

# Audit Report

## Performance Audit and Asset Management Review

3607-37

Prepared for  
Newmont Power Pty Ltd

9 October 2018



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## Executive Summary

### General

Newmont Power Pty Ltd (NPPL) holds an electricity distribution licence (EDL4) and an electricity retail licence (ERL9). While more than one versions of each licenses have been issued since last audit, the revisions are considered to be immaterial. There have been no significant changes to the assets since the last audit.

NPPL's assets comprise around 20km of 33kV power line that are supplied from Goldfields Power Pty Ltd's (GPPL's) Parkeston Power Station and supply Kalgoorlie Consolidated Gold Mines' (KCGM's) Fimiston Operations and Kaltails. NPPL's only customer is KCGM. The power lines are managed and maintained under an agreement with TEC Operations Pty Ltd.

### Audit and review objectives

This audit has been conducted in order to assess:

1. NPPL's level of compliance with the conditions of their electricity licences.
2. The effectiveness of NPPL's asset management system.

This report outlines the findings of the audit and review of NPPL to fulfil the above objectives, conducted on 15-16 August. The audit and review covers the operating period of 1 July 2014 to 30 June 2018.

### Performance Audit - Findings

The previous audit identified one issue with its operating licenses:

1. 127/2014 – NPPL does not have in place a Priority Restoration Register as required under Section 11 of the *Electricity Industry Act* and Clause 29 of its Licence. It is recommended that NPPL create a Priority Restoration Register and consider discussing the relevance of this clause to its licensed activities with the ERA.

NPPL has developed a Priority Restoration Register during the audit period and is now compliant against the relevant obligations.

There were no issues identified during the current audit.

### Performance Audit - Effectiveness of controls

We consider that NPPL has adequate controls in place that are appropriate to the nature and scale of its activities.

### Performance Audit - Overall compliance

The overall compliance of NPPL with its licence is summarised in Section 4.2 of this report. All items were assessed as compliant, not applicable or not able to be rated.

### Asset Management System Review – Findings

There were no recommendations from the previous audit and there are no recommendations for this audit period.

### Asset Management System Review – Control Environment

We consider that NPPL has adequate controls in place for its asset management functions that are appropriate to the nature and scale of its activities.

### Asset Management System Review - Overall effectiveness

A summary of our assessment of the effectiveness of NPPL's Asset Management System is provided in Section 4.3. All elements were rated "A" for policy and procedures. All elements were rated "1" for performance.

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# 1 Introduction

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## 1.1 Background

The Economic Regulation Authority (ERA) is responsible for regulating the licensing schemes for gas, electricity and water services in Western Australia. The primary objective of regulation is to ensure the provision of a competitive and fair environment, particularly where businesses operate as natural monopolies.

Newmont Power Pty Ltd (NPPL) holds an electricity retail licence (ERL9) and an electricity distribution licence (EDL4). NPPL's assets comprise around 20km of 33kV power line that are supplied from Goldfields Power Pty Ltd's (GPPL's) Parkeston Power Station and supply Kalgoorlie Consolidated Gold Mines' (KCGM's) Fimiston Operations and Kaltails. NPPL's only customer is KCGM. The power lines are managed and maintained under an agreement with TEC Operations Pty Ltd.

## 1.2 Purpose of this report

As a condition of the licences, licensees are required to conduct a performance audit and asset management review that assesses the performance of the licensee against its obligations under the licences.

The purpose of the performance audit was to assess the effectiveness of measures taken by the licensee to meet the conditions referred to in the licence including the legislative obligations called up by the licence. The scope of the audit report includes assessing the adequacy and effectiveness of performance against the requirements of the licensee by considering:

- > process compliance;
- > outcome compliance;
- > output compliance;
- > integrity of reporting; and
- > compliance with any individual license conditions.

The asset management system reviews covers:

- > a description of the audit or review objectives and the methodology used to conduct the audit or review;
- > the interval of time covered by the audit or review and the previous audit or review, if applicable;
- > the period over which the audit or review has been performed;
- > details of the licensee's representatives participating in the audit or review;
- > details of key documents and other information sources examined by the auditor during the course of the audit or review;
- > details of the audit or review team members and hours utilised by each member; and
- > any other information the auditor considers relevant to the audit or review scope of work.

The Electricity Industry Act 2004 (WA) obligate the licensee to provide the Authority with a performance audit conducted by an independent expert acceptable to the Authority not less than every 24 months period (or such longer period as the Authority allows) and provide the Authority with a report by an independent expert acceptable to the Authority as to the effectiveness of the asset management system not less than every 24 month period (or such longer period as the Authority allows).

Version 4 of ERL9 was issued on 19 September 2012 and then followed by Version 5 issued on 1 July 2015. Version 5 of EDL4 was issued on 01 January 2013 and then followed by Version 6 issued on 1 July 2015. A Performance Audit of licences EDL4 and ERL9 was last performed for the period 1 July 2011 to 30 June 2014. An Asset Management review of licences EDL4, EGL13 and ETL4 was last performed for the period 1 July 2011 to 30 June 2014. A Performance Audit of EDL4 and ERL9 is now required to be undertaken for the period 1 July 2014 to 30 June 2018 and an Asset Management Review of EDL4 is now required to be undertaken for the period 1 July 2014 to 30 June 2018.

## 2 Audit/Review Scope

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### 2.1 Audit/Review Objectives

The objectives of this audit were to:

1. Provide to the Authority an independent assessment of NPPL's compliance with all of the relevant obligations under the licences
2. Provide to the Authority an independent assessment of the effectiveness of NPPL's asset management system in relation to EDL4.
3. Provide recommendations to address noncompliance.

### 2.2 Scope of Works

The audit encompassed an assessment of the following four key areas using a risk based approach (to ISO 31000:2009):

- > Process compliance: assessment of the effectiveness of systems and procedures
- > Outcome compliance: assessment of actual performance against the prescribed licence standards
- > Output compliance: assessment of records to indicate procedures are followed and controls are maintained
- > Integrity of reporting: assessment of the completeness and accuracy of the compliance and performance reports.

The scope of works of this audit included:

- > Interviews with key staff members from NPPL to:
  - Assess findings from the last audit and review the actions taken to address the recommendations from the previous audit / review
  - Assess performance against licence conditions for EDL4 and ERL9
  - Assess performance against each asset management process for EDL4
- > Reviews of documents, procedures and policy manuals in relation to financial management and planning, service performance standards, asset management, operations and maintenance functions and reporting
- > Testing and assessment to determine whether the procedures and policies are followed and determine its effectiveness
- > Preparation of an audit report in accordance with the format outlined in the ERA Audit and Review Guidelines: Electricity and Gas Licences (April 2014).

## 2.2.1 Performance Audit

The audit of the licences covered the entire licences, and contained the following key areas as outlined in Table 2-1.

Table 2-1 Licence Performance Audit Areas

Clause	Licence Requirements	EDL4	ERL9
4	Fees	✓	✓
5	Compliance	✓	✓
12	Accounting Records	✓	✓
13	Individual Performance Standards	✓	✓
14	Performance Audit	✓	✓
15	Reporting change in circumstances	✓	✓
16	Provision of information	✓	✓
17	Publishing information	✓	✓
18	Notices	✓	✓
19	Review of the Authority's Decisions	✓	✓
20	Asset Management System	✓	Not used
21	Approved Scheme	✓	✓
22	Determination of Default Supplier	✓	Not used
23	Marketers	Not used	✓
24	Customer Contracts	Not used	✓
25	Amending the Standard Form Contract	Not used	✓
26	Directions by the Authority	Not used	✓
27	Supplier of Last Resort	Not used	✓
28	Notification of Default Supply	Not used	✓



## 2.2.2 Performance Audit Excluded Conditions

Some of the reporting obligations for retail have been excluded from the audit because they are not applicable to NPPL.

Table 2-2 Excluded conditions

2017 Compliance Manual Reference	Reference	Reason for exclusion
1-71	Electricity Industry Customer Transfer Code	No retail transfers are available; therefore the Customer Transfer Code does not apply.
72-100	Electricity Industry Customer Transfer Code	No small use customers
108-109, 111, 114-118	Electricity Industry Act: Section 54	No small use customers
110	Electricity Industry Act: Section 76	The Licensee is not a retailer of last resort
112	Electricity Industry Act Section 115	Covered networks are not relevant
120	Electricity Industry Act: Section 11	There are no individual performance standards
129-316	Electricity Industry Act: Section 82	Code of conduct does not apply because there are no small use customers
317,318	Electricity Industry Metering Code	The retailer and distributor are the same organisation and there is no alternative retailer on the network
319, 330, 333, 336, 342, 343, 344, 346, 347, 348, 349, 422	Electricity Industry Metering Code	Installation of metering pre-dates the requirements of the Code
442-446	Electricity Industry Metering Code	No small use customers
334	Electricity Industry Metering Code	NPPL's customer consumes more than 750MWh/a
335	Electricity Industry Metering Code	Compensation is not required.
339	Electricity Industry Metering Code	The Licensee is the user and network operator and any notification would be to itself
350-353	Electricity Industry Metering Code	As the Licensee's network operator does not operate in the WEM conditions relevant to the market rules are not applicable
354	Electricity Industry Metering Code	The licensee has not switched between regulated and nonregulated contracts during the period of this audit
365	Electricity Industry Metering Code	The Licensee has not registered any metering installation providers and it is not obliged to.
393,394	Electricity Industry Metering Code	Code of Conduct does not apply because there are no small use customers
395, 396	Electricity Industry Metering Code	No retail transfers are available; therefore the Customer Transfer Code does not apply.
411-413	Electricity Industry Metering Code	Energy data request forms are not required.
416	Electricity Industry Metering Code	The Licensee is the user and network operator and any requests would be to itself
435	Electricity Industry Metering Code	The Licensee is the retailer and network operator and any requests would be to itself
436	Electricity Industry Metering Code	Electricity networks corporation is not the metering data agent
467, 481-482	Electricity Industry (Network Quality and Reliability of Supply) Code	No small use customers

2017 Compliance Manual Reference	Reference	Reason for exclusion
468-469	Electricity Industry (Network Quality and Reliability of Supply) Code	The Licensee has entered into agreements with its customers that have reliability standards different to that in the Code.
472-476	Electricity Industry (Network Quality and Reliability of Supply) Code	Electricity Corporation conditions are not applicable
486-496	Electricity Industry (Licence Conditions) Electricity Industry Act section 61 and 11 Electricity Industry (Customer Contracts) Regulations 2005	Licensee Specific Conditions do not apply

### 2.2.3 Asset Management System Review

The review of NPPL's asset management system for EDL4 covered the following asset management elements:

- > Asset planning
- > Asset creation and acquisition
- > Asset disposal
- > Environmental analysis
- > Asset operations
- > Asset maintenance
- > Asset management information system
- > Risk management
- > Contingency planning
- > Financial planning
- > Capital expenditure planning
- > Review of AMS

## 2.3 Methodology and Approach

The audit was undertaken in accordance with ASAE3000. Our approach to the reporting work was to work closely with the licensee so that comments and challenges could be responded to and addressed before the audit report was finalised. The key areas of our approach included:

- > A start-up discussion (by telephone) with NPPL to:
  - Discuss the main issues to be addressed at audit
  - Identify any issues from the previous audit
  - Identify any new issues arising from changes to the Licence or operating environment requirements
  - Discuss the audit plan.
- > Preparation of a draft audit plan for comment by the licensee. The audit plan identified the number and location of audits, the information to be addressed and the auditor responsible.
- > Submission of the draft audit plan to the ERA for approval
- > A start-up meeting on-site at the beginning of our audit work
- > On site audit work comprising:
  - Face-to-face interviews with business staff responsible for the audit area
  - Demonstration of key systems

- Sample testing for outcome compliance (assessing sample of documents to confirm procedures / policies are followed and implemented)
  - Review of any non-compliances and assess if any corrective action was undertaken and its effectiveness
  - Controls assessment on obligations that are found to be non-compliant
  - Site visit to Kalgoorlie on 15 August 2018 to meet with the contractor responsible for operating and maintaining NPPL's infrastructure and to view a sample of NPPL's power poles.
- > Preliminary audit feedback at the audit close-out meeting
  - > Preparation of a draft report for NPPL's review and comment
  - > Preparation of a final report for submission to the ERA.

