVIDENCE: Electrical Customer Complaints Reporting Registers – 2013/2014 and 2014/2015)	5	NP	NR	
480	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 24(4) A distributor or transmitter must report the results of an investigation to the customer concerned.	Not Rated as per Obligation 479.	5	NP	NR	
481	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 25(2) A distributor or transmitter must make available, at no cost, a copy of a document setting out its complaint handling processes to a small customer who makes a complaint to the distributor or transmitter or who asks to be given such information.	The Standard Form Contract (Section 17) sets out RIA's complaint handling processes, internally managed via the RIA's Utilities Customer Complaints Procedure.  There have been no instances of a customer requesting complaint handling documentation in the audit period.  Refer to Obligation 172.	5	A	2	Recommendation as per Obligation 172.

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
482	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 25(3) A document setting out a distributor's or transmitter's complaint handling process must contain the specified information.	The NQRS Code requires that the documentation provided to the customer on the complaint handling process includes reference to the electricity ombudsman.  As per Obligation 481, the Standard Form Contract makes reference to the option available to a customer to refer a matter to the electricity ombudsman (Section 17.3).	5	NP	1	
483	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 26 A distributor or transmitter must arrange for an independent audit and report on its systems for monitoring, and its compliance with specific requirements. This is to be carried out in respect of the operation of such systems during each year ending on 30 June.	Independent audits and reports were arranged in both 2013 and 2014 and completed by Qualeng. The 2014 independent audit report is found on the RIA website at: <a href="http://ria.wa.gov.au/policy-and-reports/utility-reports/electrical-reports">http://ria.wa.gov.au/policy-and-reports/utility-reports/electrical-reports</a> .	3	A	1	
484	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 27(1) A distributor or transmitter must prepare and publish a report about its performance in accordance with specified requirements.	Reports covering the licensee performance were published by the RIA. Dates for publication were: <ul style="list-style-type: none"> <li>• 2013 report: 10 October 2013</li> <li>• 2014 report: 24 September 2014</li> </ul> <p>► The required date for publication of the network performance report is 1 October of each year; the 2013 report was published late due to staff absence.</p>	5	A	2	Recommendation as per Obligation 125.
485	C5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 27(3) A distributor or transmitter must give a copy of its	Reports covering the licensee performance were issued to the Authority and Minister as follows:	5	A	2	As per Recommendation 34 at Obligation 442.

Oblig	Lic ref	Licence Conditions	Findings	Audit Priority	Adequacy A,B = Y C,D = N	Compliance* 1=Y 2,3,4=N	Recommendations
		report about its performance to the Minister and the Authority within the specified period.	<ul style="list-style-type: none"> <li>2013 report: 18 September 2013</li> <li>2014 report: 18 September 2014</li> </ul> <p>▶ As per Obligation 484, the 2014 report was published before the minimum 7 business day requirement had lapsed.</p>				
		Electricity Licences - Licensee Specific Conditions and Obligations  ** Obligations 486 to 496 apply only to Horizon, Western Power, Synergy and Clean Energy and other suppliers	Not Applicable	NA	NA	NA	

## 2.6 ASSET MANAGEMENT REVIEW FINDINGS AND OBSERVATIONS

Key findings and recommendations arising from the Asset Management System Review are listed against their Effectiveness Criteria (EC) in the following table.

### LEGEND

Key	Description
►	Finding
1. Text	Recommendations
[OFI]	Opportunity for Improvement

Table 10 - Asset Management System Review

EC No.	AMS Element / Criteria	Review summary (► Findings)	Recommendations
1	Asset Planning	Integration of asset strategies into operational or business plans will establish a framework for existing and new assets to be effectively utilised and their service potential optimised.	
	Asset Management Structure	<p>The Rottneest Island Authority (<b>RIA</b>) has contracted Programmed Facilities Management (<b>PFM</b>) to be the Electrical Facility Manager responsible for the day to day operation and management of the electricity assets under the licence through the "Rottneest Island Facilities, Utilities and Support Services" (<b>FUSS</b>) Contract.</p> <p>A "Contract Management Handbook" has been prepared by PFM to provide a guide on the operation of the FUSS contract.</p>	

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		Since 2014 RIA has engaged an Asset Manager to oversee the strategic development of the management of the assets.	
1.1	Asset management plan covers key requirements.	<p>Asset management documentation requires updating, consolidation and improvement. Performance of the process requires some improvement to meet the required level.</p> <p>The last Asset Management Plan (<b>AMP</b>) was issued by PFM in September 2011, covering the period 2011 to 2016. The main aspects of the AMP were:</p> <ul style="list-style-type: none"> <li>• a comprehensive asset report</li> <li>• maintenance strategy (2 years rolling)</li> <li>• restoration maintenance plan (3 years rolling)</li> <li>• asset replacement forecast (5 years)</li> <li>• 5 year rolling Lifecycle Costs (<b>LCC</b>) forecasts</li> <li>• compliance analysis (including a Critical Operational Documentation Calendar).</li> </ul> <p>In section 8 the AMP looked at:</p> <ul style="list-style-type: none"> <li>• asset management objectives from the "Rottnest Island Management Plan" (<b>RIMP</b>) and Annual Plans;</li> <li>• AMP structure to cover Level 4 Asset classes (since 2009, through the Maximo enterprise resource planning (<b>ERP</b>) software platform)</li> <li>• review of performance of asset classes</li> <li>• maintenance tasks over several years, including all the inspections, test and services required for the electricity supply assets;</li> <li>• capital works requirements</li> <li>• key stakeholders plans and activities</li> <li>• asset risks and mitigating strategies</li> <li>• asset replacement costs through "AssetTrak"</li> <li>• program of Preparation of AMP and stakeholders defined.</li> </ul> <p>The AMP indicated key risks which could jeopardise the operation of the facilities, the</p>	<p>ADEQUACY OF CONTROLS: C Process documentation is incomplete.</p> <p>PERFORMANCE: 3 Corrective action required.</p> <ol style="list-style-type: none"> <li>1. The process for the development and updating of the Asset Management Plan (AMP) should be documented.</li> <li>2. The extent of and the correlation between the PFM's and the RIA's asset management systems needs to be reviewed and defined.</li> <li>3. A program should be in place to update the AMP.</li> </ol>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		<p>main mitigation projects included:</p> <ul style="list-style-type: none"> <li>• rebuild of two Detroit diesel generators in 2012;</li> <li>• programming the maintenance for the Cummins Gen Sets (units 3 and 5 had been rebuilt in 2011);</li> <li>• key 200kV transformers reaching end of life in 2014;</li> <li>• bunding and fire suppression around the diesel fuel storage and miscellaneous projects.</li> </ul> <p>Since the issue of the AMP 2011-12 and during the review period RIA has assessed optional strategies for the management of the electricity assets and proposed amendments to the RIA's legislation. An Asset Manager has been appointed and Horizon Power has provided assistance in developing a framework for a new Asset Management System (<b>AMS</b>) and a new AMP.</p> <p>This has resulted in a "Strategic Asset Management Framework" issued October 2013 (<b>SAMF</b>), the RIMP 2014-2019, a "Strategic Plan" (<b>SP</b>) 2014-19 and the "Strategic Asset Investment Plan" 2013-14 to 2022-23 (<b>SAP</b>).</p> <ul style="list-style-type: none"> <li>▶ While the operation and maintenance of the assets has continued through the review period as per the framework established by the AMP 2011-12 there have been no updates to the AMP. A number of strategic and long range plans have been prepared however no detailed AMP has been maintained through the review period.</li> <li>▶ While there is a process in the SAMF for the development of a strategic asset plan, there is no documented process for the development and updating of the asset management plan. Subsequent clarification has indicated that the strategic asset plan is the new asset management plan however this was not evident during the review.</li> </ul> <p>(The preparation of the AMP has historically been part of the contractual responsibilities of the facility manager which require the facility manager to comply with the licence conditions. However, with the change in operation and the introduction of the SAMF the process is yet to be defined).</p>	



EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
1.2	Planning process and objectives reflect the needs of all stakeholders and is integrated with business planning.	<p>The planning process is documented in the "Strategic Asset Management Framework" October 2013 (SAMF), A template for Business Cases is also included in the SAMF.</p> <p>RIA's planning processes follow the Treasury's annual Budget Cycle however 5 year and 20 year plans are also prepared to provide long term plans:</p> <ul style="list-style-type: none"> <li>the "Rottnest Island Management Plan" (RIMP) is prepared at five year intervals and provides high level strategies and plans; both the RIMP 2009-2014 and the RIMP 2014-2019 are available; the RIMP 2014-19 incorporates a 20 year plan, the "Rottnest Island Master Plan - A 20 Year Vision" (<b>MP20</b>) which includes for the future development of the electricity utility;</li> <li>the RIMP is supported by another high level document, the "Strategic Plan" (SP), which is prepared by the RIA and provides similar information to the RIMP. The SP 2014-19 was reviewed during the review;</li> <li>the "Strategic Asset Investment Plan" 2013-14 to 2022-23 (defined as <b>SAP</b> by the RIA) has been prepared by the RIA following a request by the Economic Expenditure Reform Committee (<b>EERC</b>) through the 2012/13 Mid-Year Review Process and submitted in October 2013 and approved by the Minister prior to submission to Treasury originally timed for 31 October 2013. The SAP is a 10 year plan which provides the objectives, the status and needs of the assets, priorities for implementation as well as the annual investment. Business cases for large expenditure tickets are also included in the SAP.</li> </ul> <p>In addition the Service Agreement between the licensee and the operator require the operator to report on an annual basis:</p> <ul style="list-style-type: none"> <li>all maintenance activities scheduled to be performed during the following year;</li> <li>any amendments to the planned delivery of the services;</li> <li>anticipated renewal or replacement plans;</li> <li>overview of current relevant industry trends;</li> <li>the maintenance condition of each item of Rottnest Island's equipment.</li> </ul> <p>The review and approval of the plans by a variety of stakeholders, approval by Treasury</p>	<p>ADEQUACY OF CONTROLS: A Adequately defined</p> <p>PERFORMANCE: 2 Performance requires some improvement</p> <p>4. Revise the process to ensure that current critical documentation such as the SAP is clearly in use by responsible staff.</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		<p>and the Minister provide a strong overall planning process, however:</p> <ul style="list-style-type: none"> <li>While the planning process is documented in the SAP, the SAP presented to the auditors during the review had been superseded however this was not evidenced to the auditors during the review.</li> </ul>	
1.3	Service levels are defined.	<p>Both the documentation and the performance of the processes met requirements. Service levels have been defined in the "Rottnest Island Facilities, Operations and Utilities Management Agreement" (<b>FOU</b>) which incorporated a Service Level Agreement (<b>SLA</b>) between RIA and PFM (was Tungsten Group Pty Ltd) up to January 2015. Since January 2015 the FUSS contract has been in operation.</p> <p>Both documents define service levels that the operator has to maintain, in particular:</p> <ul style="list-style-type: none"> <li>supply of electricity in accordance with regulatory conditions;</li> <li>regulatory audits and reports to be conducted and submitted as per regulatory body requirements;</li> <li>no interruptions in provision of utility services outside the limits stipulated in the licence conditions;</li> <li>compliance with Code of Conduct.</li> </ul> <p>Monthly reports are required under the SLAs which include for reporting of above service levels and relevant penalties for not achieving them.</p>	<p>ADEQUACY OF CONTROLS: A Adequately defined PERFORMANCE: 1 Performing effectively</p>
1.4	Non-asset options (e.g. demand management) are considered.	<p>Processes and policies were documented and performed adequately.</p> <p>There has been consideration on non-asset options from a strategic point of view throughout the review period.</p> <p>This has included innovation in meeting future demand and the employment of HydroTas to study alternatives:</p> <ul style="list-style-type: none"> <li>increasing the reliance on renewables on the customer side, such as use of solar hot water and storage;</li> </ul>	<p>ADEQUACY OF CONTROLS: A Adequately defined PERFORMANCE: 1 Performing effectively</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		<ul style="list-style-type: none"> <li>study for solar powered lighting</li> <li>energy audits;</li> <li>control of low level demand over short periods of time to reduce peak demand;</li> <li>control of timing of high power consumers such as the desalination plant to off peak periods.</li> </ul>	
1.5	Lifecycle costs of owning and operating assets are assessed. (also at 2.2)	<p>The asset management system requires minor improvement and the performance of the process meets requirements.</p> <p>Lifecycle costs (<b>LCC</b>) for the assets had been calculated in the AMP in the "Life Cycle Model for Critical Infrastructure" for the period of 2011 to 2016.</p> <p>Operational costs (non-capital) for asset maintenance and Work Orders were reported through the Maximo enterprise resource planning (<b>ERP</b>) software platform, on the database "ROTT002 Contract". Maximo outputs to the Rottneest Island operational team via agreed intermediary platforms such as Excel.</p> <p>► Since October 2014 a new database under Maximo, the "FUSS001 Contract" (or "001" database), is being implemented by the operator. The database will need to be completed.</p>	<p>ADEQUACY OF CONTROLS: B</p> <p>The asset management system require minor improvement</p> <p>PERFORMANCE: 1</p> <p>Performing effectively</p>
1.6	Funding options are evaluated.	<p>Processes and policies were adequately documented. The performance of the process meets requirements.</p> <p>Funding options are regularly evaluated in RIA's planning documents:</p> <ul style="list-style-type: none"> <li>the RIMP provides the high level options available to the RIA for funding operations and capital expenditure.</li> <li>The SAP 2014-15 summarises the risks of electricity utility and the required contribution from RIA, State and Federal Government to fund proposed activities;</li> <li>there has been consideration of alternative funding options for expenditure on energy alternative. Work into energy options has been partly funded by ARENA.</li> </ul>	<p>ADEQUACY OF CONTROLS: A</p> <p>Adequately defined</p> <p>PERFORMANCE: 1</p> <p>Performing effectively</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
1.7	Costs are justified and cost drivers identified.	<p>Processes and policies are adequately documented. The performance of the process meets requirements.</p> <p>Costing of operations, activities and assets is regularly evaluated in RIA's planning documents:</p> <ul style="list-style-type: none"> <li>the RIMP provides the justification at high level of costs of operations and capital expenditure;</li> <li>the SAP 2014-15 summarises the risks of the electricity utility, the costs of required undertakings and activities and the required funding contribution from self-funding, State and Federal Government;</li> <li>drivers for expenditure are identified through a prioritisation process; activities may be justified on the basis of safety as higher rated priority;</li> <li>fuel costs are one of the top cost drivers leading to the optimisation of the use of wind energy and monthly reporting on the performance of the plant.</li> </ul>	<p>ADEQUACY OF CONTROLS: A Adequately defined</p> <p>PERFORMANCE: 1 Performing effectively</p>
1.8	Likelihood and consequences of asset failure are predicted.	<p>The documentation and performance of the process require some improvement.</p> <p>A range of analysis is performed identifying risks in respect of the corporate business and assets both by the licensee and the operator.</p> <p>The SAMF outlines the risk assessment process.</p> <p>At a high level, enterprise risk is reviewed in the "Enterprise Risk Management Plan" by PFM, with 3 new risk added in December 2014: this plan identifies the risk of breakdown of major assets (lumped into one category which includes other services such as gas and water) and the mitigating strategies which include, among others, the update of the "Power Generation Risk Management" document and the new asset management system leading to a preventative maintenance plan.</p> <p>In terms of individual asset risk, asset risk analysis had been documented in a comprehensive matrix around 2009. At the end of 2014 the "Baseline Capex RIA Risk Assessment 2014" was carried out to support the preparation of the new CAPEX plan assessing likelihood and consequence of asset risks.</p> <p>► It does appear that not all assets are covered by the "Baseline Capex RIA Risk</p>	<p>ADEQUACY OF CONTROLS: B Documentation requires some improvement</p> <p>PERFORMANCE: 2 Performance requires some improvement</p> <p>Recommendation 16 addresses the finding.</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		<p>Assessment 2014".</p> <p>The previous asset risk analysis had been documented in a comprehensive matrix around 2009.</p>	
1.9	Plans are regularly reviewed and updated.	<p>Process and policy documentation requires improvement and the performance of the process required some improvement to meet the requirements.</p> <p>The suite of strategic and operational plans have been created and subject to updates throughout the review period.</p> <p>Generally all plans are subject to regular updates and reviews, for example the RIMP is subject to 5 year review/update cycles.</p> <p>► However the reviews of the AMP and AMS, which were in progress during the last review (2013), have not been completed. No AMP has been issued in the current review period. There is no program for the review and update of the AMS and AMP.</p>	<p>ADEQUACY OF CONTROLS: B Documentation requires minor improvements</p> <p>PERFORMANCE: 2 Performance requires some improvement</p> <p>Recommendations number 1, 2 and 3 address this finding.</p>
<b>2</b>	<b>Asset Creation and acquisition</b>	A more economic, efficient and cost-effective asset acquisition framework which will reduce demand for new assets, lower service costs and improve service delivery.	
2.1	Full project evaluations are undertaken for new assets, including comparative assessment of non-asset solutions.	<p>Both the documentation and the performance of the processes were adequate.</p> <p>Consideration of new assets has to follow processes of evaluation both by the operator, PFM, and the licensee.</p> <p>PFM prepares CAPEX plans between October and December for submission to the licensee. RIA has to maintain CAPEX levels below Treasury approved levels over the forthcoming four years. Project sorting is on the basis of criticality based on safety, compliance and criticality of continuity of service, lower priority projects are discretionary. Selected projects are included in CAPEX plans. Planning has been switched to condition based risk prioritisation from the 2014-15 FY.</p> <p>Once projects are identified Business Cases (BC) are prepared for approval by management. A single pass approval is in place for projects under \$150k which require</p>	<p>ADEQUACY OF CONTROLS: A Adequately defined</p> <p>PERFORMANCE: 1 Performing effectively</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		<p>approval by the CFO, the General Manager and the CEO, whilst projects over \$150k require a "two pass" approval.</p> <p>During the review period there were no requirements for the creation or acquisition of new significant assets. There were instances of asset replacement that required the preparation of BCs the most significant being the Diesel Fuel Farm Upgrade. A BC was prepared for the project, the "Upgrade to Diesel Fuel Storage and Distribution 2014" BC. This followed a series of inspections of the fuel tanks and notices by the Department of Mines and Petroleum.</p> <p>The BC included:</p> <ul style="list-style-type: none"> <li>• reasons for change</li> <li>• capital and operational costs and cost benefits</li> <li>• objectives</li> <li>• performance indicators</li> <li>• stakeholders interests</li> <li>• options including alternative such as "business as usual".</li> </ul>	
2.2	Evaluations include all life-cycle costs.	During the review period, except for the Diesel Fuel Tank Replacement Project RIA has not had the need to install new plant and replacements of gen-sets have been on a like for like replacement occurring at end of life of machines. The main criteria has been the capital cost of equipment.	Not Rated as there were no instances of significant asset acquisitions or creation during the Review period.
2.3	Projects reflect sound engineering and business decisions.	<p>Both the documentation and the performance of the processes were adequate.</p> <p>Long term plans such as the RIMP and the SAP identify major project requirements. Asset and project needs are assessed on an annual basis and form the basis for the preparation of the CAPEX Plan. In addition major expenditure items are covered by detailed BCs which have to be approved by Management, Government and Treasury following Treasury processes and timeframe.</p> <p>BCs reviewed were in regard to replacement plant and showed adequate</p>	<p>ADEQUACY OF CONTROLS: A</p> <p>Adequately defined</p> <p>PERFORMANCE: 1</p> <p>Performing effectively</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		documentation and justification of projects.	
2.4	Commissioning tests are documented and completed.	<p>There was evidence to show that commissioning tests are documented. Records reviewed showed that commissioning tests had been completed by external suppliers:</p> <ul style="list-style-type: none"> <li>Test report was reviewed for engine/generator no 06R1057247 and X08G280076/1 replacing gen-set number 7.</li> </ul>	<p>ADEQUACY OF CONTROLS: A Adequately defined PERFORMANCE: 1 Performing adequately.</p>
2.5	Ongoing legal/environmental/safety obligations of the asset owner are assigned and understood. (also at EC4.3)	<p>Documentation and performance require improvement.</p> <p>A process is in place for managing the legal/environmental/safety compliance of the asset operation. Responsibilities for managing compliance have been assigned to the operator. However the RIA maintains an "Electrical, Water, Gas Licence Compliance Register" which lists compliance requirements and timing.</p> <p>PFM maintain a "Breach and Compliance Event Register" which lists breaches in operation but does not extend to outages and licence reporting obligations.</p> <p>During the review period there were compliance breaches in respect of RIA however the breaches were not reported in registers and there was no recording of corrective actions and their closure.</p>	<p>ADEQUACY OF CONTROLS: B Documentation requires some improvements PERFORMANCE: 2 Performance requires some improvement</p> <p>5. A compliance (or breach) register should be implemented recording breaches of licence conditions, corrective actions, timing and closures.</p>
3	<b>Asset Disposal</b>	Effective management of the disposal process will minimise holdings of surplus and under-performing assets and will lower service costs.	
3.1	Under-utilised and under-performing assets are identified as part of a regular systematic review process.	<p>The documentation of the process was adequate however performance of the process requires improvement.</p> <p>Through the annual asset review required by the SLA the operator has to produce:</p> <ul style="list-style-type: none"> <li>anticipated renewal or replacement plans;</li> <li>the maintenance condition of each item of Rottneest Island's equipment.</li> </ul>	<p>ADEQUACY OF CONTROLS: A Adequately defined PERFORMANCE: 2 Performance requires some improvement</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		<p>Regular maintenance inspection activities are in place as defined in the FUSS to verify the condition of plant, including:</p> <ul style="list-style-type: none"> <li>• thermographic surveys of critical equipment:</li> <li>• SCADA software diagnostic testing of SCADA UPS power supplies.</li> </ul> <p>PFM also carries out other condition monitoring tests such as:</p> <ul style="list-style-type: none"> <li>• transformer oil sampling.</li> </ul> <p>► The SAMF and the Financial Management Manual indicate an Asset Disposal Plan should be prepared, however this has not occurred.</p> <p>Planning documentation show that equipment replacement has been identified and replacements are included in the CAPEX plans. During the review period the following replacement projects took place:</p> <ul style="list-style-type: none"> <li>• Removal of Fuel Tank and Diesel Fuel Farm Upgrade;</li> <li>• Generator Motor replacement for unit 7.</li> </ul>	<p>6. An Asset Disposal Plan should be prepared in accordance with the Financial Management Manual and the Strategic Asset Framework.</p>
3.2	The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken.	<p>Documentation and performance of the process were adequate.</p> <p>There is a process for reporting plant performance, examining the reasons for poor performance leading to proposals for repair or disposal. Findings are documented in Monthly Reports and annual reviews. Inspections are carried out to confirm plant condition. Asset risk assessments also summarise plant risks and corrective actions. The information is then reported in the strategic plans and projects identified and prioritised.</p> <p>The replacement timing is documented in the CAPEX, replacements are generally taking place later than programmed.</p>	<p>ADEQUACY OF CONTROLS: A</p> <p>Adequately defined</p> <p>PERFORMANCE: 1</p> <p>Performance of the process was adequate.</p>



EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
3.3	Disposal alternatives are evaluated.	<p>Both the documentation and performance of the process requires some improvement to meet the required level.</p> <p>Within its "Financial Management Manual" the RIA has an Asset Management policy which includes an "Asset Disposal" policy.</p> <p>One of the requirements is that transactions on fixed assets should be recorded on an asset transfer/disposal form and the asset register updated accordingly.</p> <p>► No record was available documenting the evaluation of asset disposal alternatives for the disposal of gen-set 7.</p>	<p>ADEQUACY OF CONTROLS: B Documentation requires some improvements</p> <p>PERFORMANCE: 2 Performance requires some improvement</p> <p>Recommendation 6 addresses the finding.</p>
3.4	There is a replacement strategy for assets.	<p>Both the documentation and the performance of the processes were adequate.</p> <p>The SAMF and the SAP have identified the life-cycle (LC) replacement liability of aged condition of electrical infrastructure. Replacement strategy for the assets has been documented in the capital expenditure plan.</p>	<p>ADEQUACY OF CONTROLS: A Adequately defined</p> <p>PERFORMANCE: 1 Performing effectively</p>
4	<b>Environmental Analysis</b>	The asset management system regularly assesses external opportunities and threats and takes corrective action to maintain requirements.	
4.1	Opportunities and threats in the system environment are assessed.	<p>Both the documentation and the performance of the processes were adequate.</p> <p>The SAMF and the SAP have identified customer trends, financial constraints and the LC replacement liability of the aged condition of electrical infrastructure. Appropriate strategies have been formulated to address those issues.</p> <p>The SAP notes that Horizon Power's own investigation and assessment, which also included a review of GHD's "Utilities Master Plan" of 2007, have identified significant rectification work which needs to be performed to maintain compliance, performance standards and address safety issues:</p>	<p>ADEQUACY OF CONTROLS: A Adequately defined</p> <p>PERFORMANCE: 1 Performing effectively</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		<ul style="list-style-type: none"> <li>The SAP has identified that the proposed hotel development on Rottneest Island will increase demand by around 720 kW. In addition there will be an expanded golf course and new marina. Ancillary development will take place to increase desalinated water supply, waste water treatment, air conditioning, etc to sustain the increased demand. Current demand is 1400 kW, maximum demand in 2009-10 was 1940 kW compared to a maximum capacity of 2140 kW. The studies have also noted the need for derating of the generating plant due to age.</li> <li>SAP has also identified the lack of redundancy in two 1 MVA Step Up Transformers at the power house.</li> <li>Opportunities for savings are also systematically identified in the SAP.</li> </ul>	
4.2	Performance standards (availability of service, capacity, continuity, emergency response, etc) are measured and achieved.	<p>Both the documentation and the performance of the processes were adequate.</p> <p>Performance standards are defined in the SLAs. Some of the parameters are reported in Monthly Reports.</p> <p>Interruptions were reported by month under the FOU contract, for example there were 5 interruptions (unplanned) between April and June 2013. Interruptions are no longer reported by month under the FUSS contract.</p> <ul style="list-style-type: none"> <li>Current monthly reports could possibly benefit from showing: <ul style="list-style-type: none"> <li>peak power (kW) used in the month vs capacity;</li> <li>outage numbers or number of interruptions to customers.</li> </ul> </li> </ul> <p>Planned and unplanned outages are recorded in "Planned and Operational Outages" spreadsheets for each FY.</p> <p>There were no planned or unplanned outages that affected customers over 12 hours in the review period.</p> <p>The FUSS requires that detailed reporting of response to faults be provided, requiring</p>	<p>ADEQUACY OF CONTROLS: A</p> <p>Adequately defined</p> <p>PERFORMANCE: 1</p> <p>Performing effectively</p>

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		that Priority 1 faults be responded to within 20 minutes and rectified within 2 hours. "Business Continuity Drills" have been performed, last test being in March 2014.	
4.3	Compliance with statutory and regulatory requirements.	<p>Both the process documentation and the performance require improvement. A licence compliance calendar is in place both with RIA and PFM.</p> <p>► RIA maintains the "RIA Electrical Water Gas Licence Compliance Register" which identifies the compliance requirements of the "Electricity Regional Licence", however it does not register breaches, corrective actions and closure of breaches.</p> <p>A "Licence Renewal Register" is also included in the FUSS showing the required licences and the due dates for renewal.</p> <p>There were a number of breaches in licence conditions. Reported in Compliance Reports as of 30 June 2013:</p> <ul style="list-style-type: none"> <li>metering installation subject to bi-directional flows was not equipped with a bi-directional meter;</li> <li>there was no evidence of meter calibration;</li> </ul> <p>and in Compliance Report for 30 June 2014:</p> <ul style="list-style-type: none"> <li>Code of Conduct Report published 2 days late on RIA's website;</li> <li>Distribution Standard Manual" not published on the RIA's website.</li> </ul> <p>There were no other breaches recorded in the RIA's systems.</p>	<p>ADEQUACY OF CONTROLS: B Documentation requires some improvements PERFORMANCE: 2 Performance requires some improvement</p> <p>Recommendation 5 addresses the finding.</p>
4.4	Achievement of customer service levels.	<p>Records maintained by the operator have shown that customer service levels have been achieved over the review period.</p> <p>Customer service levels are measured by PFM and verified yearly by an independent service provider (Nilsen WA Pty Ltd) which sample the network connection for power quality and flicker. KPIs for the review period comply with licence requirements except for peak values of long term flicker at customer premises (the Bakery) which are over the values prescribed while average values are satisfactory. There was a one-off</p>	<p>ADEQUACY OF CONTROLS: A Adequately defined PERFORMANCE: 1 Performing effectively</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		reading of Total Harmonic Distortion (THD) which was over the requirements on starting the monitoring, however this did not reoccur and was discounted as being a single occurrence.	
<b>5</b>	<b>Asset Operations</b>	Operations plans adequately document the processes and knowledge of staff in the operation of assets so that service levels can be consistently achieved.	
5.1	Operational policies and procedures are documented and linked to service levels required.	<p>Policy documentation requires improvement.</p> <p>Operational policies have been set up on the basis of commissioning an experience operator to perform the function. PFM was the operator for the review period and was awarded a new contract in 2014 (under the FUSS contract arrangement).</p> <p>High level policies are maintained by the RIA (and documented in the contractual documents such as the FUSS). PFM has a suite of operational procedures.</p> <p>► The electrical assets operational policies are not sufficiently clear due to the lack of an up to date AMP.</p> <p>Service levels for safety, reliability and compliance are the drivers for strategies and policies.</p> <p>Operational procedures are linked to service levels response requirements.</p> <p>The "Planned Outage Notification Procedure" PRO-RNI-I03-034-1 is in place to provide a minimum 72 hours advance notification to customers of planned outages and for providing alternative power supply.</p> <p>The "Powerhouse Outages Procedure" PRO-RNI-I03-035-1 provides the operational response of power generation facilities to events such as trips, faults and power blackouts.</p>	<p>ADEQUACY OF CONTROLS: B</p> <p>Documentation requires minor improvements</p> <p>PERFORMANCE: 2</p> <p>Performance requires some improvement</p> <p>Recommendation number 3 addresses this finding.</p>
5.2	Risk management is applied to prioritise operations tasks.	<p>Both the documentation and the performance of the processes were adequate.</p> <p>Under the contractual arrangements with PFM, performance of the operational tasks has been defined in detail and prioritised. Task performance is subject to a rating system, tasks which are not adequately performed within the defined times result in</p>	<p>ADEQUACY OF CONTROLS: A</p> <p>Adequately defined</p> <p>PERFORMANCE: 1</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		<p>negative ratings and possibly penalties. Response and rectification times are set on the basis of the risk and criticality of the task.</p> <p>A "Restoration Priority Register [for] Electrical Services" is in use providing a priority level for feeder restoration.</p> <p>Under the current FUSS arrangement there is new reliance on mobility solutions and staff is required to enter attendance times and closure of jobs to satisfy the increased monitoring regime of the FUSS.</p>	Performance of the process was adequate.
5.3	Assets are documented in an Asset Register including asset type, location, material, plans of components, an assessment of assets' physical/structural condition and accounting data.	<p>The asset register and its performance require further improvement.</p> <p>The operator PFM migrated its AMS to the Maximo ERP system in 2010, which stored the records of the assets in the database (DB) "ROTT0002". Since the introduction of the FUSS contract a new database "FUSS Contract 0001" or "001", has been under construction. The 001 DB is based on up to date data, it is more granular and includes more information than its predecessor. It includes a preventative maintenance schedule.</p> <ul style="list-style-type: none"> <li>At present the asset register is not complete. Work is still ongoing and some assets are not included (all of the HV system). A preventative maintenance plan has not been issued at this point.</li> </ul> <p>Maintenance is enabled through the Maximo system.</p> <p>The Maximo system documents the asset location, the structure and type of the asset, some asset operational information and some accounting data (accounting information was also reported through the AssetTrak system).</p> <p>Information on labour hours and parts is entered into the Navision accounting system. Inspection data is managed manually.</p> <ul style="list-style-type: none"> <li>At present due to the asset management system database being in progress there is no link to asset drawings as drawings are out of date; there is a disconnect between drawings and physical installation.</li> </ul> <p>The RIA is also moving to create an asset register using SAP.</p> <ul style="list-style-type: none"> <li>There is insufficient information to verify the link between the operational asset</li> </ul>	<p>ADEQUACY OF CONTROLS: C</p> <p>Documentation is incomplete and does not document the required performance of the process.</p> <p>PERFORMANCE: 2</p> <p>Performance requires some improvement.</p> <ul style="list-style-type: none"> <li>The asset register should be completed and should include those properties required in the Authority's Effectiveness Criteria.</li> <li>The link between the Physical Asset Register and the Accounting Asset Register should be documented.</li> </ul>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		register (Maximo) and the current fixed accounting asset register (RIA).	
5.4	Operational costs are measured and monitored.	<p>Process and documentation require improvement.</p> <p>Information on labour hours and parts is entered into Navision, a system which is separate from Maximo. Output of system is through Excel spreadsheets (SS). FOU reports included monthly progressive updates of operational costs.</p> <ul style="list-style-type: none"> <li>There is a lack of clarity on how operational costs will be tracked in future, whether they will be tracked in Maximo or another system.</li> </ul>	<p>ADEQUACY OF CONTROLS: B</p> <p>Documentation requires minor improvements</p> <p>PERFORMANCE: 2</p> <p>Performance requires some improvement</p> <p>9. Plan for recording and managing operational costs needs to be defined and the process documented.</p>
5.5	Staff resources are adequate and staff receive training commensurate with their responsibilities.	<p>Both the documentation and the process performance require improvement.</p> <p>Staff resources appear to be adequate and performance has to meet detailed KPIs.</p> <p>In regard to the RIA, training of new staff commences with an induction program which includes completing online Record Keeping Awareness courses and TRIM Records Management training.</p> <ul style="list-style-type: none"> <li>PFM use a "Rottnest Island Competency Matrix" which had been updated post the review period but required further updating as it still included ex-employees.</li> </ul> <p>A licence register is maintained by PFM and records were checked and found satisfactory.</p>	<p>ADEQUACY OF CONTROLS: B</p> <p>Documentation requires minor improvements</p> <p>PERFORMANCE: 2</p> <p>Performance requires some improvement</p> <p>10. The "Rottnest Island Competency Matrix" needs to be updated.</p>

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6	<b>Asset Maintenance</b>	Maintenance plans cover the scheduling and resourcing of the maintenance tasks so that work can be done on time and on cost.	
6.1	Maintenance policies and procedures are documented and linked to service levels required.	<p>Both the documentation and the performance of the processes were adequate.</p> <p>Maintenance policies had been set on the basis of the contracted operator (PFM) providing the operation and maintenance services on site.</p> <p>Budget considerations in the past have driven the maintenance strategy, so that higher risks have been accepted by moving planned and preventative maintenance tasks to become reactive. However since 2009 PFM has been moving towards a Planned Preventative Maintenance regime. AMP 2011-12 had outlined the change to the Planned Preventative Maintenance Strategy rather than primarily Reactive Maintenance. This is also noted in RIA's and PFM's strategy documents.</p> <p>Maintenance manuals and procedures are documented. PFM are moving their work plans and work management to Maximo DB 001 however the work is still in progress.</p> <p>Maintenance of major items of plant range from monthly to annual inspections, testing and/or servicing.</p> <p>The "Planned Outage Notification Procedure" PRO-RNI-103-034-1 is in place to provide a minimum 72 hours advance notification to customers of planned outages and for providing alternative power supply.</p>	<p>ADEQUACY OF CONTROLS: A</p> <p>Adequately defined</p> <p>PERFORMANCE: 1</p> <p>Performance of the process was adequate.</p>
6.2	Regular inspections are undertaken of asset performance and condition.	<p>Documentation requires minor improvements and performance of the process is adequate.</p> <p>Maintenance is enabled through the Maximo system and routine maintenance still follows the older ROTT002 plan, with schedules being carried over from the previous system. Each asset has a maintenance plan which generates the requirements for inspections.</p> <p>Regular inspections are performed of asset condition while asset performance is monitored through regular reporting. Inspection regime ranges from daily to annual:</p> <ul style="list-style-type: none"> <li>TX oil sampling</li> </ul>	<p>ADEQUACY OF CONTROLS: B</p> <p>Documentation requires improvements</p> <p>PERFORMANCE: 1</p> <p>Performance of the process was adequate.</p> <p><b>11.</b> Document which inspections are regularly performed and</p>

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		<ul style="list-style-type: none"> <li>annual thermographic survey of assets.</li> <li>While individual asset maintenance tasks are generated monthly, no overall maintenance schedule was sighted so that the program of annual maintenance and inspections was not clear.</li> </ul>	how often. Plan of annual maintenance and inspections should be clearly defined. This could be documented in the AMP.
6.3	Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule.	<p>Documentation requires some improvements while performance of the process was adequate.</p> <p>Under the FOU contract and Maximo "ROTT002 DB", PFM scheduled operational (non-capital) asset maintenance and Work Orders through Maximo. Current process generates a monthly spreadsheet on the 15th of each month, the "Preventive Maintenance Schedule" listing Work Orders due. Work Orders have start and finish dates and allocated trade or service area. If jobs are not completed by the due date the job is flagged. An "Open Work Order Report" is generated monthly and included in PFM Monthly Reports to the RIA.</p> <p>Jobs not completed on time receive a penalty rating and a negative KPI. Monetary penalties apply on a month by month basis if certain thresholds are reached.</p> <p>Much of the preventive maintenance is carried out during the off-peak season, between the end of April and early November.</p> <p>The maintenance history of generator sets is summarised as:</p> <ul style="list-style-type: none"> <li>The gen-set motors are subject to preventive maintenance based on operational hours and oil sample tests;</li> <li>Corrective planned maintenance was carried out on the HV Distribution (defined as Transmission) Line at RI. This included: <ul style="list-style-type: none"> <li>Pole top washdown</li> <li>Pole replacement;</li> </ul> </li> <li>Emergency maintenance was carried out in March 2014 due to 2 HV Line poles being damaged from pole top fires which occurred on the same day.</li> </ul>	<p>ADEQUACY OF CONTROLS: B Documentation requires some improvements</p> <p>PERFORMANCE: 1 Performance of the process was adequate.</p> <p>Refer to recommendation 11.</p>



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		<p>While individual asset maintenance tasks are generated monthly, no overall maintenance schedule was sighted so that the program of annual maintenance and inspections is not clear.</p>	
6.4	Failures are analysed and operational/maintenance plans adjusted where necessary.	<p>Both the documentation and the performance of the processes met requirements. Failures are recorded in the annual "Operational Outage Register". Incident reports are completed for each failure. There was evidence to show that maintenance is adjusted to respond to the failures.</p> <p>Several incident reports were reviewed and the following was noted:</p> <p>Incident of 6 June 2013 relating to a small electrical fire on generator 7 was the subject of a "Fire Incident Report", the repair was reported on ABB's "AU57713019 PFM Rottneest August Repairs &amp; Inspections" Service Report however the failure was not included in the Operational Outages list. (It is noted that generators can be taken out of service without causing a power outage).</p> <p>Pole top washdowns were carried out in December 2014 after pole top fires occurred in March 2014. Corrective maintenance performed appeared adequate however risk assessment needs attention (refer to EC8.3 for findings).</p>	<p>ADEQUACY OF CONTROLS: A Adequately defined</p> <p>PERFORMANCE: 1 Performance of the process was adequate.</p>
6.5	Risk management is applied to prioritise maintenance tasks.	<p>Both the documentation and the performance of the processes met requirements.</p> <p>Maintenance tasks which incur significant capital cost are subject to prioritisation in terms of risk which rates safety, reliability and compliance as critical criteria.</p> <p>Under the contractual arrangements with PFM, performance of maintenance tasks is prioritised and task performance is subject to a rating system, tasks which are not adequately performed within the defined times result in negative ratings and in possible penalties.</p> <p>In reactive maintenance higher priority applies to faults that endanger life or cause injury, or cause immediate material damage to property (It is noted that reactive maintenance can take place when unexpected failures occur, such as a pole down due to unpredictable high winds, preventive maintenance cannot prevent all failures).</p>	<p>ADEQUACY OF CONTROLS: A Adequately defined</p> <p>PERFORMANCE: 1 Performance of the process was adequate.</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		Response and rectification times are set on the basis of the risk and criticality of the task.	
6.6	Maintenance costs are measured and monitored.	<p>Both the documentation and the performance of the processes were adequate.</p> <p>Measurement of job costs is achieved through allocation of labour hours and parts in PFM's accounting system Navision.</p> <p>FOU reports included monthly progressive updates of operational and maintenance costs. The end of year Annual Report reported on all the monthly costs. Variations noted were not significant and were generally due to the timing of billings.</p> <p>Under FUSS the operational costs are lumped as a major fixed cost with other utilities with additional expenditure, where agreed, for reactive maintenance and project management.</p>	<p>ADEQUACY OF CONTROLS: A</p> <p>Adequately defined</p> <p>PERFORMANCE: 1</p> <p>Performance of the process was adequate.</p>
7	<b>Asset Management Information System (MIS)</b>	The asset management information system provides authorised, complete and accurate information for the day-to-date running of the asset management system. The focus of the review is the accuracy of performance information used by the licensee to monitor and report on service standards.	
7.1	Adequate system documentation for users and IT operators.	<p><b>System Overview and History</b></p> <p>The information systems used to manage the electricity assets on Rottne Island comprise of:</p> <ul style="list-style-type: none"> <li>PFM's Maximo / AssetTrak – Operational Asset Database and Maintenance Management</li> <li>RIA's Sage – Financial Asset Database.</li> </ul> <p>There is no data link between RIA's and PFM's systems, with the bulk of information flowing between the two organisations via documents and spreadsheets. Both systems have and continue to be enhanced with respect to the breadth, quality and accuracy of data maintained.</p>	<p>ADEQUACY OF CONTROLS: A</p> <p>Adequately defined</p> <p>PERFORMANCE: 2</p> <p>Performance requires some improvement</p> <p><b>12. [OFI]:</b> Review procedure for document control between PFM and RIA systems to ensure correct version control and currency</p>

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		<p>PFM's Maximo system switched over to a more complete baseline set of data for assets in Jan-15, known as the FUSS001 database. Prior to this, Maximo used the ROTT002 database. There is still about 50% further work required to provide for a more comprehensive asset register, but the intention is for Maximo to automatically issue out all preventative maintenance plans once all assets have been captured. During the review period, monthly maintenance plans were both manually and automatically issued. Manual plans relied on Excel spreadsheets, for assets not yet included in Maximo.</p> <p><b>Documentation</b></p> <p>The following systems are used for document management and provide adequate access to system documentation for users and IT operators:</p> <ul style="list-style-type: none"> <li>• PFM's iManage / iKnow</li> <li>• RIA's Trim</li> </ul> <p>It is understood that documents flowing between the RIA and PFM are not automatically shared or controlled via these two systems; accordingly, there exists the potential to have duplicate documents across the systems or at least some ambiguity with respect to current document versions.</p> <p>▶ During the review we received two versions of PFM's Restoration Priority Register Electrical Services – one issued 30/03/09 and last updated 15/11/12, the other issued/updated 14/8/13 (PRO-ROT-ELEC-41.01).</p> <p>PFM have confirmed that the document last updated 14/8/13 is the current Priority Restoration Register with respect to a black start scenario. The document last updated 15/11/12 was produced as part of the Network Disaster Recovery Plan and shows priority restoration from back-up generators.</p> <p>General control / security of computer systems is adequately covered as follows:</p> <ul style="list-style-type: none"> <li>• PFM's ICT Acceptable Computer Usage Policy, Mobility Policy and Security Policy.</li> </ul>	

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		<ul style="list-style-type: none"> <li>RIA has a suite of ICT policies frequently updated and now including social media use – the review sighted the following: Access Management Policy, Financial Management Information System Access Policy, Remote Access Policy and Secure USB Drive Access. The RIA does not permit staff to use their own devices for business. No security breaches have been noted during the review period.</li> </ul>	
7.2	Input controls include appropriate verification and validation of data entered into the system.	<p>A number of spreadsheet templates and several levels of manual verification are used to improve the accuracy of data entered / stored in the system, on daily to monthly and longer cycles as required.</p> <p>Manual verification involves month to month and year to year comparisons to pick up unexpected data values.</p> <p>There is also a level of validation and verification conducted by PFM Melbourne for data provided by their Rottneest Island branch office, prior to the data being accepted by systems such as Maximo.</p> <ul style="list-style-type: none"> <li>The procedure used for this process was requested during the review, but not received.</li> <li>During the performance audit, it was discovered that three meter readings had been incorrectly read during the audit period, with revised invoices having to be issued to customers that queried their billing.</li> </ul> <p>Reports to the RIA are checked by PFM management prior to sending; then checked by the RIA upon receipt.</p>	<p>ADEQUACY OF CONTROLS: B Adequately defined PERFORMANCE: 2 Performance requires some improvement</p> <p><b>13. [OFI]:</b> Review verification and validation procedures on an ongoing basis to minimise the acceptance of incorrect data.</p>
7.3	Logical security access controls appear adequate, such as passwords.	<p>Both PFM and RIA adhere to good industry practice with respect to password maintenance across all their systems, including level of complexity, frequency of change and similarity with previously used passwords.</p> <p>RIA user access is controlled via an on boarding process managed by HR that ensures access is only provided as required for the job function / role (as per ICT Access Request Form and Remote Access Request Form).</p>	<p>ADEQUACY OF CONTROLS: A Adequately defined PERFORMANCE: 1 Performing effectively</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
7.4	Physical security access controls appear adequate.	<p>Physical security to most facilities, including system servers appears adequate.</p> <p>Entry to offices and warehouse is secured with locks or mechanical number pads. There are padlocks at gates to the powerhouse. Keys are restricted to authorised personnel and facilities are secured by the last person leaving each day.</p> <p>PFM's "PRO-RNI-I03-002-1 Powerhouse Security Procedure" prescribes the security requirements of the Powerhouse.</p> <p>PFM's core systems are located in a Burswood data centre secured by swipe card. A list of authorised users is maintained.</p> <p>▶ Additionally, a local branch server exists on Rottnest Island – during the review, it was discovered that the local branch server is not isolated (its physical security is reliant on the general security of the office building).</p> <p>RIA's servers are located in East Perth, comprising data centre grade security.</p>	<p>ADEQUACY OF CONTROLS: B</p> <p>Documentation requires some improvement</p> <p>PERFORMANCE: 2</p> <p>Performance requires some improvement</p> <p>14. Employ additional and documented controls to secure the local branch server from general office access. Ensure physical access to the server is maintained for authorised users only.</p>
7.5	Data backup procedures appear adequate and backups are tested.	<p>RIA's and PFM's data backup procedures appear adequate.</p> <p>RIA's servers are hot mirrored to a location in Malaga, such that any failure at the East Perth location would result in zero system downtime. This was recently tested, with no user reporting any issues. In addition, multiple backups are taken of each site, with restore operations tested on a regular basis. RIA's Information Backup Policy "requires that all stored data, any information derived from this data and stored as part of the Authority's database and all applications which exist and are identified in the "Authority Application Register" be fully backed up and recoverable".</p> <p>PFM's servers have several levels of redundancy. In addition to local disk redundancy via RAID, email failover is available from Burswood to Kewdale and other critical systems such as Maximo can become available in as quickly as 5 minutes following a failure. Backup policies and disaster recovery are consistent with good industry practice.</p> <p>▶ While PFM provided evidence of a successful restore operation for the branch level</p>	<p>ADEQUACY OF CONTROLS: B</p> <p>Documentation requires some improvement</p> <p>PERFORMANCE: 2</p> <p>Performance requires some improvement</p> <p>15. Maintain adequate evidence of regular failover, redundancy and restoration tests completed.</p>