Our methodology for completing this audit assignment was based on:

- > A risk assessment that determined the priority of each audit area, using the risk management framework in Appendix A.
- > Our understanding of the licensee's business
- > The experience of our audit team in undertaking regulatory audits which has been gained in several jurisdictions in Australia and in the United Kingdom
- > The outcome of the previous audit completed of NPPL

Our audit methodology, including the key documents required to be reviewed and the supporting systems that we would like to see demonstrated, is detailed in Table 2-3 and Table 2-4.

Table 2-3 Licence Audit Methodology

Audit Area	Priority	Approach	Systems	Key Documents
Licence Audit				
Clause 4 Fees	5	<ul style="list-style-type: none"> <li>Review invoices from Authority and receipts of payment</li> </ul>		<ul style="list-style-type: none"> <li>Invoices and receipts</li> </ul>
Clause 5 Compliance	Various	<ul style="list-style-type: none"> <li>Review legislative requirements and confirm compliance</li> <li>Identify any corrective action applied to correct / prevent breaches of compliance</li> </ul>	<ul style="list-style-type: none"> <li>Work scheduling system</li> </ul>	<ul style="list-style-type: none"> <li>Performance standards</li> <li>Compliance Summary Reports (record of breaches)</li> </ul>
Clause 12 Accounting Records	4	<ul style="list-style-type: none"> <li>Check that 2015, 2016 and 2017 financial statements are signed off as being to appropriate standards</li> </ul>	<ul style="list-style-type: none"> <li>Finance system</li> </ul>	<ul style="list-style-type: none"> <li>2015 Financial statement</li> <li>2016 Financial statement</li> <li>2017 Financial statement</li> </ul>
Clause 13 Individual Performance Standards	NA	<ul style="list-style-type: none"> <li>Confirm that it is not applicable</li> </ul>		
Clause 14 Performance Standards	4	<ul style="list-style-type: none"> <li>Review information reported to the Authority</li> <li>Confirm methodology used to determine performance conforms to legislation and procedures.</li> </ul>		<ul style="list-style-type: none"> <li>Performance Audit</li> <li>Annual Performance Reports</li> <li>Procedures / Policy Manual</li> <li>Post Implementation Audit Reports / Status since previous audit</li> <li>Correspondence between NPPL and Authority regarding review requirements</li> </ul>
Clause 15 Reporting change in circumstances	5	<ul style="list-style-type: none"> <li>Review any correspondence with the Authority</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence register</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence with ERA</li> </ul>
Clause 16 Provision of Information	4	<ul style="list-style-type: none"> <li>Confirm that the licensee has provided the Authority with data required for performance monitoring purposes as set out in the Compliance Reporting Manual.</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence register</li> </ul>	<ul style="list-style-type: none"> <li>Annual compliance reports</li> <li>Correspondence register</li> </ul>
Clause 17 Publishing Information	4	<ul style="list-style-type: none"> <li>Check if any requests have been issued by the Authority to publish any information relating to the performance of the Licensee and correlating response</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence register</li> </ul>	<ul style="list-style-type: none"> <li>Letters of notification / requests from the Authority</li> <li>Response to the Authority</li> </ul>
Clause 18 Notices	4	<ul style="list-style-type: none"> <li>Confirm all notices are issued in writing</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence register</li> </ul>	<ul style="list-style-type: none"> <li>Issued notices</li> </ul>

Audit Area	Priority	Approach	Systems	Key Documents
Clause 19 Review of the Authority's Decisions	4	<ul style="list-style-type: none"> <li>Confirm if any requests of a reviewable decision has been issued to the Authority and correlating response</li> </ul>		<ul style="list-style-type: none"> <li>Requests for review of decision (Correspondence)</li> </ul>
Clause 20 Asset Management System	Various	<ul style="list-style-type: none"> <li>Confirm that the asset management policies and procedures meet legislative requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Enterprise Asset Management System</li> <li>Computerised Maintenance Management System</li> </ul>	<ul style="list-style-type: none"> <li>Asset Management Policies</li> <li>Asset Management Plans</li> <li>Asset Management Systems and Procedures Manual</li> <li>Asset Register</li> </ul>
Clause 21 Approved Scheme	NA	<ul style="list-style-type: none"> <li>Confirm that it is not applicable</li> </ul>		
Clause 23 Marketers	NA	<ul style="list-style-type: none"> <li>Confirm that it is not applicable</li> </ul>		
Clause 24 Customer Contracts	NA	<ul style="list-style-type: none"> <li>Confirm that it is not applicable</li> </ul>		
Clause 25 Amending the Standard Form Contract	NA	<ul style="list-style-type: none"> <li>Confirm that it is not applicable</li> </ul>		
Clause 26 Directions by the Authority	5	<ul style="list-style-type: none"> <li>Confirm that directions from the authority have been complied with.</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence register</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence with ERA</li> </ul>
Clause 27 Supplier of Last Resort	NA	<ul style="list-style-type: none"> <li>Confirm that it is not applicable</li> </ul>		
Clause 28 Notification of Default Supply	NA	<ul style="list-style-type: none"> <li>Confirm that it is not applicable</li> </ul>		

Table 2-4 Asset Management Review Methodology

Audit Area	Effectiveness Criteria	Approach	Systems	Key Documents
<b>Asset Management Review</b>				
Asset planning	<ul style="list-style-type: none"> <li>Planning process and objectives reflect the needs of all stakeholders and is integrated with business planning</li> <li>Service levels are defined</li> <li>Non-asset options (e.g. demand management) are considered</li> <li>Lifecycle costs of owning and operating assets are assessed</li> <li>Funding options are evaluated</li> <li>Costs are justified and cost drivers identified</li> <li>Likelihood and consequences of asset failure are predicted</li> <li>Plans are regularly reviewed and updated</li> </ul>	<ul style="list-style-type: none"> <li>Review and assess the adequacy of asset planning processes</li> <li>Review and assess adequacy of asset management plans</li> <li>Assess if asset management plans are up to date</li> <li>Assess implementation of asset management plans (status)</li> <li>Assess whether the asset management plan clearly assigns responsibilities and if these have been applied in practice</li> </ul>	<ul style="list-style-type: none"> <li>GIS</li> <li>Asset database / information system</li> </ul>	<ul style="list-style-type: none"> <li>Overview of planning approach</li> <li>Population projections</li> <li>Infrastructure Planning Reports</li> <li>Asset management plans</li> <li>Service level agreements</li> <li>Business Case/project justification</li> </ul>
Asset creation and acquisition	<ul style="list-style-type: none"> <li>Full project evaluations are undertaken for new assets, including comparative assessment of non-asset solutions</li> <li>Evaluations include all life-cycle costs</li> <li>Projects reflect sound engineering and business decisions</li> <li>Commissioning tests are documented and completed</li> <li>Ongoing legal / environmental / safety obligations of the asset owner are assigned and understood</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy of policies and procedures in relation to asset creation and acquisition</li> <li>Review examples of creations / acquisitions to check if policies and procedures were followed and check costs against estimates</li> </ul>		<ul style="list-style-type: none"> <li>Policies and procedures for asset creating and acquisition - accounting and engineering</li> <li>Overview of planning approach</li> <li>Business Case/project justification</li> <li>Asset management plans</li> <li>Commissioning certificates</li> </ul>
Asset disposal	<ul style="list-style-type: none"> <li>Under-utilised and under-performing assets are identified as part of a regular systematic review process</li> <li>The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken</li> <li>Disposal alternatives are evaluated</li> <li>There is a replacement strategy for assets</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy of policies and procedures in relation to asset disposal, asset replacement, identification of under-performing assets</li> <li>Determine if a review on the usefulness of assets are undertaken</li> <li>Review examples to check that policies and procedures are being followed</li> </ul>		<ul style="list-style-type: none"> <li>Policies and procedures for asset disposal - accounting and engineering</li> <li>Asset management plans</li> <li>Decommissioning certificates</li> </ul>

Audit Area	Effectiveness Criteria	Approach	Systems	Key Documents
Environmental analysis	<ul style="list-style-type: none"> <li>Opportunities and threats in the system environment are assessed</li> <li>Performance standards (availability of service, capacity, continuity, emergency response, etc.) are measured and achieved</li> <li>Compliance with statutory and regulatory requirements</li> <li>Achievement of customer service levels</li> </ul>	<ul style="list-style-type: none"> <li>Review performance and service standards over audit period</li> <li>Review performance / identify any breaches and non-compliances and corrective action taken</li> <li>Review adequacy of reporting and monitoring tools</li> </ul>		<ul style="list-style-type: none"> <li>Relevant policies and procedures</li> <li>Planning reports</li> <li>Performance standards</li> <li>Compliance reports</li> <li>Strategic plans (if appropriate)</li> <li>Monthly KPI reports</li> </ul>
Asset operations	<ul style="list-style-type: none"> <li>Operational policies and procedures are documented and linked to service levels required</li> <li>Risk management is applied to prioritise operations tasks</li> <li>Assets are documented in an Asset Register, including asset assessment of assets' physical, structural condition and accounting data</li> <li>Operational costs are measured and monitored</li> <li>Staff receive training commensurate with their responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy of policies and procedures in relation to asset operations</li> <li>Review staff skills / training and resources available</li> <li>Check that operations procedures are being followed including testing of the asset register, observation of operational procedures and analysis of costs</li> <li>Identify any operational events and corrective actions</li> </ul>	<ul style="list-style-type: none"> <li>Asset information system</li> <li>SCADA</li> <li>Finance system</li> <li>Works management system</li> <li>HR system</li> </ul>	<ul style="list-style-type: none"> <li>Asset register</li> <li>Operations procedures</li> <li>Operational costs</li> <li>Daily / weekly / monthly check sheets</li> <li>Staff skills / resourcing structure</li> <li>Asset management plan</li> <li>Incident register</li> </ul>
Asset maintenance	<ul style="list-style-type: none"> <li>Maintenance policies and procedures are documented and linked to service levels required</li> <li>Regular inspections are undertaken of asset performance and condition</li> <li>Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule</li> <li>Failures are analysed and operational / maintenance plans adjusted where necessary</li> <li>Risk management is applied to prioritise maintenance tasks</li> <li>Maintenance costs are measured and monitored</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy of policies and procedures in relation to asset maintenance / maintenance functions</li> <li>Check that policies and procedures have been followed including testing of maintenance schedules, analysis of costs,</li> <li>Review maintenance schedules / plans</li> <li>Identify any maintenance events and corrective actions</li> </ul>	<ul style="list-style-type: none"> <li>Asset information system</li> <li>Works management system</li> </ul>	<ul style="list-style-type: none"> <li>Maintenance procedures and schedules</li> <li>Record of maintenance</li> <li>Maintenance costs</li> </ul>

Audit Area	Effectiveness Criteria	Approach	Systems	Key Documents
Asset Management Information System	<ul style="list-style-type: none"> <li>Adequate system documentation for users and IT operators</li> <li>Input controls include appropriate verification and validation of data entered into the system</li> <li>Logical security access controls appear adequate, such as passwords and that appropriate system access and functionality is provided to users</li> <li>Physical security access controls appear adequate</li> <li>Data backup procedures appear adequate</li> <li>Key computations related to licensee performance reporting are materially accurate</li> <li>Management reports appear adequate for the licensee to monitor licence obligations</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy of asset information system: <ul style="list-style-type: none"> <li>Asset coverage</li> <li>Functionality</li> <li>Data coverage</li> <li>Security</li> <li>User functionality granted is appropriate</li> </ul> </li> <li>Review outputs / reports generated by systems and assess suitability for reporting against performance standards / licence obligations</li> </ul>	<ul style="list-style-type: none"> <li>Asset Management Information system</li> </ul>	<ul style="list-style-type: none"> <li>Asset Management Information System (AMIS) manual</li> <li>AMIS data coverage and quality report</li> <li>Asset reports</li> </ul>
Risk management	<ul style="list-style-type: none"> <li>Risk management policies and procedures exist and are being applied to minimise internal and external risks associated with the asset management system</li> <li>Risks are documented in a risk register and treatment plans are actioned and monitored</li> <li>The probability and consequence of risk failure are regularly assessed</li> </ul>	<ul style="list-style-type: none"> <li>Review risk assessment coverage</li> <li>Review sample of risk mitigation to check policies and procedures are followed</li> <li>Assess staff understanding of risk management and adequacy of risk management training for staff</li> </ul>		<ul style="list-style-type: none"> <li>Corporate Risk Management Framework</li> <li>Risk assessment</li> <li>Risk Register</li> </ul>
Contingency Planning	<ul style="list-style-type: none"> <li>Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy / relevance and currency of contingency plans</li> <li>Review if plans have been tested and report on findings</li> <li>Identify any improvements that have been actioned as a result of testing of the contingency plans</li> </ul>		<ul style="list-style-type: none"> <li>Contingency plans</li> </ul>
Financial Planning	<ul style="list-style-type: none"> <li>The financial plan states the financial objectives and strategies and actions to achieve the objectives</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy and effectiveness of financial planning and reporting processes</li> </ul>		<ul style="list-style-type: none"> <li>Financial Plan</li> </ul>



Audit Area	Effectiveness Criteria	Approach	Systems	Key Documents
	<ul style="list-style-type: none"> <li>The financial plan identifies the source of funds for capital expenditure and recurrent costs</li> <li>The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets)</li> <li>The financial plan provide firm predictions on income for the next five years and reasonable indicative predictions beyond this period</li> <li>The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services</li> <li>Significant variances in actual / budget income and expenses are identified and corrective action taken where necessary</li> </ul>	<ul style="list-style-type: none"> <li>Review current financial plan and assess whether the process is being followed</li> </ul>		
Capital expenditure planning	<ul style="list-style-type: none"> <li>There is a capital expenditure plan that covers issues to be addressed, actions proposed, responsibilities and dates</li> <li>The plan provides reasons for capital expenditure and timing of expenditure</li> <li>The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan</li> <li>There is an adequate process to ensure that the capital expenditure plan is regularly updated and actioned</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy and effectiveness of capital planning processes through examination of application of process and example documents</li> </ul>	<ul style="list-style-type: none"> <li>Spreadsheets for capital planning and prioritisation</li> </ul>	<ul style="list-style-type: none"> <li>Capital expenditure planning process outline</li> <li>Value engineering documents</li> <li>Risk management applied to investment planning</li> <li>Program management documents</li> <li>Review of capex estimate versus outturn</li> </ul>
Asset management plan	<ul style="list-style-type: none"> <li>A review process is in place to ensure that the asset management plan and the asset management system described therein are kept current</li> <li>Independent reviews (e.g. internal audit) are performed of the asset management system</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy and currency of Asset Management Plan</li> <li>Assess when the Asset Management Plan was last updated / reviewed</li> <li>Assess outcomes of independent review of AMPs</li> <li>Identify if AMP needs to be updated</li> </ul>	<ul style="list-style-type: none"> <li>Asset management system</li> </ul>	<ul style="list-style-type: none"> <li>Asset management plans</li> </ul>

## 2.4 Time Period Covered by the Audit/Review

This audit covers the period from 1 July 2014 to 30 June 2018.

## 2.5 Time Period of the Audit/Review Process

The audit/review commenced in July 2018 with preparation of the draft Audit Plan. Interviews with NPPL staff were carried out on 16 August 2018 at NPPL's office in Perth, WA and on 15 August 2018 at Parkeston Power Station, Kalgoorlie, WA with the TECO staff who operate and maintain NPPL's assets.

## 2.6 Details of the Licensee Representatives Participating in the Audit/Review

Details of representatives from NPPL who participated in the audit and review process are provided in Table 2-5.

Table 2-5 Details of Licensee Representatives

Name	Organisation	Role
Tim Gordon	Newmont Power Pty Ltd	Senior Advisor – Power and Joint Ventures
Troy Forward	TEC Operations Pty Ltd (TECO)	Commercial Manager
Jamie Crombie	TEC Operations Pty Ltd (TECO)	Goldfields Operations Manager
Simon Broom	TEC Operations Pty Ltd (TECO)	RCC Manager
Brad Fanetti	TEC Operations Pty Ltd (TECO)	SCE Plant Manager

## 2.7 Details of Key Documents and Other Information Sources

### Asset Planning

- > Drawing 'Sitewide power & Communications HV Distribution' 180-E-3021 viewed.
- > Newmont Mining Corporation: Investment Documentation Guidance
- > Power Purchase Agreement
- > Supply contract with KCGM
- > Interviews with Troy Forward, Jamie Crombie, Simon Broom, Brad Fanetti at Parkeston Power Station (PPS)
- > Visit to PPS control room:
  - SCADA viewed (site level and detailed for Parkeston)
  - SAP viewed live
  - Example hard copy procedures in control room viewed
- > Operating performance review July 2018 presentation
- > TransAlta's Maintenance Work Management procedure
- > Examples of monthly operation and maintenance reports and financial reports were observed during the course of the review.

## 2.8 Details of Auditors Participating in the Audit/Review and Hours Utilised

The audit/review team comprised three staff members from Cardno.

Details of their roles and hours utilised in the audit/review process are provided in the table below.

Table 2-6 Details of Audit / Review Team Members

Name	Organisation	Role	Summary of Task	Hours Utilised
Simon Martin	Cardno	Auditor/Reviewer	<ul style="list-style-type: none"> <li>▪ Audit preparation</li> <li>▪ Audit</li> <li>▪ Preparation of Report</li> </ul>	20 hours

Name	Organisation	Role	Summary of Task	Hours Utilised
Justin Edwards	Cardno	Auditor/Reviewer	<ul style="list-style-type: none"><li>▪ Audit preparation</li><li>▪ Audit</li><li>▪ Preparation of Report</li></ul>	75 hours
Patrick Lamb	Cardno	Project Manager	<ul style="list-style-type: none"><li>▪ Project Management</li><li>▪ Audit Plan</li></ul>	30 hours

### 3 Licensee's Response to Previous Audit Recommendations

In the previous operating licence audit and asset management review, one action was recommended to improve the existing controls.

Details of the actions completed by NPPL against the recommendation are presented in Table 3-1 below.

Table 3-1 Previous Audit Non-compliances and Recommendations

A. Resolved before end of previous audit period				
Electricity compliance reporting manual 2014 (ref. no./ year)	(Compliance rating/ Legislative obligation / details of the issue)	Auditor's recommendation or action undertaken	Date resolved	Further action required (Yes/No/Not applicable) & details of further action required including current recommendation reference if applicable
	Nil			
B. Resolved during current Audit period				
Electricity compliance reporting manual 2014 (ref. no./ year)	(Compliance rating/ Legislative obligation / details of the issue)	Auditor's recommendation or action undertaken	Date resolved	Further action required (Yes/No/Not applicable) & details of further action required including current recommendation reference if applicable
127/2014	Electricity Industry Act section 11 A distributor must create and maintain a Priority Restoration Register.  NPPL does not have in place a Priority Restoration Register	NPPL should prepare a Priority Restoration Register.  As NPPL has only one customer. It should consider discussing the relevance of this clause to its licensed activities with ERAWA.	August 2014	No further action required
C. Unresolved at end of current Audit period				
Electricity compliance reporting manual 2014 (ref. no./ year)	(Compliance rating/ Legislative obligation / details of the issue)	Auditor's recommendation or action undertaken	Date resolved	Further action required (Yes/No/Not applicable) & details of further action required including current recommendation reference if applicable
	Nil			

## 4 Performance Summary

The findings of the performance audit is summarised in a table with adequacy of control and compliance rating. The table includes all applicable compliance reporting items and are numbered according to the Electricity Compliance Reporting Manual 2017. Description of the rating scale and outcomes of the performance audit is provided in the following sections.

### 4.1 Assessment Rating Scales

In accordance with the Audit Guidelines, an assessment of the performance of NPPL was completed using the rating scale in Table 4-1 and asset management system effectiveness using the rating scales in Table 4-2 and Table 4-3. In addition to these ratings a NP indicates that a control rating was not performed for those obligations that were considered to be compliant and having an audit priority of 3, 4 or 5.

Table 4-1 Audit Compliance and Controls Rating Scales

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

Table 4-2 Asset Management Process and Policy Definition Adequacy Rating

Rating	Description	Criteria
A	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	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>
C	Requires significant improvement	<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>
D	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>
NP	Not performed	<ul style="list-style-type: none"> <li>Obligation is compliant and asset priority was considered to be either four or five</li> </ul>

Table 4-3 Asset Management Performance Ratings

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>

## 4.2 Performance Audit Compliance Summary

Table 4-4 provides a summary of NPPL's compliance rating against each licence obligation, and an adequacy of controls rating where the item has been found to be non-compliant.

Na = Not applicable - Determined during the audit that the compliance obligation does not apply to the Licensee's business operations

Nr = Not rated - No relevant activity took place during the audit period, therefore it is not possible to assess compliance.

Table 4-4 Audit Obligation Ratings

2017 No.	Licence Reference	Audit Priority applied [rated 1 (Highest) to 5 (Lowest)]	Adequacy of Controls Rating					Compliance Rating					
			A	B	C	D	NP	1	2	3	4	Na	Nr
101	Electricity Industry Act section 13(1)	4					✓	✓					
102	Electricity Industry Act section 14(1)(a)	5					✓	✓					
103	Electricity Industry Act section 14(1)(b)	4					✓						✓
104	Electricity Industry Act section 14(1)(c)	5					✓	✓					
105	Electricity Industry Act section 17(1)	5					✓	✓					
106	Electricity Industry Act section 31(3)	5					✓	✓					
107	Electricity Industry Act section 41(6)	4					✓	✓					
113	Electricity Industry Act section 115(2)	4					✓	✓					
119	Electricity Industry Act, section 11	4					✓	✓					
121	Electricity Industry Act, section 11	4					✓	✓					
122	Electricity Industry Act, section 11	5					✓	✓					
123	Electricity Industry Act, section 11	5					✓	✓					
124	Electricity Industry Act, section 11	4					✓	✓					
125	Electricity Industry Act, section 11	4					✓						✓
126	Electricity Industry Act, section 11	4					✓						✓
127	Electricity Industry Act, section 11	4					✓	✓					
128	Electricity Industry Act, section 11	4					✓	✓					
320	Distribution Licence condition 5.1	4					✓						✓
321	Distribution Licence condition 5.1	4					✓						✓
322	Distribution Licence condition 5.1	4					✓						✓
323	Distribution Licence condition 5.1	4					✓						✓
324	Distribution/ Retail Licence condition 5.1	4					✓						✓
325	Distribution Licence condition 5.1	5					✓						✓
326	Distribution Licence condition 5.1	4					✓						✓
327	Distribution Licence condition 5.1	4					✓						✓
328	Distribution Licence condition 5.1	4					✓						✓
329	Distribution Licence condition 5.1	4					✓						✓
331	Distribution Licence condition 5.1	4					✓						✓
332	Distribution Licence condition 5.1	4					✓						✓
337	Distribution Licence condition 5.1	4					✓						✓