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		<p>server, this was dated 5th June 2015, outside of the audit period. More comprehensive test results for offsite managed systems were not sighted during the review.</p> <p>► Evidence of RIA's failover, redundancy and restoration tests done during the audit period were sighted however the test documentation requires improvement.</p>	
7.6	Key computations related to licensee performance reporting are materially accurate.	<p>As part of the suite of reporting obligations between PFM and the RIA, PFM are responsible for key computations related to licensee performance reporting.</p> <p>Data is collected by PFM and entered into established spreadsheet templates on a daily basis, with calculations performed as required and submitted to the RIA to satisfy licence obligations. Basic data verification encompasses manual comparison with previous months and years figures.</p> <p>To ensure compliance with the Network Quality and Reliability of Supply (NQRS) Code, Qualeng completed an independent audit of the 2014 report and found that the RIA has in place systems to monitor its compliance with the requirements of the Code.</p> <p>Where the RIA are obligated to publish performance reports on their website, this is first done on a test website, with the test website replacing the production website only after changes are confirmed and tested.</p>	<p>ADEQUACY OF CONTROLS: A Adequately defined</p> <p>PERFORMANCE: 2 Performance requires some improvement</p> <p>OFI as per EC7.2</p>
7.7	Management reports appear adequate for the licensee to monitor licence obligations.	<p>Management reports on service standards / licence obligations are largely incorporated into the Facilities, Operations and Utilities (FOU) and Facilities Utilities and Support Services (FUSS) contracts, which detail the contractual obligations between PFM and the RIA during the review period.</p> <p>The FOU operated up until the end of 2014 and required monthly reporting from PFM to RIA on electrical interruptions, performance and compliance. Additionally, PFM were obligated to produce annual asset, risk and safety management plans and maintain an asset register.</p> <p>The FUSS started operating at the start of 2015 and requires a similar suite of information, albeit at a more granular level, supporting a multitude of KPIs and abatements. However, a key difference between the FOU and FUSS is that the FUSS refers to an Annual Service Plan, incorporating Utilities and Management and Compliance Service Plans. There is no longer a direct reference to an Asset</p>	<p>ADEQUACY OF CONTROLS: A Adequately defined</p> <p>PERFORMANCE: 2 Performance requires some improvement</p>

EC No.	AMS Element / Criteria	Review summary ( Findings)	Recommendations
		<p>Management Plan; the understanding is that this responsibility now rests with the RIA, using data maintained by PFM. Notwithstanding this, based on discussions with PFM, they will be building from Maximo (using AssetTrak) some level of asset management system in the next 12 months, on the basis that this represents good industry practice.</p> <p>It remains PFM's contractual responsibility to operate the electrical system in compliance with all relevant standards, codes and licence conditions. Outages must not exceed network reliability standards (Schedule 2, FUSS Contract).</p> <p>PFM's reporting obligations to the RIA are detailed in the Contract Management Handbook, 2014 (Version 3.0, 9/12/14). Due to the performance monitoring regime, it is in PFM's interests to rectify any exceptions to service standards promptly. Performance failures are reported monthly and must detail the cause of failure and remedial action taken.</p> <p>To manage compliance reporting deadlines, the RIA use a spreadsheet based system of requirements by date. This is replicated by PFM and monitored closely to ensure the information is delivered within requirements.</p> <p>A "Breaches &amp; Legal Non Compliance Event Register" is maintained by PFM for Rottneest Island – no breaches pertaining to the electrical system operation and maintenance were noted during the review period.</p> <p>While management reports appear adequate for monitoring licence obligations the overall reporting could be improved with the completion of the development of a cohesive asset management system.</p>	
<b>8</b>	<b>Risk Management</b>	An effective risk management framework is applied to manage risks related to the maintenance of service standards.	
8.1	Risk management policies and procedures exist and are being applied to minimise internal and external risks associated with the asset management system.	<p>Risk management policies and procedures exist and are in use. However due to changing processes some improvements are required.</p> <p>Risk Management procedures at the RIA include:</p> <ul style="list-style-type: none"> <li>• a "Risk Management Policy" which is in place and current;</li> <li>• the "Risk Management Framework" which states that each Business Unit and Directorate should maintain a Risk Register;</li> </ul>	<p>ADEQUACY OF CONTROLS: B Documentation requires some improvement</p> <p>PERFORMANCE: 2 Performance requires some improvement</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		<ul style="list-style-type: none"> <li>risks should be reviewed at least annually.</li> </ul> <p>The current RIA Risk Management Framework has been in operation since 2009. The process relies on the RiskBase risk register and the structure of the risk register has some limitations where:</p> <ul style="list-style-type: none"> <li>risks assessed at individual or team level have the same profile as risks at Executive or Board level;</li> <li>categorisation of risk is inconsistent;</li> <li>risk information can only be updated by owners of risk not by risk register administrators so that some of the risk data cannot be updated and is out of date.</li> </ul> <p>RIA have identified and documented these limitations. In this regard a submission was made in August 2014 to allocate funds to upgrade and update the risk register framework. This will now take place in the next FY (FY 2015-16).</p>	
8.2	Risks are documented in a risk register and treatment plans are actioned and monitored.	<p>Documentation requires some improvement and performance of the process was adequate.</p> <p>The Review viewed the progress report on strategic risks "RIA Strategic Risk Register Progress Report to 22 April 2015" which includes the RIA's top strategic risks and noted:</p> <ul style="list-style-type: none"> <li>Strategic Risk 03 states that "Island utilities, infrastructure (roads, jetties, etc.) and facilities do not support strategic objectives"; it was noted that progress on this action is as follows: <ul style="list-style-type: none"> <li>5 year capital budget has been approved by the Board;</li> <li>Strategic asset plan has been approved by the Minister and submitted to Government.</li> </ul> </li> </ul> <p>Evidence was available to verify those actions.</p> <p>At an operational level PFM has in place 2 documents:</p> <ul style="list-style-type: none"> <li>the Enterprise Risk Management Plan (<b>ERMP</b>), which has been completed after the</li> </ul>	<p>ADEQUACY OF CONTROLS: B</p> <p>Documentation requires some improvement in respect of the completion of the asset management system and the Power Generation Risk Management Plan (as per the Enterprise Risk Management Plan).</p> <p>PERFORMANCE: 1</p> <p>Performance of the process was adequate.</p>



EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		<p>Review period and looks at the operation's risks at a high level</p> <ul style="list-style-type: none"> <li>the Baseline register which deals with asset risks.</li> </ul> <p>The ERMP includes the risk of a "breakdown of major assets which may lead to loss of major utilities" (the risk lumps Water and Electricity assets into a single line item). Treatment plans to reduce the risk in respect of the electricity services include:</p> <ul style="list-style-type: none"> <li>the "Power Generation Risk Management Plan" to be updated, however this was not available during the Review;</li> <li>a new asset management system (which can create schedules and maintenance plan and enables task to be extracted each month, then communicated to relevant supervisor - work in progress); this will need to be completed;</li> <li>critical spares register (current);</li> <li>weekly and monthly monitoring and reporting (current);</li> <li>capital expenditure submissions for replacement of out of frame generators, 3rd transformer, or other utilities infrastructure exceeding design life (the RIA plan has been completed, with submissions in progress).</li> </ul>	
8.3	The probability and consequences of asset failure are regularly assessed.	<p>The documentation requires improvement and the performance of the process requires some improvement to meet the required level.</p> <p>A "Baseline Capex RIA Risk Assessment 2014" was carried out to support the preparation of the new CAPEX plan.</p> <p>Individual asset risk failure probability and consequence was last systematically assessed in 2009.</p> <p>In the new Baseline register the review has noted:</p> <ul style="list-style-type: none"> <li>there was no risk assessment on the HV Transmission Line or 11 kV Distribution poles, no risk identified for pole down, fire risk, vegetation fire, loss of environmental assets and habitat (the "Rottnest Island Fire Emergency Prevention, Preparedness Response and Risk Review 2012" by the Fire &amp; Emergency Services Authority of WA (<b>FESA</b>) noted that "A significant scrub fire caused by a pole top fire was responded to by the RIVFRS<sup>1</sup>. The fire was contained within one hour of initial</li> </ul>	<p>ADEQUACY OF CONTROLS: B</p> <p>Documentation requires minor improvements</p> <p>PERFORMANCE: 2</p> <p>Performance requires some improvement</p> <p><b>16.</b> The "Baseline Capex RIA Risk Assessment 2014" should be re-assessed to include all significant assets and as per the findings (such as, but not limited to, pole top fires, HV transmission line, distribution</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		<p>response and burned a total of 2700m2.", This risk has not been captured in the risk assessment; in addition there were two pole top fires on the same day in the period 2013-14 (however the customers had back-up power and there was no interruption);</p> <ul style="list-style-type: none"> <li>no risk identified for loss of supply to nursery/ emergency or loss of supply to borefields;</li> <li>the consequence of the loss of one of the step-up transformers is rated as inconsequential and the likelihood is rated as "rare"; however the SAP 2013 noted that the current demand is 1400 kW, maximum demand in 2009-10 was 1940 kW compared to a maximum capacity of 2140 kW. The lack of redundancy resulting from the use of two 1 MVA Step Up Transformers at the power house means that, if one transformer needs maintenance during the peak season, supply will be short of demand and consumption will have to be curtailed by up to around 50%.</li> </ul> <p>(Note 1: RIVFRS=Rottnest Island Volunteer Fire and Rescue Services.)</p>	<p>pole down, loss of step up transformer, lack of transformer redundancy).</p>
9	Contingency Planning	Contingency plans have been developed and tested to minimise any significant disruptions to service standards.	
9.1	Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks.	<p>The documentation was adequate and the process performance requires some improvement.</p> <p>Emergency readiness and development of response plans for Rottnest Island are coordinated through the Rottnest Island Local Emergency Management Committee (LEMC). The Committee met three times in 2013-14.</p> <p>The Review sighted the "Rottnest Island Fire Emergency Prevention, Preparedness Response and Risk Review 2012" by the Fire &amp; Emergency Services Authority of WA (FESA). The study analysed the hazards, preventive facilities and arrangements on the island, In particular risks associated with critical infrastructure such as the power house, the fuel tanks situated in the vicinity of the power house and the power lines were identified and a range of mitigating actions specified, these included:</p> <ul style="list-style-type: none"> <li>power station: <ul style="list-style-type: none"> <li>monitored smoke alarms</li> </ul> </li> </ul>	<p>ADEQUACY OF CONTROLS: A Adequately defined</p> <p>PERFORMANCE: 2 Performance requires some improvement</p> <p>17. Opportunities for improvement noted in PFM's Business Continuity Drills should be followed up and assessed.</p>

EC No.	AMS Element / Criteria	Review summary ( Findings)	Recommendations
		<ul style="list-style-type: none"> <li>◦ relocate or rebuild fuel tank bunding to meet Australian Standards</li> <li>◦ reconfigure the exhaust of the diesel engines away from timber beams</li> <li>◦ improve fire suppression</li> <li>• power lines</li> <li>• wash down of insulators</li> <li>• upgrade the power lines, replace porcelain insulators and bare conductor wires to transformers</li> <li>• undergrounding of power lines near the lakes</li> <li>• regular inspections and vegetation control.</li> </ul> <p>Those actions have been included in proposed work plans on the basis of risk and availability of funds.</p> <p>A joint services emergency response exercise was conducted in November 2013. The exercise tested mainland support arrangements and Rottnest Island incident management arrangements.</p> <p>Since the appointment of the Risk, Safety and Emergency Services Manager, 27 RIVFRS training sessions were conducted to test a range of fire operations competencies."</p> <p>The FESA Review reported that a significant scrub fire caused by a pole top fire was responded to by the RIVFRS, was contained within one hour of initial response and burned a total of 2700m2.</p> <p>In addition PFM has an "Electrical Disaster Recovery Plan" last issued in 2011 which addresses several failure scenarios for the power generation facilities and transmission and distribution assets. The Plan includes for Business Continuity Drills to be performed.</p> <ul style="list-style-type: none"> <li>• Lighthouse substation transformer becoming open circuit on 5/9/2013;</li> <li>• Power transformer insulator break and loss of power to landfill site on 18/9/2013;</li> <li>• Loss of power to business and accommodation units due to damage to cable supplying eastern shopping mall premises from Mallett St substation on 28/3/2014;</li> <li>• Damage to Abbot St substation transformer and blackout to parts of the island.</li> </ul>	

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		<p>It does not appear that all the opportunities for improvement arising from Business Continuity Drills are actioned or evaluated further as in the last Drill a recommendation to establish individual back up power supply for the Nursing Post and the Police Station has not been documented in risk assessments.</p>	
<b>10</b>	<b>Financial Planning</b>	A financial plan that is reliable and provides for the long-term financial viability of the services.	
10.1	The financial plan states the financial objectives and strategies and actions to achieve the objectives.	<p>Both the documentation and the performance of the processes met requirements. Financial objectives, strategies and actions are outlined at a high level in the RIMP. The SP includes the main objectives, the strategies and the Key Performance Indicators that will measure the performance of the strategies and actions. The SAMF documents the planning and budgeting process, this results in a yearly capital budget and operating budget:</p> <ul style="list-style-type: none"> <li>Capital budget - Discussed by board members end of May. Once approved internally it then goes to the Minister.</li> <li>Operating budget – Presented to the board end of May. Based on relatively small growth. The budget is a re-forecast of what was presented to the Board in March.</li> </ul>	<p>ADEQUACY OF CONTROLS: A Adequately defined PERFORMANCE: 1 Performing effectively</p>
10.2	The financial plan identifies the source of funds for capital expenditure and recurrent costs.	<p>Both the documentation and the performance of the processes met requirements. While the RIMP and SP provide the high level strategies and plans for funding of expenditure, the SAP includes identification of funds for each significant capital expenditure item as well as including significant BC and providing the platform for submitting further BCs . The RIA is primarily self-funded with external funds provided from administrative grants from Treasury and plus an additional government annual grant for marine reserves. There are a number of joint projects with industry which are mostly co-funded dollar for dollar however at present there are no projects within the electricity licence operation.</p>	<p>ADEQUACY OF CONTROLS: A Adequately defined PERFORMANCE: 1 Performing effectively</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
10.3	The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets).	Both the documentation and the performance of the processes met requirements.  The RIA prepares Annual Reports which include the FY comprehensive income and financial position as well as projections of operating statements and balance sheets for the immediate period ahead. The Annual Reports are publicly available on the licensee web site.	ADEQUACY OF CONTROLS: A Adequately defined PERFORMANCE: 1 Performing effectively
10.4	The financial plan provides firm predictions on income for the next five years and reasonable indicative predictions beyond this period.	The documentation and process require some improvement. Year by year the operational financial plan is prepared in detail by the RIA and is subject to Board approval: <ul style="list-style-type: none"> <li>the "2013/14 Operating Budget - for Board Approval-201506041040" was reviewed. Internally high level income and expense as well as cash flow projections over five years are maintained (sighted the "Cashflow/Funding Summary as submitted as part of the 2014/15 Budget Process".</li> </ul> <p>► No indicative predictions beyond the five years were available.</p>	ADEQUACY OF CONTROLS: B Documentation requires minor improvements PERFORMANCE: 2 Performance requires some improvement  <b>18.</b> Indicative projections of income beyond five years should be prepared.
10.5	The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services.	Both the documentation and the performance of the processes met requirements.  The financial plan is made up of separate operating budgets and capital expenditure plan. Operating budgets are submitted annually to the Board for review and approval. Operating budgets are not broken down to utilities, but rather all combined in a single plan.  A detailed Capital Expenditure Plan ( <b>CAPEX</b> ) is also provided.  The operating budget provides for the operating and maintenance expenditure as well as administration and capital expenditure.	ADEQUACY OF CONTROLS: A Adequately defined PERFORMANCE: 1 Performing effectively

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
10.6	Significant variances in actual/budget income and expenses are identified and corrective action taken where necessary.	<p>Both the documentation and the performance of the processes met requirements.</p> <p>CFO Monthly Reports provide a narrative on monthly income and expenditure and variations from budgets. Where variations occur supporting information is provided. Income and expenses are provided as summaries of all utilities and facilities so that the electricity supply components are not individually analysed except if significant variations occur in one of the activities.</p> <p>Reforecasts occur through the year if there are significant changes in the financial activities. Where overruns occur, as noted in the "CFO Report March 2015", expenditure is deferred, cancelled or reduced.</p>	<p>ADEQUACY OF CONTROLS: A Adequately defined</p> <p>PERFORMANCE: 1</p> <p>Performance of the process was adequate.</p>
11	<b>Capital Expenditure Planning</b>	A capital expenditure plan that provides reliable forward estimates of capital expenditure and asset disposal income, supported by documentation of the reasons for the decisions and evaluation of alternatives and options..	
11.1	There is a capital expenditure plan that covers issues to be addressed, actions proposed, responsibilities and dates.	<p>Both the documentation and the performance of the processes were adequate.</p> <p>A CAPEX plan has been prepared and is in operation.</p> <ul style="list-style-type: none"> <li>In 2013 the strategic AMP was in preparation, the "Strategic Asset Investment Plan" 2013-14 to 2022-23 (SAP). The SAP is a 10 year plan which provides the objectives, the status and needs of the assets, priorities for implementation as well as the annual investment. The SAP was approved by the Minister and Treasury and incorporated a high level capital expenditure program.</li> <li>Since then a detailed CAPEX plan was prepared, the "Baseline Revised Capex Plan 2014 to 2019 v3 8" with priorities based on safety, compliance and critical continuity of service. This CAPEX plan includes a new CAPEX for 2015 onwards, the "Proposed Capital Works 15-16" which also allocates priority to projects on the basis of risk arising from asset conditions and threat to safety, critical continuity of services and compliance. Four priority levels are allocated with a sliding scale for critical projects, projects that will reach Priority Level 1 in 18-24 months, projects beneficial to operations, image, revenue etc and as priority 4 those projects that cannot be funded by the RIA. However the prioritisation process is not yet</li> </ul>	<p>ADEQUACY OF CONTROLS: A Adequately defined</p> <p>PERFORMANCE: 1</p> <p>Performing effectively</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		<p>documented.</p> <ul style="list-style-type: none"> <li>Business cases for large expenditure tickets are also included in the SAP.</li> </ul>	
11.2	The plan provide reasons for capital expenditure and timing of expenditure.	<p>Documentation was adequate, however the performance of the process requires improvement.</p> <p>The CAPEX plan provides for the timing of expenditure.</p> <ul style="list-style-type: none"> <li>Some of the timing of individual projects does not appear to be consistent with actual activities.</li> </ul> <p>The basis for the expenditure are provided by supporting documents like the SAP and the SP and associated documents like the BCs.</p>	<p>ADEQUACY OF CONTROLS: A Adequately defined</p> <p>PERFORMANCE: 2 Performance requires some improvement</p> <p>Recommendation 19 addresses the finding.</p>
11.3	The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan.	<ul style="list-style-type: none"> <li>Due to the lack of an up-to-date AMP, asset life and condition have not been updated in the AMP since 2011. A risk assessment has been carried out in 2014 however it does not appear to have documented all electricity assets. Condition of assets was due to be assessed in 2014 however no document has been sighted.</li> </ul>	<p>ADEQUACY OF CONTROLS: C Documentation is incomplete.</p> <p>PERFORMANCE: 3 Corrective action required</p> <p>Recommendations 3 and 16 address the finding.</p>
11.4	There is an adequate process to ensure that the capital expenditure plan is regularly updated and actioned.	<p>Whilst there is a process for updating the CAPEX the process is not adequately documented.</p> <ul style="list-style-type: none"> <li>The current CAPEX, the "Baseline Revised Capex Plan 2014 to 2019 v3 8" does not appear to be up-to-date, e.g.: <ul style="list-style-type: none"> <li>allocation of funds for Generator 1 replacement was set for Oct-Dec 2013, however the project had not yet gone to tender at the end of the Review period</li> </ul> </li> </ul>	<p>ADEQUACY OF CONTROLS: B Documentation requires some improvements</p> <p>PERFORMANCE: 2 Performance requires some improvement</p>

EC No.	AMS Element / Criteria	Review summary (Findings)	Recommendations
		<p>(31 March 2015);</p> <ul style="list-style-type: none"> <li>the next generator replacement in the CAPEX was number 3, due for Jan-Mar 2015, however this is still to occur;</li> <li>the order of generator engine replacement is shown as 3, 5 and 2, however discussions with the licensee have indicated that the order of replacements may be 5, 2 and 6.</li> </ul>	<p>19. The detailed CAPEX Plan should be updated at least annually.</p>
12	Review of AMS	Review of the Asset Management System to ensure the effectiveness of the integration of its components and their currency.	
12.1	A review process is in place to ensure that the asset management plan and the asset management system described therein are kept current.	<p>Both the documentation and the process require improvement.</p> <p>The asset management system has been under review and development throughout the review period. Products of the review have been:</p> <ul style="list-style-type: none"> <li>a "Strategic Asset Management Framework" issued October 2013 which describes the planning and budget cycle and provides templates for business case submission;</li> <li>the "Strategic Asset Investment Plan" 2013-14 to 2022-23 (the SAP) prepared by the RIA following a request by the Economic Expenditure Reform Committee through the 2012/13 Mid-Year Review Process and submitted and approved by the Minister at the end of 2013. The SAP is a 10 year plan which provides the objectives, the status and needs of the assets, priorities for implementation as well as the annual investment. Business cases for large expenditure tickets are also included in the SAP;</li> <li>CAPEX and risk assessments have been prepared and subject to review.</li> </ul> <p>The review process initiated within the previous review period has resulted in the freeze of work on the AMP.</p> <p>The systems supporting the AMP have been subject to development and review, including the development of the asset register, the asset database and work management system, no AMP has been prepared during the review period.</p>	<p>ADEQUACY OF CONTROLS: C Documentation is incomplete PERFORMANCE: 2 Performance requires some improvement</p> <p>20. The asset management system and AMP review processes need to be documented and monitored.</p>



EC No.	AMS Element / Criteria	Review summary ( Findings)	Recommendations
		<ul style="list-style-type: none"> <li>No documented plan is in place to show what the review and development program is and when those plans are due to be completed and implemented.</li> </ul>	
12.2	Independent reviews (e.g. internal audit) are performed of the asset management system.	<p>While reviews have been carried out of the asset management system the documentation and performance need improvement.</p> <p>The AMS has been subject to review by external parties such as Horizon Power.</p> <ul style="list-style-type: none"> <li>There has been extensive review of the asset management system performed both by the licensee and the operator, however most of the review has not been documented and has not identified the targets of the review, the structure of the revised asset management system and the correlation of PFM's system with the RIA's system.</li> </ul>	<p>ADEQUACY OF CONTROLS: C Documentation is incomplete.</p> <p>PERFORMANCE: 2 Performance requires some improvement</p> <p>Recommendations 1, 3 and 20 address the finding.</p>

### 3 CHANGES TO THE LICENCE

No changes to the licence conditions are recommended.

## 4 RECOMMENDATIONS

### 4.1 CURRENT AUDIT NON-COMPLIANCES AND RECOMMENDATIONS

Recommendations on the actions to be taken by the licensee to address performance audit non-compliances are listed in Table 11 and Table 12.

**Table 11 - Current audit non-compliances and recommendations (Resolved)**

Table of Current Audit Non Compliances/Recommendations (Resolved)			
A. Resolved during current Audit period			
Manual Ref	Non Compliance/Controls Improvement (Rating / Legislative Obligation / Details of Non Compliance or inadequacy of controls)	Date Resolved (& management action taken)	Auditors Comments
	No actions resolved during current review period.		

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**Table 12 - Current audit non-compliances and recommendations (Unresolved)**

Table of Current Audit Non Compliances/Recommendations (Unresolved)				
B. Unresolved during current Audit period				
Ref no/ 2015	Obl	Non Compliance/Controls Improvement (Rating / Legislative Obligation / ►Details of Non Compliance or inadequacy of controls)	Auditors' Recommendation	Management action taken by end of Review period
1	102	<p>Rating: B2</p> <p>Lic Ref: C20.1, Electricity Industry Act section 14(1)(a)</p> <p>A licensee must provide for an asset management system.</p> <p>► A revised AMS is being developed at present and will require completion of the development to achieve compliance.</p>	<p>1/2015 The AMS has been subject to development and change in the review period and its development has not been completed. The AMS should be finalised and documented.</p> <p>Additional recommendations are recorded in section 2.3.2 "Asset Management Review findings and observations".</p>	Nil

		Additional findings and recommendations are recorded in section 2.6 "Asset Management Review findings and observations".		
2	103	<p>Rating: C2</p> <p>Lic Ref: C20.2, C20.3, Electricity Industry Act section 14(1)(b)</p> <p>A licensee must notify details of the asset management system and any substantial changes to it to the Authority.</p> <ul style="list-style-type: none"> <li>There have been significant feasibility and development activities to implement a revised AMS. These have included the use of external entities such as Horizon Power to evaluate the AMS. The development has not been completed however there are sufficient changes to date, such as the creation of a new Strategic Asset Management Framework and the lapse of the Asset Management Plan to require notification to the Authority.</li> </ul>	2/2015 The Authority should be notified of the changes to the asset management system and of the program for completion of the development.	Nil
3	125	<p>Rating: A2</p> <p>Lic Ref: C17.1 &amp; 17.2</p> <p>A licensee must publish any information it is directed by the Authority to publish, within the timeframes specified.</p> <ul style="list-style-type: none"> <li>The 2012/2013 Code of Conduct Report was published two days late on the RIA website due to staff absence as reported in the Compliance Reports – Electrical for 2014.</li> </ul>	3/2015 Ensure there are procedures in place to cater for the publication of all information required by the Authority within the timeframes specified in the event of both planned and unplanned staff absences.	Nil
4	127	<p>Rating: B2</p> <p>Lic Ref: C29.1</p> <p>A distributor must create and maintain a Priority Restoration Register.</p> <ul style="list-style-type: none"> <li>Documents that are superseded or that could be misleading should be clearly identified and if applicable, removed from circulation. It is expected that only one Priority Restoration Register should be in existence.</li> </ul>	4/2015 Ensure document control across multiple versions of Priority Restoration Register to remove potential ambiguity and incorrect use.	
5	130	<p>Rating: B2</p> <p>Lic Ref: C23.1, Code of Conduct clause 2.2 (1)</p> <p>A retailer or electricity marketing agent must ensure that standard form contracts, that are not unsolicited consumer agreements, are entered</p>	5/2015 The Standard Form Contract should show both the Business address and the rented unit addresses, either within the document or by referring to a separate schedule.	Nil

		<p>into in the manner set out, and the contract is provided as specified in clause 2.2(1).</p> <ul style="list-style-type: none"> <li>▶ The Code of Conduct requires the Standard Form Contract (SFC) to show the supply address(es). The current SFC only shows one supply address for the business customer, however electricity is supplied to the business customer both at its business address and at its living address(es).</li> </ul>		
6, 7	131	<p>Rating: B2 Lic Ref: C23.1, Code of Conduct clause 2.2 (2) Subject to subclause 2.2(3), the retailer or electricity marketing agent must give to the customer the specified information in subclause 2.2(2) no later than on, or with, the customer's first bill.</p> <ul style="list-style-type: none"> <li>▶ Two examples of RMA invoices during the audit period were provided – neither included a 24hr telephone number for faults and emergencies (EVIDENCE: INV. NOS. IV2684166, IV2684164).</li> <li>▶ The audit found that general information on the safe use of electricity was not provided to customers during the audit period or made available via the RIA website.</li> </ul>	<p><b>6/2015</b> Publish general information on the safe use of electricity on the RIA website and refer to this in the Standard Form Contract.</p> <p><b>7/2015</b> As part of the tendering process for a new residential property manager, ensure utility statements are compliant with Code requirements, including, among others, reference to a 24 hr telephone number for faults and emergencies..</p>	<p>The RIA Manager Project Tenders &amp; Procurement has confirmed that this is now part of the qualitative criteria for the new tendering process.</p>
-	137	<p>Rating: B1 Lic Ref: C5.1, Code of Conduct clause 2.4 (2) A retailer or electricity marketing agent must ensure that a customer is able to contact the retailer or electricity marketing agent on the retailer's or electricity marketing agent's telephone number during normal business hours for the purposes of enquiries, verifications and complaints.</p> <ul style="list-style-type: none"> <li>▶ While McGees include separate telephone numbers for enquiries, 24hr faults, payment, interpretive services and the Energy Ombudsman, RMA only include a single general enquiries telephone number on customer bills.</li> </ul>	Refer to Recommendation 7/2015.	Nil
-	155	<p>Rating: B2 Lic Ref: C5.1, Code of Conduct clause 4.5(1) Unless the customer agrees otherwise, a retailer must include the minimum prescribed information in subclause 4.5(1) on the customer's bill.</p>	Recommendation as per Obligation 131 (recommendation 7/2015) – As part of the tendering process for a new residential property manager, ensure utility statements are compliant with Code requirements.	Nil