2017 No.	Licence Reference	Audit Priority applied [rated 1 (Highest) to 5 (Lowest)]	Adequacy of Controls Rating					Compliance Rating					
			A	B	C	D	NP	1	2	3	4	Na	Nr
338	Distribution Licence condition 5.1	4					✓						✓
340	Distribution Licence condition 5.1	4					✓						✓
341	Distribution Licence condition 5.1	4					✓						✓
345	Distribution Licence condition 5.1	4					✓						✓
355	Distribution Licence condition 5.1	4					✓						✓
356	Distribution Licence condition 5.1	4					✓						✓
357	Distribution Licence condition 5.1	4					✓						✓
358	Distribution Licence condition 5.1	4					✓						✓
359	Distribution Licence condition 5.1	4					✓						✓
360	Distribution Licence condition 5.1	4					✓						✓
361	Distribution Licence condition 5.1	4					✓						✓
362	Retail condition 5.1	4					✓						✓
363	Retail condition 5.1	4					✓						✓
364	Retail Licence condition 5.1	4					✓						✓
366	Distribution Licence condition 5.1	4					✓						✓
367	Distribution Licence condition 5.1	4					✓						✓
368	Distribution Licence condition 5.1	4					✓						✓
369	Distribution Licence condition 5.1	4					✓						✓
370	Distribution Licence condition 5.1	5					✓						✓
371	Distribution/ Retail Licence condition 5.1	5					✓	✓					
372	Distribution/ Retail Licence condition 5.1	4					✓						✓
373	Retail Licence condition 5.1	5					✓						✓
374	Distribution Licence condition 5.1	4					✓						✓
375	Distribution Licence condition 5.1	4					✓						✓
376	Distribution Licence condition 5.1	4					✓						✓
377	Distribution Licence condition 5.1	4					✓						✓
378	Distribution Licence condition 5.1	4					✓						✓
379	Distribution Licence condition 5.1	4					✓						✓
380	Distribution Licence condition 5.1	4					✓						✓
381	Distribution Licence condition 5.1	4					✓						✓
382	Distribution Licence condition 5.1	4					✓						✓
383	Distribution Licence condition 5.1	5					✓						✓
384	Distribution Licence condition 5.1	5					✓						✓
385	Distribution Licence condition 5.1	4					✓						✓
386	Distribution Licence condition 5.1	5					✓						✓
387	Distribution Licence condition 5.1	5					✓						✓
388	Retail Licence condition 5.1	5					✓						✓
389	Distribution Licence condition 5.1	4					✓						✓



2017 No.	Licence Reference	Audit Priority applied [rated 1 (Highest) to 5 (Lowest)]	Adequacy of Controls Rating					Compliance Rating					
			A	B	C	D	NP	1	2	3	4	Na	Nr
390	Distribution Licence condition 5.1	4					✓						✓
391	Distribution Licence condition 5.1	4					✓						✓
392	Distribution Licence condition 5.1	4					✓						✓
397	Distribution Licence condition 5.1	4					✓						✓
398	Distribution Licence condition 5.1	4					✓						✓
399	Distribution Licence condition 5.1	4					✓						✓
400	Distribution Licence condition 5.1	4					✓						✓
401	Retail Licence condition 5.1	4					✓						✓
402	Retail Licence condition 5.1	4					✓						✓
403	Distribution Licence condition 5.1	5					✓						✓
404	Distribution Licence condition 5.1	5					✓						✓
405	Retail Licence condition 5.1	4					✓						✓
406	Retail Licence condition 5.1	5					✓						✓
407	Retail Licence condition 5.1	5					✓	✓					
408	Retail Licence condition 5.1	4					✓					✓	
409	Retail Licence condition 5.1	4					✓						✓
410	Retail Licence condition 5.1	5					✓					✓	
414	Distribution Licence condition 5.1	4					✓						✓
415	Distribution Licence condition 5.1	4					✓						✓
417	Retail Licence condition 5.1	4					✓						✓
418	Distribution Licence condition 5.1	4					✓						✓
419	Distribution Licence condition 5.1	4					✓						✓
420	Distribution Licence condition 5.1	4					✓						✓
421	Distribution Licence condition 5.1	4					✓						✓
423	Distribution Licence condition 5.1	4					✓						✓
424	Distribution Licence condition 5.1	4					✓						✓
425	Distribution Licence condition 5.1	4					✓						✓
426	Distribution Licence condition 5.1	4					✓						✓
427	Distribution Licence condition 5.1	4					✓						✓
428	Distribution Licence condition 5.1	4					✓						✓
429	Distribution Licence condition 5.1	4					✓						✓
430	Distribution Licence condition 5.1	4					✓						✓
431	Distribution Licence condition 5.1	4					✓						✓
432	Distribution Licence condition 5.1	4					✓						✓
433	Distribution Licence condition 5.1	4					✓						✓
434	Distribution Licence condition 5.1	4					✓						✓
437	Distribution Licence condition 5.1	4					✓						✓
438	Distribution Licence condition 5.1	4					✓						✓

2017 No.	Licence Reference	Audit Priority applied [rated 1 (Highest) to 5 (Lowest)]	Adequacy of Controls Rating					Compliance Rating					
			A	B	C	D	NP	1	2	3	4	Na	Nr
439	Distribution Licence condition 5.1	4					✓						✓
440	Distribution Licence condition 5.1	4					✓						✓
441	Distribution Licence condition 5.1	4					✓						✓
447	Distribution Licence condition 5.1	3					✓						✓
448	Retail Licence condition 5.1	4					✓	✓					
448A	Distribution Licence condition 5.1	4					✓						✓
448B	Distribution Licence condition 5.1	5					✓						✓
448C	Distribution Licence condition 5.1	5					✓						✓
448D	Distribution Licence condition 5.1	4					✓						✓
449	Distribution Licence condition 5.1	5					✓						✓
450	Distribution Licence condition 5.1	5					✓						✓
451	Distribution/ Retail Licence condition 5.1	4					✓	✓					
452	Distribution Licence condition 5.1	4					✓						✓
453	Distribution/ Retail Licence condition 5.1	4					✓						✓
454	Distribution/ Retail Licence condition 5.1	4					✓						✓
455	Distribution/ Retail Licence condition 5.1	4					✓	✓					
456	Distribution/ Retail Licence condition 5.1	5					✓						✓
457	Distribution/ Retail Licence condition 5.1	5					✓						✓
458	Distribution/ Retail Licence condition 5.1	5					✓						✓
459	Distribution/ Retail Licence condition 5.1	4					✓						✓
460	Distribution/ Retail Licence condition 5.1	5					✓						✓
461	Distribution/ Retail Licence condition 5.1	4					✓						✓
462	Distribution/ Retail Licence condition 5.1	5					✓						✓
463	Distribution Licence condition 5.1	5					✓						✓
464	Distribution Licence condition 5.1	5					✓	✓					
465	Distribution Licence condition 5.1	5					✓	✓					
466	Distribution Licence condition 5.1	5					✓	✓					
470	Distribution Licence condition 5.1	4					✓						✓
471	Distribution Licence condition 5.1	4					✓	✓					
477	Distribution Licence condition 5.1	5					✓	✓					
478	Distribution Licence condition 5.1	4					✓						✓
479	Distribution Licence condition 5.1	4					✓	✓					
480	Distribution Licence condition 5.1	4					✓	✓					
483	Distribution Licence condition 5.1	4					✓					✓	
483A	Distribution Licence condition 5.1	5					✓					✓	
483B	Distribution Licence condition 5.1	5					✓					✓	
484	Distribution Licence condition 5.1	4					✓					✓	
485	Distribution Licence condition 5.1	5					✓					✓	

### 4.3 Asset Management Review Effectiveness Summary

The asset management system review assessed the effectiveness of the asset management system in delivering the services as required under the operating licence.

The review was conducted utilising the asset management adequacy and performance ratings as outlined in the Audit Guidelines. A summary of the outcomes of the review is provided in Table 4-5.

Table 4-5 Asset Management Review Effectiveness Summary

Asset Management System Component	Asset management process and policy definition adequacy rating	Asset management performance rating
Asset planning	A	1
Asset creation/acquisition	A	1
Asset disposal	A	1
Environmental analysis	A	1
Asset operations	A	1
Asset maintenance	A	1
Asset management information system	A	1
Risk management	A	1
Contingency planning	A	1
Financial planning	A	1
Capital expenditure planning	A	1
Review of AMS	A	1

## 5 Observations and Recommendations

### 5.1 Performance Audit

Table 5-1 Performance Audit Observations

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
101	Electricity Industry Act section 13(1)	Electricity Industry Act, section 13(1)	A licensee must provide the ERA with a performance audit conducted by an independent expert acceptable to the ERA, not less than once every 24 months.	<ul style="list-style-type: none"> <li>A performance audit conducted by an independent expert is being provided regularly to the Authority, and within the required timescales.</li> <li>The previous performance audit was reported on in October 2014 and the subsequent audit is currently being undertaken (this audit).</li> <li>The performance audit period was extended by ERAWA from 24 months to 48 months after the 2014 audit.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Previous performance audit report dated October 2014 viewed.</li> <li>Subsequent performance audit currently being undertaken (this audit).</li> </ul>	1
102	Electricity Industry Act section 14(1)(a)	Electricity Industry Act, section 14(1)(a)	A licensee must provide for an asset management system.	<ul style="list-style-type: none"> <li>Contractual agreement with TEC Operations (TECO), a wholly owned TransAlta subsidiary, to manage the assets on their behalf, for a five year period from 1 Oct 2016 (12 month opt-out clause).</li> <li>The term of the contract has been based on the longest gas contract that NPPL could get to provide them with supply.</li> <li>NPPL's assets are recorded in TECO's asset register and maintenance management system.</li> <li>NPPL's assets are only feeding remote KCGM bore sites which</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	1

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<p>can be fed by other means, so are deemed low criticality. KCGM could connect to Western Power's supply if required.</p> <ul style="list-style-type: none"> <li>Any capital expenditure required for NPPL assets is reimbursed by KCGM.</li> <li>NPPL's assets have zero value due to being in place for 20 years and, therefore, have already been written off.</li> <li>NPPL has replaced some power poles in the last 12 months.</li> <li>There are no environmental requirements. The assets are deemed to be low risk so are not included on any risk analysis.</li> <li>There is a short redundant section but this has been left in place in case of future requirement.</li> </ul>		
103	Electricity Industry Act section 14(1)(b)	Electricity Industry Act, section 14(1)(b)	A licensee must notify details of the asset management system and any substantial changes to it to the ERA.	<ul style="list-style-type: none"> <li>There have been no such substantial changes to NPPL's AMS within the audit period. Therefore, the obligation has not been rated for the audit period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
104	Electricity Industry Act section 14(1)(c)	Electricity Industry Act, section 14(1)(c)	A licensee must provide the ERA with a report by an independent expert about the effectiveness of its asset management system every 24 months, or such longer period as determined by the ERA.	<ul style="list-style-type: none"> <li>A written report as to the effectiveness of NPPL's asset management system is being provided regularly to the Authority, and within the required timescales.</li> <li>The previous asset management system review was reported on in October 2014 and the subsequent audit is currently being undertaken (this audit).</li> <li>The asset management review period was extended by ERAWA</li> </ul>	<ul style="list-style-type: none"> <li>Previous asset management system review report dated October 2014 viewed.</li> <li>Register of ERA Licence Obligations 2017 viewed.</li> </ul>	1

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				from 24 months to 48 months after the 2014 audit.		
105	Electricity Industry Act section 17(1)	Electricity Industry Act, section 17(1) Economic Regulation Authority (Licensing Funding) Regulations 2014	A licensee must pay the prescribed licence fees to the ERA according to clauses 6, 7 and 8 of the <i>Economic Regulation Authority (Licensing Funding) Regulations 2014</i> .	<ul style="list-style-type: none"> <li>Licence fees have been paid regularly, and within the required timeframes.</li> </ul>	<ul style="list-style-type: none"> <li>Transaction records for audit period viewed</li> </ul>	1
106	Electricity Industry Act section 31(3)	Electricity Industry Act, section 31(3)	A licensee must take reasonable steps to minimise the extent, or duration, of any interruption, suspension or restriction of the supply of electricity due to an accident, emergency, potential danger or other unavoidable cause.	<ul style="list-style-type: none"> <li>Reasonable steps to minimise the extent or duration of any interruption, suspension or restriction of the supply are taken.</li> <li>Assets fed by the supply are deemed low criticality</li> <li>The KCGM mine will still operate, if these assets have no electricity</li> <li>Parkeston Power station can run on gas if supply can't be provided from the South West Interconnected System (SWIS). There is a gas contract in place to provide this supply.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	1
107	Electricity Industry Act section 41(6)	Electricity Industry Act, section 41(6)	A licensee must pay the costs of taking an interest in land or an easement over land.	<ul style="list-style-type: none"> <li>NPPL's lines cross a railway track and NPPL pays a licence fee for this.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Examples of invoices viewed</li> </ul>	1
113	Electricity Industry Act section 115(2)	Electricity Industry Act, section 115(2)	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 that hinders or prohibits access.	<ul style="list-style-type: none"> <li>NPPL's sole customer, KCGM, has unfettered access pursuant to the Power Purchase Agreement (PPA) (in particular clause 9.6).</li> <li>There have been no formal requests for access by new customers within the audit period and none are expected.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	1