		<ul style="list-style-type: none"> <li>▶ RMA bills are compliant with all applicable requirements of subclause 4.5 (1) with the exception of: <ul style="list-style-type: none"> <li>▶ No. of days covered by the bill not explicit.</li> <li>▶ Average daily cost of consumption not stated.</li> <li>▶ Average daily consumption not stated.</li> <li>▶ Meter identification number not included.</li> <li>▶ Missing statement regarding available assistance for payment difficulties.</li> <li>▶ Missing telephone number for the electricity ombudsman.</li> <li>▶ Missing 24hr telephone number for faults and emergencies.</li> <li>▶ Usage comparison bar chart incorrectly labelling electricity consumption for the bill period, last bill period and same bill period last year.</li> </ul> </li> </ul>		
8	158	<p>Rating: B1 Lic Ref: C5.1, Code of Conduct clause 4.7</p> <p>Other than in respect of a Type 7 connection, a retailer must use its best endeavours to ensure that meter reading data is obtained as frequently as is required to prepare its bills; and, in any event, at least once every 12 months.</p> <ul style="list-style-type: none"> <li>▶ PFM's "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure" provides for monthly meter readings. This refers to the Electricity Industry Metering Code 2005. The applicable Code is now the Electricity Industry Metering Code 2012.</li> </ul>	8/2015 [OFI] Update Meter Readings Monthly Procedure to refer to Electricity Industry Metering Code 2012 and associated clauses.	Nil
9, 10	172	<p>Rating: B2 Lic Ref: C5.1, Code of Conduct clause 4.16(1)(a)</p> <p>If a review of a bill has been conducted and the retailer is satisfied that the bill is correct, the retailer may require a customer to pay the unpaid amount; must advise the customer that the customer may request the retailer to arrange a meter test in accordance with the applicable law; and must advise the customer of the existence and operation of the retailer's internal complaints handling processes and details of any applicable external complaints handling processes.</p> <ul style="list-style-type: none"> <li>▶ While customers are aware of the Standard</li> </ul>	<p>9/2015 Prepare and utilise a standard template when advising customers of the outcome of all bill reviews / complaints, referring to the Standard Form Contract and Utilities Customer Complaints Procedure either via website link or email attachment.</p> <p>10/2015 Modify the Utilities Customer Complaints Procedure for consistency with the Standard Form Contract and include a customer's right for a meter test.</p>	Nil

		<p>Form Contract upon the execution of their business premise leases, the Code requires that a customer's entitlement to further review is reiterated upon each complaint. In this regard, the audit found that customers were not advised as per Code requirements for the two complaints above.</p> <ul style="list-style-type: none"> <li>While RMA have been advised by the RIA to refer customer's making a complaint to the "Utilities Customer Complaints Procedure" and there is evidence of this occurring on at least one occasion in an email to the Rottnest Hotel on 28 August 2014, it does not appear that this is routinely and consistently done for each and every complaint.</li> <li>The "Utilities Customer Complaints Procedure" does not specifically refer to a customer's right for a meter test.</li> </ul>		
-	187	<p>Rating: A2 Lic Ref: C5.1, Code of Conduct clause 5.1</p> <p>The due date on the bill must be at least 12 business days from the date of that bill. Unless a retailer specifies a later date, the date of dispatch is the date of the bill.</p> <ul style="list-style-type: none"> <li>The audit found that there were at least two non-compliant RMA invoices (IV2684166 and IV2684164, both dated 7/08/13) even after the bill templates had been used and revised in May 2013 (IV2592320). RMA invoices IV2684166 and IV2684164 (both dated 7/08/13) have their Date Due set the same as the Invoice Date.</li> </ul>	Refer to Recommendation 7/2015 – As part of the tendering process for a new residential property manager, ensure utility statements are compliant with Code requirements.	Nil
11	188	<p>Rating: B2 Lic Ref: C5.1, Code of Conduct clause 5.2</p> <p>A retailer must offer the following specified minimum payment methods: in person at one or more payment outlets located within the Local Government District of the customer's supply address; by mail; for residential customers, by Centrepay; electronically by means of BPay or credit card; and by telephone by means of credit card.</p> <ul style="list-style-type: none"> <li>The McGees bill examined shows payment can be made by phone, in person, by mail (cheque) and direct credit (electronically). Credit card payment is not offered by phone and electronically. BPay is also not offered as</li> </ul>	11/2015 Confer with the Authority with respect to the practicality of offering and adding all minimum payment methods as per Code requirements.	Nil

		<p>an electronic payment method.</p> <ul style="list-style-type: none"> <li>▶ The RMA bills examined only show direct credit as an electronic payment method.</li> </ul>		
12	189	<p>Rating: NA</p> <p>Code of Conduct clause 5.3</p> <p>A retailer must, prior to commencing a direct debit facility, obtain the customer's verifiable consent and agree with the customer the date of commencement of the direct debit facility and the frequency of the direct debits.</p> <ul style="list-style-type: none"> <li>▶ The Standard Form Contract also indicates payment can be made in person at the Contract Services office, Rottnest Island. Neither McGees or RMA indicate that payment in person is accepted at this location.</li> </ul>	<p>12/2015 [OFI] Ensure consistency between Standard Form Contract and available payment methods / locations.</p>	Nil
13	280	<p>Rating: A2</p> <p>Lic Ref: C5.1, Code of Conduct clause 10.3A</p> <p>At least once a year, a retailer must provide a customer with written details of the retailer's and distributor's obligations to make payments to the customer under Part 14 of this Code and under any other legislation in Western Australia, including the amount of the payment and the eligibility criteria for the payment.</p> <ul style="list-style-type: none"> <li>▶ A letter to customers dated 1 July 2013 was sighted – this included reference to clauses 14.1, 14.2 and 14.3, but omitted clauses 14.4 and 14.5.</li> </ul>	<p>13/2015 Edit the letter to customers sent by McGees each year – remove the clause numbering 14.1, 14.2 and 14.3 to cover the RIA's obligations both as a retailer and a distributor.</p>	Nil
-	300	<p>Rating: B2</p> <p>Lic Ref: C5.1, Code of Conduct clause 12.1(3)</p> <p>A retailer or a distributor must advise the customer in accordance with subclause 12.1(3).</p> <ul style="list-style-type: none"> <li>▶ Findings as per Code of Conduct clause 4.16(1)(a) Obligation 172.</li> </ul>	<p>Refer to Recommendation 9/2015.</p>	Nil
14	301	<p>Rating: B1</p> <p>Lic Ref: C5.1, Code of Conduct clause 12.1(3)</p> <p>Upon receipt of a written complaint by a customer, a retailer or distributor must acknowledge the complaint within 10 business days and respond to the complaint within 20 business days.</p> <ul style="list-style-type: none"> <li>▶ The complaint handling process described in the Standard Form Contract, section 17 states "A representative of the Rottnest Island Authority will acknowledge the complaint</li> </ul>	<p>14/2015 [OFI] Ensure consistency between the Utilities Customer Complaints Procedure and Standard Form Contract.</p>	Nil

		<p>within 10 business days and shall address the complaint within 20 business days.”</p> <p>In contrast, the Utilities Customer Complaints Procedure states the “RIA will aim to acknowledge written queries or complaints by a customer within 10 business days and respond to queries or complaints by addressing the matters within 15 business days.”</p>		
-	307	<p>Rating: B2</p> <p>Lic Ref: C5.1, Code of Conduct clause 13.3</p> <p>The report specified in clause 13.1 must be published by the date specified by the Authority. In accordance with clause 13.3(2), a report is published if:</p> <ul style="list-style-type: none"> <li>- copies of it are available to the public without cost, at places where the retailer or distributor transacts business with the public; and</li> <li>- a copy of it is posted on the retailer or distributor's website.</li> </ul> <p>▶ As per "Compliance Report – Electrical" sent to the Authority for the year ended 30/6/14, the 2012/13 Code of Conduct Report was published two days late on the RIA website due to a staff member's absence.</p>	Refer to Recommendation 3/2015.	Nil
15, 16, 17	319	<p>Rating: C2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 3.1</p> <p>A network operator must ensure that its meters meet the requirements specified in the applicable metrology procedure and also comply with any applicable specifications or guidelines (including any transitional arrangements) specified by the National Measurement Institute under the National Measurement Act.</p> <ul style="list-style-type: none"> <li>▶ A report showing the progress of the meter replacement roll-out and due date for completion was requested, but not provided.</li> <li>▶ The Summary of Master Meter Replacement table, does not clearly show how many meters were replaced in 2013, 2014 and 2015, or when all meters will be compliant.</li> <li>▶ Meters should be supplied with certification of Calibration; sample evidence of this was not provided during the audit.</li> <li>▶ The RIA does not have a metrology procedure</li> </ul>	<p><b>15/2015</b> Confirm when all meters will have certificate of calibration and therefore be compliant.</p> <p><b>16/2015</b> Provide evidence of calibration certificates for new meters.</p> <p><b>17/2015</b> Confirm with the Authority the options available to the RIA with respect to adopting a pre-approved metrology procedure (such as that used by Horizon Power).</p>	Nil



		in place.		
18	320	<p>Rating: C2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 3.2(1)</p> <p>An accumulation meter must at least conform to the requirements specified in the applicable metrology procedure and display, or permit access to a display of the measurements specified in subclauses 3.2(1)(a)(b) using dials, a cyclometer, an illuminated display panel or some other visual means.</p> <p>► PFM's "PRO-RNI-I03-030-1 Meter Installation and Calibration Procedure" prescribes that new meters must comply with the Metrology Procedure and National Measurement Act and be installed in accordance with the Electricity Industry Metering Code 2005. The applicable Code is now the Electricity Industry Metering Code 2012.</p>	<p>18/2015 [OFI] Update Meter Installation and Calibration Procedure to refer to Electricity Industry Metering Code 2012 and associated clauses.</p> <p>Refer to Recommendations 15/2015, 16/2015 and 17/2015.</p>	Nil
19	326	<p>Rating: C2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 3.5(1) and (2)</p> <p>A network operator must ensure that there is a metering installation at every connection point on its network which is not a Type 7 connection point. Unless it is a Type 7 metering installation, the metering installation must meet the functionality requirements prescribed.</p> <p>► Insufficient evidence supplied to determine compliance with prescribed functionality requirements.</p>	<p>19/2015 Document prescribed functionality requirements, including applicable drawings if necessary.</p>	Nil
-	327	<p>Rating: C2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 3.5(3)</p> <p>A network operator must, unless otherwise agreed, for each metering installation on its network, on and from the time of its connection to the network, provide, install, operate and, subject to subclause 3.7(5), maintain the metering installation in the manner prescribed.</p> <p>► Findings as per Electricity Industry Metering Code clause 3.1, Obligation 319.</p>	<p>Refer to Recommendations 15/2015, 16/2015 and 17/2015.</p>	

20	328	<p>Rating: D2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 3.5(4)</p> <p>A network operator must ensure that, except for a Type 7 metering installation, the metering point for a revenue metering installation is located as close as practicable to the connection point in accordance with good electricity industry practice.</p> <p>► Insufficient evidence supplied to determine compliance.</p>	<p><b>20/2015</b> Establish a documented process to ensure that installations are performed as close as practicable to the connection point, with sample drawings and photos if appropriate.</p>	Nil
21	330	<p>Rating: D2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 3.5(9)</p> <p>If a network operator becomes aware that a metering installation does not comply with the Code, the network operator must advise affected parties of the non-compliance and arrange for the non-compliance to be corrected as soon as practicable.</p> <p>► The audit found that no evidence was available to confirm that affected parties were advised as per Code requirements.</p>	<p><b>21/2015</b> Ensure a procedure is in place to advise affected parties of all metering installation non-compliances. Evidence should be retained for auditing purposes.</p>	Nil
22	332	<p>Rating: A1</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 3.8</p> <p>Subject to clause 3.27, a network operator must, for each metering installation on its network, ensure that the metering installation is secured by means of devices or methods which, to the standard of good electricity industry practice, hinder unauthorized access and enable unauthorized access to be detected.</p> <p>► Manual readings are taken on a monthly basis, at which time meters are inspected for unauthorized access. However, the audit found that this requirement was not specifically documented in PFM's "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure".</p>	<p><b>22/2015</b> [OFI] Update "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure" to include inspection of meters for unauthorized access.</p>	Nil
23	333	<p>Rating: C3</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 3.9(3)</p> <p>Subject to subclauses 3.9(4), 3.9(5) and 3.9(7), each metering installation must meet at least the requirements for that type of metering installation</p>	<p><b>23/2015</b> Confirm meter types applicable to Rottneest Island and provide evidence that metering installations meet requirements of Table 3 in Appendix 1 of the Code, including meters not yet</p>	Nil

		<p>specified in Table 3 in Appendix 1 of the Code.</p> <ul style="list-style-type: none"> <li>Insufficient evidence supplied to determine compliance with requirements.</li> </ul>	replaced.	
-	340	<p>Rating: A2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 3.11A(1)</p> <p>A network operator must ensure that the meters on its network are systematically sampled and tested for accuracy in accordance with AS 1284.13.</p> <ul style="list-style-type: none"> <li>Findings as per Electricity Industry Metering Code clause 3.1, Obligation 319.</li> </ul>	Refer to Recommendations 15/2015, 16/2015, 17/2015 and 18/2015.	Nil
24	342	<p>Rating: D2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 3.12(1)</p> <p>A network operator must ensure that each metering installation complies with at least the prescribed design requirements.</p> <ul style="list-style-type: none"> <li>Insufficient evidence supplied to determine compliance with prescribed design requirements.</li> <li>Metering installations comply with PFM's "PRO-RNI-I03-030-1 Meter Installation and Calibration Procedure" which requires compliance with the Electricity Industry Metering Code 2005.</li> </ul> <p>Compliance should be with the Electricity Industry Metering Code 2012.</p>	<p>24/2015 Compliance of metering installation with at least the prescribed design requirements should be documented through applicable drawings if necessary and installation conformance records.</p> <p>Refer to Recommendation 18/2015.</p>	Nil
-	343	<p>Rating: C2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 3.12(2)</p> <p>A network operator must ensure that instrument transformers in its metering installations comply with the relevant requirements of any applicable specifications or guidelines (including any transitional arrangements) specified by the National Measurement Institute under the National Measurement Act and any requirements specified in the applicable metrology procedure.</p> <ul style="list-style-type: none"> <li>The RIA does not have a metrology procedure in place.</li> </ul>	Refer to Recommendation 17/2015.	Nil

25	345	<p>Rating: C2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 3.12(4)</p> <p>A network operator must maintain drawings and supporting information, to the standard of good electricity industry practice, detailing the metering installation for maintenance and auditing purposes.</p> <p>► Metering installation drawings were not available for the audit.</p>	<p><b>25/2015</b> Develop metering installation drawings / plans, integrated with document control and asset management systems.</p>	Nil
26	349	<p>Rating: C2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 3.14(3)</p> <p>If, under clause 3.14(2), a metering installation uses metering class CTs and VTs that do not comply with the Table 3 in Appendix 1, then the network operator must either or both install meters of a higher class accuracy and apply accuracy calibration factors within the meter to compensate for CT and VT errors, in order to achieve the accuracy requirements in Table 3 in Appendix 1.</p> <p>► Compliance information was not available during the audit the audit.</p>	<p><b>26/2015</b> Document the compliance of all CTs and VTs with Table 3 in Appendix 1 of the Electricity Metering Code.</p>	Nil
27, 28, 29	366	<p>Rating: B3</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 4.1(1)</p> <p>A network operator must establish, maintain and administer a metering database containing, for each metering point on its network, standing data and energy data.</p> <p>► Distribution loss factor and reference test and calibration details and results are not included in the standing data maintained – this is a Code requirement.</p> <p>► The audit found that instrument transformer connected ratio, calibration tables, summation scheme and data communication details are not included in the standing data maintained, however, insufficient information was supplied to determine applicability.</p> <p>► Network tariff and customer contestability columns are included in the standing data maintained, but both columns are not populated with expected values.</p>	<p><b>27/2015</b> Specify distribution loss factor and reference test and calibration details and results in metering register data.</p> <p><b>28/2015</b> Document information to determine applicability of instrument transformer connected ratio, calibration tables, summation scheme and data communication details as per Table 2 of Code.</p> <p><b>29/2015 [OFI]</b> Specify network tariff description and customer contestability in metering register data.</p>	Nil

30	367	<p>Rating: A2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 4.1(2)</p> <p>A network operator must ensure that its metering database and associated links, circuits, information storage and processing systems are secured by means of devices or methods which, to the standard of good electricity industry practice, hinder unauthorized access and enable unauthorized access to be detected.</p> <p>► A local branch server exists on Rottnest Island – during the audit, it was discovered that the local branch server is not isolated (its physical security is reliant on the general security of the office building).</p>	<p>30/2015 Employ additional and documented controls to secure the local branch server from general office access. Ensure physical access to the server is maintained for authorised users only.</p>	Nil
-	369	<p>Rating: B3</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 4.2(1)</p> <p>A network operator must ensure that its registry complies with the Code and the prescribed clause of the market rules.</p> <p>► Findings as per Electricity Industry Metering Code clause 4.1(1), Obligation 366.</p>	<p>Refer to Recommendations 27/2015, 28/2015 and 29/2015.</p>	Nil
-	370	<p>Rating: B3</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 4.3(1)</p> <p>The standing data for a metering point must comprise at least the items specified.</p> <p>► Findings as per Electricity Industry Metering Code clause 4.1(1), Obligation 366.</p>	<p>Refer to Recommendations 27/2015, 28/2015 and 29/2015.</p>	Nil
-	380	<p>Rating: A2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 4.8(4)(b)</p> <p>A network operator must have devices and methods in place that ensure that the data held in its metering database is secured from unauthorised local or remote access using the methods prescribed.</p> <p>► Findings as per Electricity Industry Metering Code clause 4.1(2), Obligation 367.</p>	<p>Refer to Recommendation 30/2015.</p>	Nil
31, 32,	386	<p>Rating: C3</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code</p>	<p>31/2015 Confirm metering types employed on Rottnest Island and cross</p>	Nil

33		<p>clause 5.4(1)</p> <p>A network operator must, for each meter on its network, at least once in every 12 month period undertake a meter reading that provides an actual value that passes the validation processes in Appendix 2.</p> <ul style="list-style-type: none"> <li>There is no documented procedure associated with the validation of meter readings.</li> <li>There were three instances during the audit period of better quality actual values (second value) being available and replacing their first (actual) value due to errors in the meter readings being discovered and reported by customers.</li> </ul>	<p>reference with Code requirements for verification and validation. Develop verification and validation procedures for meter readings as per Appendix 2.</p> <p>32/2015 [OFI] Amend "PRO-RNI-I03-033-1 Meter Readings Monthly Procedure" to ensure Code compliance.</p> <p>33/2015 [OFI] Review verification and validation procedures on an ongoing basis to minimise the acceptance of incorrect data.</p>	
-	422	<p>Rating: C3</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 5.22(1)</p> <p>A network operator must validate energy data in accordance with this Code applying, as a minimum, the prescribed rules and procedures set out in Appendix 2 and must, where necessary, substitute and estimate energy data under this Code applying, as a minimum, the prescribed rules and procedures set out in Appendix 3.</p> <ul style="list-style-type: none"> <li>Findings as per Electricity Industry Metering Code clause 5.4(1), Obligation 386.</li> </ul>	<p>Refer to Recommendations 31/2015, 32/2015 and 33/2015.</p>	Nil
34	442	<p>Rating: B2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 5.37(1)(b)</p> <p>A network operator must provide a copy of the report described in subclause 5.37(1)(a) to the Minister and the Authority not less than 5 business days before it is published under subclause 5.37(3).</p> <ul style="list-style-type: none"> <li>The Electricity Industry Metering Code Report 2013-2014 was provided to the Minister on 18/9/14 and published to the RIA website on 24/9/14, before the minimum 5 business day requirement had lapsed.</li> </ul>	<p>34/2015 Incorporate a check prior to the publication of all required reports that confirms compliance with all minimum notice periods to the Minister and Authority.</p>	Nil
-	447	<p>Rating: C2</p> <p>Lic Ref: C5.1, Electricity Industry Metering Code clause 6.1(1)</p> <p>A network operator must, in relation to its network, comply with the agreements, rules, procedures,</p>	<p>Refer to Recommendations 17/2015 and 18/2015 at Obligation 319.</p>	Nil

		<p>criteria and processes prescribed.</p> <ul style="list-style-type: none"> <li>▶ PFM have confirmed that Horizon Power has not been appointed the metering data agent for Rottne Island and therefore, their metrology procedure does not currently apply.</li> </ul>		
35	462	<p>Rating: B2</p> <p>Lic Ref: C5.1, Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 5(1)</p> <p>A distributor or transmitter must, as far as reasonably practicable, ensure that electricity supply to a customer's electrical installations complies with prescribed standards.</p> <ul style="list-style-type: none"> <li>▶ Further tests by Nilsen for the period of 2014-15 have shown issues with the power supply quality however there has been no evaluation of the results.</li> </ul>	35/2015 Establish a documented process to evaluate the results of independent tests of network quality of supply. Evaluate applicable results.	Nil
-	481	<p>Rating: A2</p> <p>Lic Ref: C5.1, Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 25(2)</p> <p>A distributor or transmitter must make available, at no cost, a copy of a document setting out its complaint handling processes to a small customer who makes a complaint to the distributor or transmitter or who asks to be given such information.</p> <p>Findings as per Code of Conduct clause 4.16(1)(a) Obligation 172.</p>	Refer to Recommendation 9/2015.	Nil
-	484	<p>Rating: A2</p> <p>Lic Ref: C5.1, Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 27(1)</p> <p>A distributor or transmitter must prepare and publish a report about its performance in accordance with specified requirements.</p> <ul style="list-style-type: none"> <li>▶ The required date for publication of the network performance report is 1 October of each year; the 2013 report was published late due to staff absence.</li> </ul>	Refer to Recommendation 3/2015 at Obligation 125.	Nil
-	485	<p>Rating: A2</p> <p>Lic Ref: C5.1, Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 27(3)</p> <p>A distributor or transmitter must give a copy of its report about its performance to the Minister and the Authority within the specified period.</p>	Refer to Recommendation 34/2015 at Obligation 442.	Nil

		<ul style="list-style-type: none"><li>▶ As per Obligation 484, the 2014 report was published before the minimum 7 business day requirement had lapsed.</li></ul>		
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## 4.2 CURRENT REVIEW ASSET SYSTEM DEFICIENCIES/ RECOMMENDATIONS

Recommendations on the actions to be taken by the licensee to address process deficiencies are listed in Table 13 and Table 14.

**Table 13 - Current Review Asset System Deficiencies / Recommendations (Resolved)**

Table of Current Review Asset System Deficiencies/ Recommendations				
A. Resolved during current Review period				
Item No	EC Ref	Rating / AMS Component Effectiveness Criteria / Details of Deficiency	Date Resolved (& management action taken)	Auditors Comments
		No actions resolved during current review period.		

**Table 14 - Current Review Asset System Deficiencies / Recommendations (Unresolved)**

Table of Current Review Asset System Deficiencies/ Recommendations				
B. Unresolved during current Review period				
Ref. (No/ 2015)	EC Ref	Rating / AMS Component Effectiveness Criteria / Details of Deficiency	Auditors' Recommendation	Management action taken by end of Review period
1, 2 & 3	1.1	<p>C3</p> <p>Asset management plan (AMP) covers key requirements.</p> <ul style="list-style-type: none"> <li>While the operation and maintenance of the assets has continued through the review period as per the framework established by the AMP 2011-12 there have been no updates to the AMP. A number of strategic and long range plans have been prepared however no detailed AMP has been maintained through the review period.</li> <li>While there is a process in the "Strategic Asset Management Framework" (SAMF) for the development of a strategic asset plan, there is no process for the development and updating of the asset management plan. Subsequent clarification has indicated that the strategic asset</li> </ul>	<p><b>1/2015</b> The process for the development and updating of the Asset Management Plan (AMP) should be documented.</p> <p><b>2/2015</b> The extent of and the correlation between the PFM's and the RIA's asset management systems needs to be reviewed and defined.</p> <p><b>3/2015</b> A program should be in place to update the AMP.</p>	In progress.

Table of Current Review Asset System Deficiencies/ Recommendations				
B. Unresolved during current Review period				
Ref. (No/ 2015)	EC Ref	Rating / AMS Component Effectiveness Criteria / Details of Deficiency	Auditors' Recommendation	Management action taken by end of Review period
		plan is the new asset management plan however this was not evident during the review.		
4	1.2	A2 Planning process and objectives reflect the needs of all stakeholders and is integrated with business planning.  ▶ While the planning process is documented in the "Strategic Asset Investment Plan" (SAP), the SAP presented to the auditors during the review had been superseded however this was not evidenced to the auditors during the review.	4/2015 Revise the process to ensure that current critical documentation such as the SAP is clearly in use by responsible staff..	Nil
-	1.8	B2 Likelihood and consequences of asset failure are predicted.  ▶ It does appear that not all assets are covered by the "Baseline Capex RIA Risk Assessment 2014".	Recommendation 16/2015 addresses the finding.	Nil
-	1.9	B2 Plans are regularly reviewed and updated.  ▶ The reviews of the AMP and of the asset management system (AMS), which were in progress during the last review (2013), have not been completed. No AMP has been issued in the current review period. There is no program for the review and update of the AMS and AMP.	Recommendations number 1, 2 and 3/2015 address this finding.	Nil
5	2.5	B2 Ongoing legal/environmental/safety obligations of the asset owner are assigned and understood.  ▶ During the review period there were compliance breaches in respect of RIA however the breaches were not reported in registers and there was no recording of corrective actions	5/2015 A compliance (or breach) register should be implemented recoding breaches of licence conditions, corrective actions, timing and closures.	Nil

Table of Current Review Asset System Deficiencies/ Recommendations				
B. Unresolved during current Review period				
Ref. (No/ 2015)	EC Ref	Rating / AMS Component Effectiveness Criteria / Details of Deficiency	Auditors' Recommendation	Management action taken by end of Review period
		and their closure.		
6	3.1	A2 Under-utilised and under-performing assets are identified as part of a regular systematic review process. ▶ The SAMF and the Financial Management Manual indicate an Asset Disposal Plan should be prepared, however this has not occurred.	<b>6/2015</b> An Asset Disposal Plan should be prepared in accordance with the Financial Management Manual and the Strategic Asset Framework.	Nil
-	3.3	B2 Disposal alternatives are evaluated. ▶ No record was available documenting the evaluation of asset disposal alternatives for the disposal of gen-set 7.	Recommendation 6/2015 addresses the finding.	Nil
-	4.3	B2 Compliance with statutory and regulatory requirements. ▶ RIA maintains the "RIA Electrical Water Gas Licence Compliance Register" which identifies the compliance requirements of the "Electricity Regional Licence", however it does not register breaches, corrective actions and closure of breaches.	Recommendation 5/2015 addresses the finding.	Nil
-	5.1	B2 Operational policies and procedures are documented and linked to service levels required. ▶ The electrical assets operational policies are not sufficiently clear due to the lack of an up to date AMP.	Recommendation number 3/2015 addresses this finding.	Nil
7, 8	5.3	C2 Assets are documented in an Asset Register including asset type, location, material, plans of components, an assessment of assets' physical/structural condition and	<b>7/2015</b> The asset register should be completed and should include those properties required in the Authority's Effectiveness Criteria. <b>8/2015</b> The link between the Physical Asset Register and the	In progress.

Table of Current Review Asset System Deficiencies/ Recommendations				
B. Unresolved during current Review period				
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		<p>accounting data.</p> <ul style="list-style-type: none"> <li>At present the asset register is not complete. Work is still ongoing and some assets are not included (all of the HV system). A preventative maintenance plan has not been issued at this point.</li> <li>At present due to the asset management system database being in progress there is no link to asset drawings as drawings are out of date; there is a disconnect between drawings and physical installation.</li> <li>There is insufficient information to verify the link between the operational asset register (Maximo) and the current fixed accounting asset register (RIA).</li> </ul>	Accounting Asset Register should be documented.	
9	5.4	<p>B2</p> <p>Operational costs are measured and monitored.</p> <ul style="list-style-type: none"> <li>There is a lack of clarity on how operational costs will be tracked in future, whether they will be tracked in Maximo or another system.</li> </ul>	<b>9/2015</b> Plan for recording and managing operational costs needs to be defined and the process documented.	Nil
10	5.5	<p>B2</p> <p>Staff resources are adequate and staff receive training commensurate with their responsibilities.</p> <ul style="list-style-type: none"> <li>PFM use a "Rottnest Island Competency Matrix" which had been updated post the review period but required further updating as it still included ex-employees.</li> </ul>	<b>10/2015</b> The "Rottnest Island Competency Matrix" needs to be updated.	Nil
11	6.2	<p>B1</p> <p>Regular inspections are undertaken of asset performance and condition.</p> <ul style="list-style-type: none"> <li>While individual asset maintenance tasks are generated monthly, no overall maintenance schedule was sighted so that the program of</li> </ul>	<b>11/2015</b> Document which inspections are regularly performed and how often. Plan of annual maintenance and inspections should be clearly defined. This could be documented in the AMP.	Nil

Table of Current Review Asset System Deficiencies/ Recommendations				
B. Unresolved during current Review period				
Ref. (No/ 2015)	EC Ref	Rating / AMS Component Effectiveness Criteria / Details of Deficiency	Auditors' Recommendation	Management action taken by end of Review period
		annual maintenance and inspections was not clear.		
-	6.3	<p>B1</p> <p>Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule.</p> <p>▶ While individual asset maintenance tasks are generated monthly, no overall maintenance schedule was sighted so that the program of annual maintenance and inspections is not clear.</p>	Recommendation number 11/2015 addresses this finding.	
12	7.1	<p>A2</p> <p>Adequate system documentation for users and IT operators.</p> <p>▶ During the review we received two versions of PFM's Restoration Priority Register Electrical Services – one issued 30/03/09 and last updated 15/11/12, the other issued/updated 14/8/13 (PRO-ROT-ELEC-41.01).</p>	<b>12/2015 [OFI]:</b> Review procedure for document control between PFM and RIA systems to ensure correct version control and currency.	Nil
13	7.2	<p>B2</p> <p>Input controls include appropriate verification and validation of data entered into the system.</p> <p>▶ The procedure used for this process was requested during the review, but not received.</p> <p>▶ Three meter readings were incorrectly read during the audit period.</p>	<b>13/2015 [OFI]:</b> Review verification and validation procedures on an ongoing basis to minimise the acceptance of incorrect data.	Nil
14	7.4	<p>B2</p> <p>Physical security access controls appear adequate.</p> <p>▶ A local branch server exists on Rottne Island – during the review, it was discovered that the local branch server is not isolated (its physical security is reliant on the</p>	<b>14/2015</b> Employ additional controls to isolate the physical security of the local branch server from general office security. Ensure physical access to the server is maintained for authorised users only.	Nil

Table of Current Review Asset System Deficiencies/ Recommendations				
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		general security of the office building).		
15	7.5	<p>B2</p> <p>Data backup procedures appear adequate and backups are tested.</p> <ul style="list-style-type: none"> <li>▶ While PFM provided evidence of a successful restore operation for the branch level server, this was dated 5th June 2015, outside of the audit period. More comprehensive test results for offsite managed systems were not sighted during the review.</li> <li>▶ Evidence of RIA's failover, redundancy and restoration tests done during the audit period were sighted however the test documentation requires improvement.</li> </ul>	<p><b>15/2015</b> Maintain adequate evidence of regular failover, redundancy and restoration tests completed.</p>	Nil
16	8.3	<p>B2</p> <p>The probability and consequences of asset failure are regularly assessed.</p> <ul style="list-style-type: none"> <li>▶ In the new "Baseline Capex Risk Assessment 2014" there was no risk assessment on the HV Transmission Line or 11 kV Distribution poles, no risk identified for pole down, fire risk, vegetation fire, loss of environmental assets and habitat (the "Rottnest Island Fire Emergency Prevention, Preparedness Response and Risk Review 2012" by the Fire &amp; Emergency Services Authority of WA (<b>FESA</b>) noted that "A significant scrub fire caused by a pole top fire was responded to by the RIVFRS<sup>1</sup>. The fire was contained within one hour of initial response and burned a total of 2700m<sup>2</sup>.". This risk has not been captured in the risk assessment; in addition there were two pole top fires on the same day in the period 2013-14 (however the customers had back-up power and </li></ul>	<p><b>16/2015</b> The "Baseline Capex RIA Risk Assessment 2014" should be re-assessed to include all significant assets and as per the findings (such as, but not limited to, pole top fires, HV transmission line, distribution pole down, loss of step up transformer, lack of transformer redundancy).</p>	Nil