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
119	Electricity Industry Act, section 11	Retail Licence condition 12.1	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.	<ul style="list-style-type: none"> <li>NPPL has complied with the requirements.</li> <li>Accounting records are prepared in accordance with AASB standards.</li> <li>The audited financial statements for the parent company for the previous three years were viewed.</li> </ul>	<ul style="list-style-type: none"> <li>Annual reports for previous 3 years viewed.</li> </ul>	1
121	Electricity Industry Act, section 11	Retail Licence condition 14.2	A licensee must comply, and require its auditor to comply, with the ERA's standard audit guidelines for a performance audit.	<ul style="list-style-type: none"> <li>NPPL has previously complied with, and continues to comply with the Authority's standard audit guidelines dealing with the performance audit.</li> <li>The previous performance audit was reported on in October 2014 and the subsequent audit is currently being undertaken (this audit).</li> </ul>	<ul style="list-style-type: none"> <li>Previous performance audit report dated October 2014</li> <li>Compliance reports dated 2015, 2016 and 2017 viewed.</li> <li>Letter dated 20 July 2018 from ERA approving NPPL audit plan</li> </ul>	1
122	Electricity Industry Act, section 11	Distribution Licence condition 20.5	A licensee must comply, and must require the licensee's expert to comply, with the relevant aspects of the ERA's standard audit guidelines for an asset management system review.	<ul style="list-style-type: none"> <li>NPPL is complying with the relevant aspects of the Authority's standard guidelines by undertaking the asset management system review.</li> <li>The previous asset management system review was reported on in October 2014 and the subsequent audit is currently being undertaken (this audit).</li> </ul>	<ul style="list-style-type: none"> <li>Previous asset management system review report dated October 2014 viewed.</li> <li>Subsequent asset management audit currently being undertaken (this audit).</li> <li>Letter dated 20 July 2018 from ERA approving NPPL audit plan</li> </ul>	1
123	Electricity Industry Act, section 11	Distribution Licence condition 15.1	In the manner prescribed, a licensee must notify the ERA, if it is under external administration or if there is a significant change in the circumstances	<ul style="list-style-type: none"> <li>NPPL is not under external administration nor has there been a change in circumstances upon</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
		Retail Licence condition 15.1	that the licence was granted which may affect the licensee's ability to meet its obligations.	which the licence was granted which could affect its ability to meet its obligations.		
124	Electricity Industry Act, section 11	Distribution Licence condition 16.1 Retail Licence condition 16.1	A licensee must provide the ERA, in the manner prescribed, with any information that the ERA requires in connection with its functions under the Electricity Industry Act.	<ul style="list-style-type: none"> <li>NPPL has provided information to the Authority, such as Compliance Reports.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Compliance reports to ERA for 2015, 2016 and 2017 and 2018 viewed.</li> <li>NPPL correspondence with the ERA</li> </ul>	1
125	Electricity Industry Act, section 11	Distribution Licence condition 17.1 and 17.2 Retail Licence condition 17.1 and 17.2	A licensee must publish any information as directed by the ERA to publish, within the timeframes specified.	<ul style="list-style-type: none"> <li>No directions have been made by the Authority for NPPL to publish information.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Compliance reports dated 2015, 2016 and 2017 viewed.</li> <li>NPPL correspondence with the ERA</li> </ul>	Nr
126	Electricity Industry Act, section 11	Distribution Licence condition 18.1 Retail Licence condition 18.1	All notices must be in writing, unless otherwise specified.	<ul style="list-style-type: none"> <li>No notices have been issued.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>NPPL correspondence with the ERA</li> </ul>	Nr
127	Electricity Industry Act, section 11	Distribution Licence, condition 29.1	A distributor must create and maintain a Priority Restoration Register.	<ul style="list-style-type: none"> <li>NPPL has a Priority Restoration Register in place. The register was effective 1 January 2013. As NPPL only has one customer, KCGM, they are listed in the register as the first priority.</li> </ul>	<ul style="list-style-type: none"> <li>Priority Restoration Register viewed</li> </ul>	1
128	Electricity Industry Act, section 11	Distribution Licence, condition 29.1	The Priority Restoration Register must comply with any criteria determined by the Minister.	<ul style="list-style-type: none"> <li>NPPL has a Priority Restoration Register in place. The register was effective 1 January 2013. As NPPL only has one customer,</li> </ul>	<ul style="list-style-type: none"> <li>Priority Restoration Register viewed</li> </ul>	1



2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				KCGM, they are listed in the register as the first priority.		
320	Distribution Licence, condition 5.1	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 that are 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>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
321	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
322	Distribution Licence, condition 5.1	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 that allows the interval energy data to be downloaded in the manner prescribed.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<ul style="list-style-type: none"> <li>Therefore, this obligation has not been rated.</li> </ul>		
323	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 3.3A(1)	A network operator must ensure that bi-directional 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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
324	Distribution Licence, condition 5.1 Retail Licence condition 5.1	Electricity Industry Metering Code, clause 3.3B	If a user is aware of bi-directional electricity flows at a metering point that was not previously subject to a bi-directional flows or any changes in a customer's or user's circumstances in a metering point that will result in bi-directional flows, the user must notify the network operator within 2 business days.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
325	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 3.3C	<p>An accumulation meter or an interval meter that separately measures and records bi-directional electricity flows at the metering point must record:</p> <ul style="list-style-type: none"> <li>the net electricity production transferred into the network that exceeds electricity consumption; and</li> <li>the net electricity consumption transferred out of the network that exceeds electricity production.</li> </ul>	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<ul style="list-style-type: none"> <li>Therefore, this obligation has not been rated.</li> </ul>		
326	Distribution Licence, condition 5.1	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 that is not a Type 7 connection point. Unless it is a Type 7 metering installation, the metering installation must meet the functionality requirements prescribed.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
327	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 3.5(3)	For each metering installation on its network, a network operator must provide, install, operate and, subject to subclause 3.7(5), maintain the metering installation in the manner prescribed, unless otherwise agreed.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
328	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 3.5(4)	Except for a Type 7 metering installation, a network operator must ensure that 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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<ul style="list-style-type: none"> <li>Therefore, this obligation has not been rated.</li> </ul>		
329	Distribution Licence, condition 5.1	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 that it has with the user.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
331	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 3.7	All devices that may be connected to a telecommunications network must be compatible with the telecommunications network and comply with all applicable State and Commonwealth enactments.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
332	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 3.8	Subject to clause 3.27, a network operator must ensure that each metering installation on its network is secured by devices or methods that hinder unauthorized access and enable unauthorized access to be detected, consistent with the standards of good electricity industry practice.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<ul style="list-style-type: none"> <li>Therefore, this obligation has not been rated.</li> </ul>		
337	Distribution Licence, condition 5.1	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 permits the collection of data within the time specified in the applicable service level agreement, for at least the percentages of the year specified.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
338	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 3.11(2)	If an outage or malfunction occurs to a metering installation, the network operator must repair the metering installation in accordance with the applicable service level agreement.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
340	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<ul style="list-style-type: none"> <li>Therefore, this obligation has not been rated.</li> </ul>		
341	Distribution Licence, condition 5.1	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 all of the meters in that population are removed and replaced with new meters within 3 years of the testing of the population.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL’s customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL’s invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing ‘Sitewide power &amp; Communications HV Distribution’ 180-E-3021 viewed.</li> </ul>	Nr
345	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 3.12(4)	A network operator must maintain drawings and supporting information, of a standard consistent with good electricity industry practice, to detail the metering installation for maintenance and auditing purposes.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL’s customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL’s invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing ‘Sitewide power &amp; Communications HV Distribution’ 180-E-3021 viewed.</li> </ul>	Nr
355	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 3.20(1)	If reasonably requested by a Code participant, a network operator must provide enhanced technology features in a metering installation.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL’s customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL’s invoice database in order to invoice KCGM.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing ‘Sitewide power &amp; Communications HV Distribution’ 180-E-3021 viewed.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<ul style="list-style-type: none"> <li>Therefore, this obligation has not been rated.</li> </ul>		
356	Distribution Licence, condition 5.1	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 its applicable service level agreement with the user.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
357	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
358	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr



2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<ul style="list-style-type: none"> <li>Therefore, this obligation has not been rated.</li> </ul>		
359	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 3.22	A network operator providing one or more metering installations with enhanced technology 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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
360	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 3.23(a)	Where signals are provided from the meter for the user or the user's customer, a network operator must ensure that signals are isolated by relays or electronic buffers to prevent accidental or malicious damage to the meter.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
361	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 3.23(b)	Where signals are provided from the meter for the user or the user's customer, 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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr



2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<ul style="list-style-type: none"> <li>Therefore, this obligation has not been rated.</li> </ul>		
362	Retail Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>NPPL has not received a request to install a pre-payment meter within the audit period.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
363	Retail Licence, condition 5.1	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 meter, then the network operator must do so in accordance with this Code and the Code of Conduct.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>NPPL has not received a request to install a pre-payment meter within the audit period.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
364	Retail Licence condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>NPPL has not installed any metering installations within the audit period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<ul style="list-style-type: none"> <li>Therefore, this obligation has not been rated.</li> </ul>		
366	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 4.1(1)	A network operator must establish, maintain and administer a metering database containing standing data and energy data for each metering point on its network.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
367	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 4.1(2)	A network operator must ensure that its metering database with its associated links, circuits, information storage and processing systems are secured by devices or methods consistent with a good industry practice to hinder unauthorised access and enable unauthorised access to be detected.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
368	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 4.1(3)	A network operator must prepare and, if applicable, implement a disaster recovery plan to ensure that it is able, to rebuild the metering database and provide energy data to Code participants within 2 business days after the day of any disaster.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<ul style="list-style-type: none"> <li>Therefore, this obligation has not been rated.</li> </ul>		
369	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>As NPPL does not maintain the standing registry, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
370	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 4.3(1)	The standing data for a metering point must comprise at least the items specified.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>As NPPL does not maintain the standing registry, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
371	Distribution Licence, condition 5.1 Retail Licence condition 5.1	Electricity Industry Metering Code, clause 4.4(1)	If there is a discrepancy between energy data held in a metering installation and in the metering database, the affected Code participants and the network operator must liaise to determine the most appropriate way to resolve the discrepancy.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	1

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				database in order to invoice KCGM. Any instance of incorrect energy data due to loss of communications are identified and rectified with NPPL's customer before invoicing.		
372	Distribution Licence, condition 5.1 Retail Licence condition 5.1	Electricity Industry Metering Code, clause 4.5(1)	A Code participant must not knowingly permit the registry to be materially inaccurate.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>As NPPL does not maintain the standing registry, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
373	Retail Licence condition 5.1	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 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.	<ul style="list-style-type: none"> <li>Where Western Power is the network operator, no errors in data have been advised by customers.</li> <li>Where Goldfields Power (GPPL) is the network operator, no errors in data have been advised by customers.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
374	Distribution Licence, condition 5.1	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 that 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.	<ul style="list-style-type: none"> <li>Where Western Power is the network operator, no errors in data have been advised by customers.</li> <li>Where GPPL is the network operator, no errors in data have been advised by customers.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
375	Distribution Licence, condition 5.1	Electricity Industry	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	<ul style="list-style-type: none"> <li>Where Western Power is the network operator, no errors in</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
		Metering Code, clause 4.6(2)	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 the registry should be updated, and update the registry as required.	<p>data have been advised by customers.</p> <ul style="list-style-type: none"> <li>Where GPPL is the network operator, no errors in data have been advised by customers.</li> </ul>		
376	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 4.7(1)	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
377	Distribution Licence, condition 5.1	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 that provides 'read only' access.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
378	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 4.8(3A)	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<ul style="list-style-type: none"> <li>Therefore, this obligation has not been rated.</li> </ul>		
379	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 4.8(4)(a)	A network operator must have devices and methods in place to ensure that energy data held in its metering installation is secured from unauthorised local or remote access using the methods prescribed	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
380	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 4.8(4)(b)	A network operator must have devices and methods in place to ensure that the data held in its metering database is secured from unauthorised local, or remote, access using the methods prescribed.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
381	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
382	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 4.9	A network operator must retain energy data in its metering database for each metering point on its 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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr



2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<ul style="list-style-type: none"> <li>Therefore, this obligation has not been rated.</li> </ul>		
383	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>There have been no requirements under this obligation within the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
384	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>There have been no requirements under this obligation within the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
385	Distribution Licence, condition 5.1	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).	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
386	Distribution Licence, condition 5.1	Electricity Industry	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	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
		Metering Code, clause 5.4(1)	value that passes the validation processes in Appendix 2.	<ul style="list-style-type: none"> <li>received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	
387	Distribution Licence, condition 5.1	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 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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
388	Retail Licence condition 5.1	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 under subclause 5.4(1).	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
389	Distribution Licence, condition 5.1	Electricity Industry	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	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr



2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
		Metering Code, clause 5.5(2)	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.	<ul style="list-style-type: none"> <li>received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>No charges have been imposed for the provision of data between network operator and retailer. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	
390	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>NPPL has not imposed a charge for the provision of standing data.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
391	Distribution Licence, condition 5.1	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).	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
392	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<p>database in order to invoice KCGM.</p> <ul style="list-style-type: none"> <li>Therefore, this obligation has not been rated.</li> </ul>		
397	Distribution Licence, condition 5.1	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 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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>NPPL has not received a request in accordance with this clause in the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
398	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>No request for standing data has been received within the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
399	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>No request for standing data has been received within the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
400	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp;</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<p>received by NPPL's customer but NPPL does not own any meters.</p> <ul style="list-style-type: none"> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	Communications HV Distribution' 180-E-3021 viewed.	
401	Retail Licence condition 5.1	Electricity Industry Metering Code, clause 5.16	If a user collects or receives energy data from a metering installation then the user must provide the network operator with the energy data (in accordance with the communication rules) within the timeframes prescribed.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM. NPPL as a user has not collected any data required to be provided to the network operators.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
402	Retail Licence condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM. NPPL has not provided energy data during the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
403	Distribution Licence, condition 5.1	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).	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>NPPL has not received any requests for information during the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
404	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>NPPL has not received any requests for information during the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
405	Retail Licence condition 5.1	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, including the stated attributes, within the timeframes prescribed.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station (PPS) for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<p>database in order to invoice KCGM.</p> <ul style="list-style-type: none"> <li>NPPL has not collected or received information regarding a change in energisation status of a metering point. Therefore, this obligation has not been rated.</li> </ul>		
406	Retail Licence condition 5.1	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.	<ul style="list-style-type: none"> <li>For the purposes of this clause NPPL is both the operator and the user and supplies the information internally. This condition is not applicable.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> <li>Wester Power meter register viewed</li> </ul>	Na
407	Retail Licence condition 5.1	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.	<ul style="list-style-type: none"> <li>NPPL is the user for the purposes of this obligation as it holds the access contract even though some connection points are at the metering points owned by Western Power.</li> <li>NPPL collects and maintains information such as NMI (metering interface), i.e. which applicable point is applicable to which meter, on the spreadsheet NPPL uses for its monthly billing.</li> <li>Western Power meter readings are downloaded at the end of each month and this includes all the information required.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	1
408	Retail Licence condition 5.1	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.	<ul style="list-style-type: none"> <li>For the purposes of this clause NPPL is both the operator and the user and supplies the information internally. This condition is not applicable.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Na

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
409	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>NPPL as a network operator has not received any customer, site or address attributes</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
410	Retail Licence condition 5.1	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.	<ul style="list-style-type: none"> <li>For the purposes of this clause NPPL is both the operator and the user and supplies the information internally. This condition is not applicable.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Na
414	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 5.21(2)	A network operator must comply with any reasonable request under subclause 5.21(1).	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>NPPL has not received any requests for meter testing during the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
415	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>NPPL has not received any requests for meter testing during the audit period.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
417	Retail Licence condition 5.1	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.	<ul style="list-style-type: none"> <li>No request to test or audit has been made within the audit period.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution'</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
					180-E-3021 viewed.	
418	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>NPPL has not imposed a charge for the testing of metering installations of the audit of information form meters associated with the metering installation during the audit period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
419	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
420	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>No errors have been identified that require the affected party to be notified during the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
421	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution'</li> </ul>	Nr



2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<ul style="list-style-type: none"> <li>No data has been altered during the audit period. Therefore, this obligation has not been rated.</li> </ul>	180-E-3021 viewed.	
423	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>No data has been altered during the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
424	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>NPPL has not estimated or substituted any energy data during the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
425	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>NPPL has not estimated or substituted any energy data during the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
426	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications</li> </ul>	Nr



2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<p>by NPPL's customer but NPPL does not own any meters.</p> <ul style="list-style-type: none"> <li>NPPL has not estimated or substituted any energy data during the audit period. Therefore, this obligation has not been rated.</li> </ul>	HV Distribution' 180-E-3021 viewed.	
427	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 5.22(6)	A network operator must review all validation failures before undertaking any substitution.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>NPPL has not estimated or substituted any energy data during the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
428	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>NPPL has not estimated or substituted any energy data during the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
429	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
430	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
431	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 5.24(2)	If a network operator uses a deemed actual value (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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
432	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
433	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>No requests under subclause 5.24 of the Electricity Industry Metering Code have occurred during the audit period.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
434	Distribution Licence, condition 5.1	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	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
			preserves its accuracy in accordance with the metrology procedure.	<p>by NPPL's customer but NPPL does not own any meters.</p> <ul style="list-style-type: none"> <li>Therefore, this obligation has not been rated.</li> </ul>	HV Distribution' 180-E-3021 viewed.	
437	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>GPPL does not own any meters.</li> <li>KCGM have their own check meters and all other meter information is provided by GPPL or Western Power from the meters they own.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Power Purchase Agreement</li> </ul>	
438	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>GPPL does not own any meters.</li> <li>KCGM have their own check meters and all other meter information is provided by GPPL or Western Power from the meters they own.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
439	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 5.31(2)	For each non-compliant metering installation 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.	<ul style="list-style-type: none"> <li>GPPL does not own any meters.</li> <li>KCGM have their own check meters and all other meter information is provided by GPPL or Western Power from the meters they own.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
440	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>GPPL does not own any meters.</li> <li>KCGM have their own check meters and all other meter information is provided by GPPL or Western Power from the meters they own.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
441	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
447	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There are meters located at the Parkeston Power Station for the supplied electricity and meters at the KCGM for the power received by NPPL's customer but NPPL does not own any meters.</li> <li>Invoice information from Western Power and meter data from the PPS is fed into NPPL's invoice database in order to invoice KCGM.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
448	Retail Licence condition 5.1	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.	<ul style="list-style-type: none"> <li>NPPL has complied with the requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Power Purchase Agreement with Goldfields Power</li> <li>Power Purchase Agreement with KCGM</li> </ul>	1
448A	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 6.2	A network operator must, as soon as practicable and in any event no later than 6 months after the date this Code applies to it, submit to the ERA for its approval the prescribed documents in subclauses 6.2(a)-(d).	<ul style="list-style-type: none"> <li>NPPL has not submitted the prescribed documents in subclauses 6.2(a)-(d) to the ERA for approval during the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
448B	Distribution Licence, condition 5.1	Electricity Industry	A network operator must publish the document within 10 business days after notification of the	<ul style="list-style-type: none"> <li>NPPL has not submitted any documents to the ERA for approval under subclauses</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
		Metering Code, clause 6.18	ERA's approval under subclauses 6.13(1)(a)(i), 6.16 or 6.17.	6.13(1)(a)(i), 6.16 or 6.17. Therefore, this obligation has not been rated.		
448C	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 6.19A(1)	A network operator must publish its communication rules as soon as practicable, and in any event within 6 months after the date this Code applies to it.	<ul style="list-style-type: none"> <li>NPPL has not published its communication rules during the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
448D	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 6.19B(1)	Once communication rules have been published for a network under clause 6.19A, or amended under clause 6.21(3), the communication rules may only be amended thereafter in accordance with the communication rules made under subclause 6.7(1)(k) or clause 6.19C.	<ul style="list-style-type: none"> <li>NPPL has not amended its communication rules during the audit period. Therefore, this obligation has not been rated.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
449	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 6.20(4)	A network operator must amend any document in accordance with the ERA's final recommendation.	<ul style="list-style-type: none"> <li>NPPL has not received any request by the Authority to amend any documents within the audit period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
450	Distribution Licence, condition 5.1	Electricity Industry Metering Code, clause 6.20(5)	The network operator must publish any document that has been amended under subclause 6.20(4).	<ul style="list-style-type: none"> <li>NPPL has had no documents amended under subclause 6.20(4) during the audit period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
451	Distribution Licence condition 5.1	Electricity Industry Metering Code, clause 7.2(1)	Code participants must use reasonable endeavours to ensure that they can send and receive a notice by post, facsimile and electronic communication and must notify the network operator of a telephone number for voice communication in connection with the Code.	<ul style="list-style-type: none"> <li>NPPL has in place the necessary means of sending and receiving communication by post, facsimile and electronic communication. Post generally not used.</li> <li>NPPL is both the Code Participant and the network operator therefore the requirement for providing a telephone number for internal communication is not relevant.</li> <li>All communication comes through Tim Gordon.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	1
452	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>There has been no change to contact details in the audit period</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
453	Distribution Licence condition 5.1 Retail Licence condition 5.1	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.	<ul style="list-style-type: none"> <li>There has been no change to contact details in the audit period</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
454	Distribution Licence condition 5.1 Retail Licence condition 5.1	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.	<ul style="list-style-type: none"> <li>There has been no change to contact details in the audit period</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
455	Distribution Licence condition 5.1 Retail Licence condition 5.1	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.	<ul style="list-style-type: none"> <li>NPPL as a Code participant has not disclosed or permitted the disclosure of confidential information provided to it under or in connection with the Code during the audit period.</li> <li>Only authorised persons allowed access to confidential data and passwords are used for access.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	1
456	Distribution Licence condition 5.1 Retail Licence condition 5.1	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.	<ul style="list-style-type: none"> <li>NPPL has not been required to disclose or permit the disclosure of confidential information that is required to be disclosed by the Code during the audit period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
457	Distribution Licence condition 5.1 Retail Licence condition 5.1	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.	<ul style="list-style-type: none"> <li>There have been no disputes between Code participants within the audit period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
458	Distribution Licence condition 5.1	Electricity Industry	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	<ul style="list-style-type: none"> <li>There have been no disputes between Code participants within the audit period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr



2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
	Retail Licence condition 5.1	Metering Code, clause 8.1(2)	disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.			
459	Distribution Licence condition 5.1 Retail Licence condition 5.1	Electricity Industry Metering Code, clause 8.1(3)	If the dispute is not resolved within 10 business days after the dispute is referred to senior management negotiations, the disputing parties must refer the dispute to the senior executive officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.	<ul style="list-style-type: none"> <li>There have been no disputes between Code participants within the audit period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
460	Distribution Licence condition 5.1 Retail Licence condition 5.1	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.	<ul style="list-style-type: none"> <li>There have been no disputes between Code participants within the audit period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
461	Distribution Licence condition 5.1 Retail Licence condition 5.1	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).	<ul style="list-style-type: none"> <li>There have been no disputes between Code participants within the audit period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr
462	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>Electricity is provided according to a Power Purchase Agreement. The latest PPA with Parkeston Power Station commenced 1 Oct 2016. The agreement states that all electricity supplied must meet the required regulatory standards.</li> <li>NPPL monitors the electricity they receive to ensure that it meets the required prescribed standards.</li> <li>In addition, KCGM monitors the electricity it receives and will notify NPPL of any instances where electricity does not meet prescribed standards. KCGM did</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	1