Table of Current Review Asset System Deficiencies/ Recommendations				
B. Unresolved during current Review period				
Ref. (No/ 2015)	EC Ref	Rating / AMS Component Effectiveness Criteria / Details of Deficiency	Auditors' Recommendation	Management action taken by end of Review period
		<p>there was no interruption).</p> <ul style="list-style-type: none"> <li>▶ No risk identified for loss of supply to nursery/ emergency or loss of supply to borefields</li> <li>▶ The consequence of the loss of one of the step-up transformers is rated as inconsequential and the likelihood is rated as "rare"; however the SAP 2013 noted that the current demand is 1400 kW, maximum demand in 2009-10 was 1940 kW compared to a maximum capacity of 2140 kW. The lack of redundancy resulting from the use of two 1 MVA Step Up Transformers at the power house means that, if one transformer needs maintenance during the peak season, supply will be short of demand and consumption will have to be curtailed by up to around 50%.</li> </ul>		
17	9.1	<p>A2</p> <p>Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks.</p> <ul style="list-style-type: none"> <li>▶ It does not appear that all the opportunities for improvement arising from Business Continuity Drills are actioned or evaluated further as in the last Drill a recommendation to establish individual back up power supply for the Nursing Post and the Police Station has not been documented in risk assessments.</li> </ul>	<b>17/2015</b> Opportunities for improvement noted in PFM's Business Continuity Drills should be followed up and assessed.	Nil
18	10.4	<p>B2</p> <p>The financial plan provides firm predictions on income for the next five years and reasonable indicative predictions beyond this period.</p> <ul style="list-style-type: none"> <li>▶ No indicative predictions beyond the five years were available.</li> </ul>	<b>18/2015</b> Indicative projections of income beyond five years should be prepared.	Nil
-	11.2	A2	Recommendation 19/2015 addresses	Nil

Table of Current Review Asset System Deficiencies/ Recommendations				
B. Unresolved during current Review period				
Ref. (No/ 2015)	EC Ref	Rating / AMS Component Effectiveness Criteria / Details of Deficiency	Auditors' Recommendation	Management action taken by end of Review period
		<p>The plan provide reasons for capital expenditure and timing of expenditure.</p> <ul style="list-style-type: none"> <li>Some of the timing of individual projects in the detailed CAPEX, the "Baseline Revised Capex Plan 2014 to 2019 v3 8" does not appear to be consistent with actual activities.</li> </ul>	the finding.	
-	11.3	<p>A2</p> <p>The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan.</p> <ul style="list-style-type: none"> <li>Due to the lack of an up-to-date AMP, asset life and condition have not been updated in the AMP since 2011. A risk assessment has been carried out in 2014 however it does not appear to have documented all electricity assets. Condition of assets was due to be assessed in 2014 however no document has been sighted.</li> </ul>	Recommendations 3/2015 and 16/2015 address the finding.	Nil
19	11.4	<p>B2</p> <p>There is an adequate process to ensure that the capital expenditure plan is regularly updated and actioned.</p> <ul style="list-style-type: none"> <li>The current CAPEX, the "Baseline Revised Capex Plan 2014 to 2019 v3 8" does not appear to be up-to-date.</li> </ul>	<b>19/2015</b> The detailed CAPEX Plan should be updated at least annually.	Nil
20	12.1	<p>C2</p> <p>A review process is in place to ensure that the asset management plan and the asset management system described therein are kept current.</p> <ul style="list-style-type: none"> <li>No documented plan is in place to show what the review and development program is and when those plans are due to be completed and implemented.</li> </ul>	<b>20/2015</b> The asset management system and AMP review processes need to documented and monitored.	Nil
-	12.2	<p>C2</p> <p>Independent reviews (e.g. internal</p>	Recommendations 1, 3 and 20/2015 address the finding.	Nil



Table of Current Review Asset System Deficiencies/ Recommendations				
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		<p>audit) are performed of the asset management system.</p> <p>► There has been extensive review of the asset management system performed both by the licensee and the operator, however most of the review has not been documented and has not identified the targets of the review, the structure of the revised asset management system and the correlation of PFM's system with the RIA's system.</p>		

## **5 POST AUDIT AND REVIEW IMPLEMENTATION PLAN**

The Post Audit And Review Implementation Plan (PAIP) is a separate document prepared by the licensee in response to the recommendations made in the audit and review. As it represents the licensee's views and actions it does not form part of the audit and review report, however it includes all key audit and review findings and recommendations that have been made in the audit and review. For each recommendation the licensee has recorded responses and corrective actions, responsibility for the actions and a proposed date for completion.

# Appendix A - Documentation Reviewed

## Key Documentation Reviewed

### General

1. Contract Management Handbook v3c
2. Final - Rottnest Island Facilities, Operations and Utilities Management Agreement
3. PFM Employee and Org Chart December 2014
4. RIA Organisational Structure, April 2015
5. Proposed Structure – Rottnest Island Operations, PFM
6. Signed - FUSS Contract and Service Specifications - RIA and PFM
7. 2013 Performance Audit and Asset Management System Review, RIA Electricity Integrated Regional Licence, Post Audit Implementation Plan

### Performance Audit

1. Electricity Compliance Manual Datasheet - Distribution Indicators 2013/14
2. Electricity Compliance Manual Datasheet - Retail Indicators 2013/14
3. Electricity Retailer Performance Report, 2013/14
4. Rottnest Island 2014 Network Quality and Reliability of Supply Performance Audit – Operation of Compliance Monitoring Systems
5. Rottnest Island Authority, Network Quality and Reliability of Supply Report, 1 July 2013 – 30 June 2014
6. Standard Form Contract For the Supply of Electricity on Rottnest Island
7. Rottnest Island Authority Electricity (Metering) Code 2012, 5.37 Report - 2013-2014
8. UTILITY (Electricity, Water, Gas) Customer Complaint Form
9. Utilities Customer Complaints Procedure
10. Compliance Report – Electrical, 1 July 2012 to 30 June 2013
11. Compliance Report – Electrical, 1 July 2013 to 30 June 2014
12. UTILITES COMPLIANCE SPREADSHEET - ROTTNEST ISLAND AUTHORITY
13. Rottnest Island Authority, Corporate Information Confidentiality Agreement
14. PRO-RNI-I03-030-1 Meter Installation and Calibration Procedure
15. PRO-RNI-I03-033-1 Meter Readings Monthly Procedure
16. PRO-RNI-I03-038-1 Standing Data Items Compliance Review Procedure
17. Rottnest Island Power Quality Report – Dec 2013, Nilsen WA Pty Ltd
18. Rottnest Island Power Quality Report – Dec 2014-Jan 2015, Nilsen WA Pty Ltd

## Asset Management System Review

1. Asset Planning
  - 1.1. 2011-12 Rottnest Island Asset Management Plan [PFM]
  - 1.2. Rottnest Island Management Plan 2014-19
  - 1.3. Strategic Plan 2014-19
  - 1.4. RIMP 2009-2014 - Final
  - 1.5. Strategic Asset Plan / Strategic Asset Investment Plan 2013 - 14 to 2022 - 23 October 2013 (SAP2014-15)
  - 1.6. Strategic Asset Management Framework SAMF - Final
  - 1.7. Asset Investment Plan (Background) 2014
  - 1.8. Baseline Capex RIA Risk Assessment 2014
  - 1.9. Baseline Revised Capex Plan 2014 to 2019 v3 8
  - 1.10. Post Audit Implementation Plan - 2013, updated 141014, submitted to ERA 281014
2. Asset Creation & Acquisition
  - 2.1. Asset Management Policy (inc. Asset Disposal Policy) June 10 revised209141 Request for exemption from the competitive requirements - Replacements of generator 7 and Alternator
  - 2.2. Diesel Tank 6 Inspection
  - 2.3. Diesel Tank 9 Inspection
  - 2.4. Generator 1 Replacement - Initial Business Case x1 1
  - 2.5. Replacement Upgrade to Diesel Fuel Storage and Distribution 2014 - Initial Business Case v1 1
3. Asset Disposal
  - 3.1. Asset Management Policy (inc. Asset Disposal Policy) June 10 revised
  - 3.2. 209141 Request for exemption from the competitive requirements - Replacements of generator 7 and Alternator
  - 3.3. Diesel Tank 6 Inspection
  - 3.4. Diesel Tank 9 Inspection
  - 3.5. Generator 1 Replacement - Initial Business Case x1 1
  - 3.6. Replacement Upgrade to Diesel Fuel Storage and Distribution 2014 - Initial Business Case v1 1
4. Environmental Analysis
  - 4.1. Annual Electrical Compliance Report 2013-2014, signed by CEO
  - 4.2. Annual Compliance Report Electricity 2012 - 2013, signed by CEO
  - 4.3. Rottnest Client Monthly Report Jun14

- 4.4. Rottnest Client Monthly Report Jul14
  - 4.5. Breach and compliance Event Register 2015 at March 31
- 5. Asset Operations
  - 5.1. FUSS Service Report March 2015
  - 5.2. RIA Ops Report June 2014
  - 5.3. RIA Ops Report July 2014
  - 5.4. Rottnest Island - June 2013 Monthly Report
  - 5.5. PRO-RNI-I03-002-1 Powerhouse Security Procedure
  - 5.6. PRO-RNI-I03-034-1 Planned Outage Notification Procedure
  - 5.7. Rottnest Island Power Monitoring Report – 2013, Nilsen WA Pty Ltd
  - 5.8. Rottnest Island Power Monitoring Report – 2014, Nilsen WA Pty Ltd
  - 5.9. Rottnest Island Power Monitoring Report – 2014-15, Nilsen WA Pty Ltd
- 6. Asset Maintenance
  - 6.1. Genset History
  - 6.2. Major Service Cummins
  - 6.3. Major Services MTU Detroit
  - 6.4. AU57713019 PFM Rottnest August Repairs Inspections
  - 6.5. Generator 7 Incident report
  - 6.6. AU57713019 PFM Rottnest August Repairs, Inspections
  - 6.7. Rottnest Island - Electrical Assessment Feeder 5
  - 6.8. 2013 - 2014 Outages, Operational and Planned
  - 6.9. 2014 - 2015 Outages, Operational and Planned
  - 6.10. PRO-RNI-I03-034-1 Planned Outage Notification Procedure
  - 6.11. Report - EC14-001
  - 6.12. Report - EC15-001
  - 6.13. Report - EC15-002
  - 6.14. Report - EC15-003
  - 6.15. Rottnest Island - Electrical Assessment Feeder 5
- 7. Asset Management Information System
  - 7.1. PFM's Restoration Priority Register Electrical Services, issued 30/03/09 and last updated 15/11/12
  - 7.2. PFM's Restoration Priority Register Electrical Services (PRO-ROT-ELEC-41.01), issued/updated 14/8/13
  - 7.3. PFM's ICT Acceptable Computer Usage Policy
  - 7.4. PFM's Mobility Policy

- 7.5. PFM's Security Policy
- 7.6. RIA's Access Management Policy
- 7.7. RIA's Financial Management Information System Access Policy
- 7.8. RIA's Remote Access Policy
- 7.9. RIA's Secure USB Drive Access
- 7.10. RIA's ICT Access Request Form
- 7.11. RIA's Remote Access Request Form
- 7.12. PFM's PRO-RNI-I03-002-1 Powerhouse Security Procedure
- 7.13. PFM's Breaches & Legal Non Compliance Event Register
- 8. Risk Management
  - 8.1. Risk Management Policy
  - 8.2. Draft Executive paper - BCM program update ver1.0 2014
  - 8.3. Draft Rottnest BCM Program Overview v2 0 Sep 2014
  - 8.4. Rottnest Crisis Management Plan v1 0 July 2012
  - 8.5. Attachment - Strategic Board Risk Update - 22 April 2015
  - 8.6. Exec Paper Decision Sheet Risk framework review process\_Aug14
  - 8.7. Information Sheet Strategic Risks April 2015
  - 8.8. RIA Risk Management Manual (Mar 09)
  - 8.9. Baseline Capex RIA Risk Assessment 2014
  - 8.10. Enterprise Risk Management Plan 2014-15 v0 [PFM]
  - 8.11. PFM Risk Management Plan 2014 - 2015
  - 8.12. Risk Management Plan 2013 - 2014
  - 8.13. Risk Management Plan 2012 - 2013
  - 8.14. Power Risk Matrix (2009)
  - 8.15. Risk Workshop Minutes 2014 Dec 4
  - 8.16. Risk Workshop Minutes 2015 April 13
  - 8.17. Programmed Group Risk Management Procedure v 06 12 11
- 9. Contingency Planning
  - 9.1. Rottnest Island Fire Emergency Prevention, Preparedness Response and Risk Review 2012 (FESA)
  - 9.2. Electrical Disaster Recovery Plan (PFM)
  - 9.3. Restoration Priority Register Electrical Services
  - 9.4. Electricity Business Continuity Drills
  - 9.5. RI Community Evacuation Arrangements v2 2014

- 9.6. RI LEM Arrangements v2 2014
- 9.7. RI Local Recovery Plan v2 2014
- 9.8. Concept Document - Exercise Blackrock 2014
- 9.9. Exercise Blackrock 2014 FESM Review and Recommendations\_01
- 9.10. Exercise Blackrock 2014 Post Exercise Report
- 9.11. Powerhouse Outages Procedure
- 9.12. Restoration Priority Register Electrical Services Procedure
- 10. Financial Planning
  - 10.1. Funding Summary reflecting the 14/15 Budget and TRC submissions, also called the "Cashflow/Funding Summary-as submitted as part of the 2014/15 Budget Process"
  - 10.2. Budget Variance analysis for 2013-2014
  - 10.3. Interim Audit Results for the year Ending 30 June 2014 - Office of the Auditor General
  - 10.4. OAG Final Management Letter Final to OAG 190913
  - 10.5. CFO Report June 2013
  - 10.6. CFO Report June 2014
  - 10.7. CFO Report March 2015
  - 10.8. Revenue & Operating Expenditure 2014-2019
  - 10.9. 2013/14 Operating Budget - for Board Approval-201506041040
  - 10.10. Baseline Revised Capex Plan 2014 to 2019 v3 8
  - 10.11. Annual Report - 2013-2014
  - 10.12. Annual Report - 2012-2013
- 11. Capital Expenditure Planning
  - 11.1. Funding Summary reflecting the 14/15 Budget and TRC submissions, also called the "Cashflow/Funding Summary-as submitted as part of the 2014/15 Budget Process"
  - 11.2. Budget Variance analysis for 2013-2014
  - 11.3. Interim Audit Results for the year Ending 30 June 2014 - Office of the Auditor General
  - 11.4. OAG Final Management Letter Final to OAG 190913
  - 11.5. CFO Report June 2013
  - 11.6. CFO Report June 2014
  - 11.7. CFO Report March 2015
  - 11.8. Revenue & Operating Expenditure 2014-2019
  - 11.9. 2013/14 Operating Budget for Board Approval, 201506041040



- [11.10. Baseline Revised Capex Plan 2014 to 2019 v3 8](#)
- [11.11. Annual Report - 2013-2014](#)
- [11.12. Annual Report - 2012-2013](#)
- 12. AMS Review
  - [12.1. Asset Performance Measure Audit Template.](#)