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				not notify NPPL during the audit period.		
463	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>NPPL does not own any switches to enable disconnection.</li> <li>There have been no such requests to disconnect the supply within the audit period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> </ul>	Nr
464	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>NPPL has met the obligations of the power purchase agreement with its customer for supply reliability.</li> <li>NPPL has ensured that the supply of electricity has been maintained and the occurrence and duration of interruptions has been kept to a minimum.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	1
465	Distribution Licence, condition 5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005, clause 10(1)F126	A distributor or transmitter must, so far as reasonably practicable, reduce the effect of any interruption on a customer.	<ul style="list-style-type: none"> <li>NPPL has reduced the effect of any interruption on the customer.</li> <li>NPPL has met the obligations of the power purchase agreement with its customer for supply reliability.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	1
466	Distribution Licence, condition 5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005, clause 10(2)	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.	<ul style="list-style-type: none"> <li>The equipment fed is deemed as being non-critical. NPPL's customer, KCGM, has generators for critical equipment.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	1
470	Distribution Licence, condition 5.1	Electricity Industry (Network Quality and Reliability of Supply) Code	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	<ul style="list-style-type: none"> <li>NPPL has not received any such request within the audit period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	Nr



2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
		2005, clause 14(8)	Industry (Network Quality and Reliability of Supply) Code 2005.			
471	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>NPPL's Power Purchase Agreement was freely entered into and pre-dates Code. The power sale agreement to KCGM specifies network quality and reliability of supply and are similar to requirements set out in the Code.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Power Purchase Agreement</li> </ul>	1
477	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>Goldfields Power Pty Ltd (GPPL) monitor quality of the supply continuously for the supply generated and provided for NPPL to distribute.</li> <li>GPPL runs a Regional Control Centre (RCC) which is manned 24/7/365.</li> <li>GPPL have taken all such steps as are reasonably necessary to monitor the operation of its network to ensure compliance with the specified requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> </ul>	1
478	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>This clause requires information to be kept for two purposes – quality and reliability performance (Part (2)) and customer service (s27).</li> <li>The customer service reporting requirement does not apply as NPPL does not have any small use customers</li> <li>The quality and reliability performance reporting requirement does not apply because NPPL has in place a Power Purchase Agreement with its customer that predates the Code and specifies different standards.</li> </ul>	<ul style="list-style-type: none"> <li>Power Purchase Agreement</li> </ul>	Nr

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
				<ul style="list-style-type: none"> <li>Quality and reliability information is kept by NPPL's generator, Goldfields Power Pty Ltd.</li> </ul>		
479	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>An asset audit is currently being undertaken by NPPL as the customer has identified through its own investigations that NPPL's line would be too low at one location with a certain temperature and a certain loading.</li> <li>NPPL do not operate at this maximum loading that would cause the line to sag. However, NPPL has issued an instruction for maximum kV to the Parkeston Power Station so that the dip in the cable is not an issue</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon</li> <li>Third party and internal reports regarding issue with cable dipping</li> </ul>	1
480	Distribution Licence, condition 5.1	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.	<ul style="list-style-type: none"> <li>An asset audit is currently being undertaken by NPPL as the customer has identified through its own investigations that NPPL's line would be too low at one location with a certain temperature and a certain loading.</li> <li>NPPL do not operate at this maximum loading that would cause the line to sag. However, NPPL has issued an instruction for maximum kV to the Parkeston Power Station so that the dip in the cable is not an issue</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon</li> <li>Third party and internal reports regarding issue with cable dipping</li> </ul>	1
483	Distribution Licence, condition 5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005, clause 26(1) and (2)	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 reporting period of 3 years or as specified by the ERA.	<ul style="list-style-type: none"> <li>The obligation only applies to network operators that have small-use customers (customers with an annual consumption below 160 MW/h) connected to their network. Therefore, this obligation is not applicable to NPPL.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon</li> </ul>	Na

2017 No.	Licence Condition	Obligations under Condition	Description	Observations 2018	Evidence (Include Contact)	Compliance Rating
483A	Distribution Licence, condition 5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005, clause 26(3) and (4)	A distributor or transmitter must publish the audit report not later than 1 October following the reporting period.	<ul style="list-style-type: none"> <li>The obligation only applies to network operators that have small-use customers (customers with an annual consumption below 160 MW/h) connected to their network. Therefore, this obligation is not applicable to NPPL.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon</li> </ul>	Na
483B	Distribution Licence, condition 5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005, clause 26(5)	A distributor or transmitter must give a copy of its audit report to the Minister and the ERA not less than 7 days before it is published.	<ul style="list-style-type: none"> <li>The obligation only applies to network operators that have small-use customers (customers with an annual consumption below 160 MW/h) connected to their network. Therefore, this obligation is not applicable to NPPL.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon</li> </ul>	Na
484	Distribution Licence, condition 5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005, clause 27(1)	A distributor or transmitter must annually prepare and publish a report about its performance in respect of each year ending on 30 June.	<ul style="list-style-type: none"> <li>The obligation only applies to network operators that have small-use customers (customers with an annual consumption below 160 MW/h) connected to their network. Therefore, this obligation is not applicable to NPPL.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon</li> </ul>	Na
485	Distribution Licence, condition 5.1	Electricity Industry (Network Quality and Reliability of Supply) Code 2005, clause 27(3)	A distributor or transmitter must give a copy of its report about its performance to the Minister and the ERA not less than 7 days before it is published.	<ul style="list-style-type: none"> <li>The obligation only applies to network operators that have small-use customers (customers with an annual consumption below 160 MW/h) connected to their network. Therefore, this obligation is not applicable to NPPL.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon</li> </ul>	Na



## 5.2 Asset Management System Review

### 5.2.1 General observations

NPPL's assets comprise around 20km of 33kV power line that are supplied from Goldfields Power Pty Ltd's (GPPL's) Parkeston Power Station and supply Kalgoorlie Consolidated Gold Mines' (KCGM's) Fimiston Operations and Kaltails Mine Tailings. KCGM is NPPL's only customer. The power lines are managed and maintained under an agreement with TEC Operations Pty Ltd (TECO).

NPPL's network operate as radial systems or interconnecting lines with no redundancy. The lines supply KCGM assets that are of low criticality.

At the time of the last asset management review in 2014, NPPL's responsibilities for the assets were due to continue until 2016, when the then contract ended. NPPL signed a new five year contract to supply KCGM from 2016 to 2021. NPPL's current asset management approach is determined by meeting its obligations for this short planning horizon.

NPPL's parent company is Newmont Mining Corporation. NPPL is a small part of Newmont Mining Corporation's overall operations. Therefore, the asset management approach for NPPL's assets is largely aligned with Newmont mining Corporation's requirements for planning and investment. The operations and maintenance functions are outsourced.

### 5.2.2 Specific observations

Table 5-2 provides detailed commentary based on the findings observed during the audit process.

Table 5-2 Asset Management System Review Observations

Asset Management Process / Effectiveness Criteria	Observations / Comments	Evidence
<b>Asset Planning – Overall Rating: A1</b>		
<ul style="list-style-type: none"> <li>Asset management plan covers key requirements</li> <li>Planning process and objectives reflect the needs of all stakeholders and is integrated with business planning</li> <li>Service levels are defined</li> <li>Non-asset options (e.g., demand management) are considered</li> <li>Lifecycle costs of owning and operating assets are assessed</li> <li>Funding options are evaluated</li> </ul>	<ul style="list-style-type: none"> <li>There have been no changes to NPPL's assets, the functions of the business, the utilisation of the assets over the review period or the asset management approaches used to manage the assets.</li> <li>NPPL does not have an Asset Management Plan for its assets. Given the scope of the asset base, the expected future requirements and the overall asset management required, this is not unexpected.</li> <li>The Power Purchase Agreement between NPPL and KCGM specifies the standards of service that NPPL is to provide. The Power Purchase Agreement also specifies cost allocation approach</li> <li>Infrastructure Planning is carried out within Newmont Mining Corporation's business processes for investment and approvals are required through this process.</li> <li>During the review period, there has been no change to future demand or quality identified that would trigger the need for further planning investigation.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> <li>Newmont Mining Corporation: Investment Documentation Guidance</li> <li>Newmont Mining Corporation Investment Standard</li> <li>Newmont Investment Process Summary</li> <li>Power Purchase Agreement with Goldfields Power</li> </ul>

Asset Management Process / Effectiveness Criteria	Observations / Comments	Evidence
<ul style="list-style-type: none"> <li>Costs are justified and cost drivers identified</li> <li>Likelihood and consequences of asset failure are predicted</li> <li>Plans are regularly reviewed and updated</li> </ul>	<ul style="list-style-type: none"> <li>The new supply agreement signed between NPPL and KCGM was for a minimum of five years, stating in October 2016. The term of the contract has been based on the longest gas contract that NPPL could get to provide them with supply from Parkston Power Station.</li> <li>Given this planning horizon, NPPL is appropriately adopting an as required approach to the management of the assets.</li> <li>During the review period, NPPL has replaced a number of poles have been replaced. A number of other have been reinforced. NPPL classes replacement of poles as repairs and maintenance, i.e. the costs are recorded as expenses and are not capitalised. The replacement work has been completed under contract by TECO.</li> <li>NPPL has not installed any new assets in the review period.</li> <li>NPPL's assets are only feeding remote KCGM bore sites which can be fed by other means, so are deemed low criticality. KCGM could connect to Western Power's supply if required. As a result, risks associated with NPPL's assets are considered to be low consequence.</li> <li>There is a short redundant section of NPPL's power lines but this has been left in place in case of future requirement.</li> <li>If KCGM identify that they need new assets, they are responsible for installing, paying for them, owning and maintaining them.</li> </ul>	<ul style="list-style-type: none"> <li>Power Purchase Agreement with KCGM</li> </ul>
<b>Asset Creation/Acquisition – Overall Rating: A1</b>		
<ul style="list-style-type: none"> <li>Full project evaluations are undertaken for new assets, including comparative assessment of non-asset solutions</li> <li>Evaluations include all life-cycle costs</li> <li>Projects reflect sound engineering and business decisions</li> <li>Commissioning tests are documented and completed</li> <li>Ongoing legal / environmental / safety obligations of the asset owner are assigned and understood</li> </ul>	<ul style="list-style-type: none"> <li>Asset creation is carried out within Newmont Mining Corporation's business processes for investment and approvals are required through this process. NPPL are required to follow the corporate financial policies with regard to project planning and purchasing.</li> <li>During the review period, no drivers (e.g. demand or quality) have been identified for creating or acquiring new assets.</li> <li>No assets have been created or acquired in the review period.</li> <li>As a result of the planning horizon for KCGM, there are currently no plans for NPPL to create or acquire any additional assets.</li> <li>Requests for new assets are generally driven directly by customer needs. If KCGM identify that they need new assets, they are responsible for installing, paying for them, owning and maintaining them.</li> <li>During the review period, NPPL has replaced a number of poles due to their condition. A number of others have been reinforced. NPPL classes replacement of poles as repairs and maintenance, i.e. the costs are recorded as expenses and are not capitalised.</li> <li>If KCGM identify that they need new assets, they are responsible for installing, paying for them, owning and maintaining them.</li> <li>NPPL understands the ongoing legal, environmental and safety obligations of the assets.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Newmont Mining Corporation: Investment Documentation Guidance</li> <li>Newmont Mining Corporation Investment Standard</li> <li>Newmont Investment Process Summary</li> </ul>
<b>Asset Disposal – Overall Rating: A1</b>		

Asset Management Process / Effectiveness Criteria	Observations / Comments	Evidence
<ul style="list-style-type: none"> <li>Under-utilised and under-performing assets are identified as part of a regular systematic review process</li> <li>The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken</li> <li>Disposal alternatives are evaluated</li> <li>There is a replacement strategy for assets</li> </ul>	<ul style="list-style-type: none"> <li>Asset disposal is carried out within the requirements of Newmont Mining Corporation's Investment Documentation Guidance</li> <li>No assets have been disposed of in the audit period although NPPL has replaced a number of poles due to their condition. A number of others have been reinforced.</li> <li>As the assets that have been replaced are timber power poles, NPPL does not have a disposal strategy or a replacement strategy.</li> <li>TECO conduct a monthly inspection of NPPL's assets to identify any maintenance requirements and poles for possible replacement.</li> <li>There is a short redundant section of NPPL's power lines but this has been left in place in case of future requirement.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> <li>Newmont Mining Corporation: Investment Documentation Guidance</li> <li>Newmont Mining Corporation Investment Standard</li> <li>Newmont Investment Process Summary</li> </ul>
<b>Environmental Analysis – Overall Rating: A1</b>		
<ul style="list-style-type: none"> <li>Opportunities and threats in the system environment are assessed</li> <li>Performance standards (availability of service, capacity, continuity, emergency response, etc) are measured and achieved</li> <li>Compliance with statutory and regulatory requirements</li> <li>Achievement of customer service levels</li> </ul>	<ul style="list-style-type: none"> <li>Environmental analysis is carried out within the requirements of Newmont Mining Corporation's overall environmental management practices for its local operations. Environmental compliance is managed by NPPL's parent company.</li> <li>Environmental risk assessment has been carried out which has identified that the assets are a low and acceptable risk. This is because the assets are poles and cables only. NPPL does not own any transformers.</li> <li>NPPL's customer service standards are set out in the Power Purchase Agreement. NPPL has met these requirements.</li> <li>KCGM are responsible for environmental compliance where Newmont's power lines go over KCGM property.</li> <li>TECO conduct a monthly inspection of NPPL's assets to identify any maintenance requirements and poles for possible replacement.</li> <li>If identified as being required, NPPL conduct a powerline survey to identify maintenance work to be carried out. NPPL last conducted such a survey in 2013 but has not completed one during the current review period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> <li>Newmont Mining Corporation: Investment Documentation Guidance</li> <li>Newmont Mining Corporation Investment Standard</li> <li>Newmont Investment Process Summary</li> <li>Power Purchase Agreement with Goldfields Power</li> <li>Power Purchase Agreement with KCGM</li> </ul>
<b>Asset Operations – Overall Rating: A1</b>		
<ul style="list-style-type: none"> <li>Operational policies and procedures are documented and linked to service levels required</li> <li>Risk management is applied to prioritise operations tasks</li> </ul>	<ul style="list-style-type: none"> <li>NPPL's assets comprise around 20km of 33kV power line that are supplied from Goldfields Power Pty Ltd's (GPPL's) Parkeston Power Station and supply Kalgoorlie Consolidated Gold Mines' (KCGM's) Fimiston Operations and Kaltails Mine Tailings.</li> <li>NPPL's power lines are managed and maintained under an agreement with TEC Operations Pty Ltd (TECO). TECO are a wholly owned TransAlta subsidiary. The current contract started on 1 July 1999 and can be terminated by notice by either party.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Interviews with Troy Forward, Jamie Crombie, Simon Broom, Brad Fanetti (all TECO) at Parkeston Power Station (PPS)</li> <li>Visit to PPS control room:</li> </ul>



Asset Management Process / Effectiveness Criteria	Observations / Comments	Evidence
<ul style="list-style-type: none"> <li>Assets are documented in an Asset Register, including asset assessment of assets' physical, structural condition and accounting data</li> <li>Operational costs are measured and monitored</li> <li>Staff receive training commensurate with their responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>NPPL's assets are recorded in TECO's asset register and maintenance management system.</li> <li>TECO staff are responsible for the power station and transmission lines. This allows them to have a holistic view over all of the assets providing power to KCGM.</li> <li>TECO runs a Regional Control Centre (RCC) which is manned 24/7/365, based at the Parkeston Power Station (PPS) in Kalgoorlie, WA. This allows TECO to have an oversight over NPPL's (and other's) assets. Operational procedures are stored at the RCC.</li> <li>TECO's SCADA system is used to provide all real-time monitoring information, data trending, alarming and reporting, which is backed up on a Plant Historian system. Asset performance data is logged, trended and alarmed for any departures from limits.</li> <li>Operator intervention is executed on a real-time basis for any deviations from performance requirements. For NPPL's poles and cables, the operational interventions are minimal.</li> <li>NPPL staff receive training commensurate with their responsibilities. However, the operations and maintenance activities related to NPPL's assets are contracted out to TECO.</li> </ul>	<ul style="list-style-type: none"> <li>SCADA viewed (site level and detailed for Parkeston)</li> <li>Example hard copy procedures in control room viewed</li> <li>Hard copy of 'Operating performance review July 2018' presentation viewed</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> <li>Power Purchase Agreement with Goldfields Power</li> <li>Power Purchase Agreement with KCGM</li> </ul>
<b>Asset Maintenance – Overall Rating: A1</b>		
<ul style="list-style-type: none"> <li>Maintenance policies and procedures are documented and linked to service levels required</li> <li>Regular inspections are undertaken of asset performance and condition</li> <li>Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule</li> <li>Failures are analysed and operational / maintenance plans adjusted where necessary</li> <li>Risk management is applied to prioritise maintenance tasks</li> <li>Maintenance costs are measured and monitored</li> </ul>	<ul style="list-style-type: none"> <li>NPPL's power lines are managed and maintained under an agreement with TEC Operations Pty Ltd (TECO). TECO are a wholly owned TransAlta subsidiary. The current contract started on 1 July 1999 and can be terminated by notice by either party.</li> <li>Levels of service are set out in the PPA between NPPL and TECO and the supply agreement with KCGM.</li> <li>NPPL's assets are recorded in TECO's asset register and maintenance management system.</li> <li>TECO runs a Regional Control Centre (RCC) which is manned 24/7/365, based at the Parkeston Power Station (PPS) in Kalgoorlie, WA.</li> <li>Since the last asset management review in 2014, TECO has changed its maintenance management system from GP MaTe to a corporate version of SAP. TECO uses SAP PM (Plant Maintenance) to manage the maintenance program.</li> <li>TECO's maintenance management follows TransAlta's Maintenance Work Management procedure (AUS-243) which details: <ul style="list-style-type: none"> <li>Work Identification and prioritisation</li> <li>Planning work</li> <li>Kitting and staging</li> <li>Scheduling work</li> <li>Work Execution</li> <li>Work closure and documentation</li> <li>Work meetings and communication</li> <li>Work management compliance</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Power Purchase Agreement</li> <li>Interview with Brad Fanetti at Parkeston Power Station</li> <li>Visit to PPS control room: <ul style="list-style-type: none"> <li>SCADA viewed (site level and detailed for Parkeston)</li> <li>Example hard copy procedures in control room viewed</li> </ul> </li> <li>SAP viewed live</li> <li>TransAlta's Maintenance Work Management procedure\</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> <li>Power Purchase Agreement with Goldfields Power</li> <li>Power Purchase Agreement with KCGM</li> </ul>



Asset Management Process / Effectiveness Criteria	Observations / Comments	Evidence
	<ul style="list-style-type: none"> <li>TECO conduct a monthly inspection of NPPL's assets to identify any maintenance requirements and poles for possible replacement. TECO charge any repairs above the maintenance contract to NPPL.</li> <li>TECO have a maintenance meeting every Wednesday morning to discuss the maintenance work coming up in the next three weeks. The schedule for the maintenance tasks to be completed during the upcoming Wednesday-Tuesday week is locked down after the meeting.</li> <li>The SAP work orders are used to record the work history, including findings, work carried out, as well as the labour and material costs associated with completing the work order.</li> <li>As NPPL's assets are considered to have low criticality, NPPL appropriately adopts a fix on fail approach to maintenance, where appropriate.</li> <li>If identified as being required, NPPL conduct a powerline survey to identify maintenance work to be carried out. NPPL last conducted such a survey in 2013 but has not completed one during the current review period.</li> <li>Maintenance costs are incurred under the contract that NPPL has with TECO.</li> </ul>	
<b>Asset Management Information System – Overall Rating: A1</b>		
<ul style="list-style-type: none"> <li>Adequate system documentation for users and IT operators</li> <li>Input controls include appropriate verification and validation of data entered into the system</li> <li>Logical security access controls appear adequate, such as passwords and that appropriate system access and functionality is provided to users</li> <li>Physical security access controls appear adequate</li> <li>Data backup procedures appear adequate</li> <li>Key computations related to licensee performance reporting are materially accurate</li> <li>Management reports appear adequate for the licensee to monitor licence obligations</li> </ul>	<ul style="list-style-type: none"> <li>The assets are captured in the operating contractors' information systems, primarily its maintenance management system. NPPL does not maintain a specific system other than spreadsheet records. This is appropriate given the scale and nature of the assets.</li> <li>Since the last asset management review in 2014, TECO has changed its maintenance management system from GP MaTe to a corporate version of SAP. TECO uses SAP PM (Plant Maintenance) to manage the maintenance program.</li> <li>There are monthly and quarterly reports to the GPPL Board (with GPPL 50% owned by NPPL) that provides information on operations and maintenance activities and costs.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Interview with Brad Fanetti at Parkeston Power Station</li> <li>Visit to PPS control room:               <ul style="list-style-type: none"> <li>SCADA viewed (site level and detailed for Parkeston)</li> <li>Example hard copy procedures in control room viewed</li> </ul> </li> <li>SAP viewed live</li> <li>Examples of monthly operation and maintenance reports and financial reports were observed during the course of the review.</li> </ul>

Asset Management Process / Effectiveness Criteria	Observations / Comments	Evidence
<b>Risk Management – Overall Rating: A1</b>		
<ul style="list-style-type: none"> <li>Risk management policies and procedures exist and are being applied to minimise internal and external risks associated with the asset management system</li> <li>Risks are documented in a risk register and treatment plans are actioned and monitored</li> <li>The probability and consequence of risk failure are regularly assessed</li> </ul>	<ul style="list-style-type: none"> <li>Risk planning is undertaken within NPPL's parent company's overall risk framework and processes</li> <li>NPPL has completed risk assessment of the assets and determined that they are low risk in terms of supply because of the low criticality of the assets they supply. NPPL's assets are only feeding remote KCGM bore sites which can be fed by other means, so are deemed low criticality. KCGM could connect to Western Power's supply if required.</li> <li>Based on the risk profile for its assets, NPPL generally adopts a "fix on fail" approach.</li> <li>There is a short redundant section of NPPL's power lines but this has been left in place in case of future requirement.</li> <li>NPPL has also considered other risks such as risk to the public from the assets. The assets are built to Australian Standards indicating that the risk is acceptable. NPPL has in place an operating contract with TECO. TECO has fulltime monitoring of the assets and responds to events affecting the network to repair and make the site safe if needed.</li> <li>NPPL's top risks are included in the monthly Operating Performance review reports that NPPL receives. The largest risk has been identified as NPPL not having the opportunity to bank or accumulate unused gas that it has already paid for.</li> <li>TECO conduct a monthly inspection of NPPL's assets to identify any maintenance requirements and poles for possible replacement.</li> <li>If identified as being required, NPPL conduct a powerline survey to identify maintenance work to be carried out. NPPL last conducted such a survey in 2013 but has not completed one during the current review period.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Interview with Brad Fanetti at Parkeston Power Station</li> <li>Examples of monthly Operating Performance Review Reports</li> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> <li>Newmont Mining Corporation: Investment Documentation Guidance</li> <li>Newmont Mining Corporation Investment Standard</li> </ul>
<b>Contingency Planning – Overall Rating: A1</b>		
<ul style="list-style-type: none"> <li>Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks</li> </ul>	<ul style="list-style-type: none"> <li>NPPL's assets provide a small number of KCGM sites that are low criticality to KCGM's operations.</li> <li>NPPL and KCGM consider that because of the low criticality of the assets than no contingency planning is required, i.e. the customer will accept waiting for the assets to be repaired following any failure.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Drawing 'Sitewide power &amp; Communications HV Distribution' 180-E-3021 viewed.</li> <li>Power Purchase Agreement with Goldfields Power</li> <li>Power Purchase Agreement with KCGM</li> </ul>
<b>Financial Planning – Overall Rating: A1</b>		
<ul style="list-style-type: none"> <li>The financial plan states the financial objectives and strategies and actions to achieve the objectives</li> </ul>	<ul style="list-style-type: none"> <li>NPPL's activities are included in the financial planning of the parent company and are subject to the same authority delegations and processes used there.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Newmont Mining Corporation: Investment Documentation Guidance</li> </ul>

Asset Management Process / Effectiveness Criteria	Observations / Comments	Evidence
<ul style="list-style-type: none"> <li>The financial plan identifies the source of funds for capital expenditure and recurrent costs</li> <li>The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets)</li> <li>The financial plan provide firm predictions on income for the next five years and reasonable indicative predictions beyond this period</li> <li>The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services</li> <li>Significant variances in actual / budget income and expenses are identified and corrective action taken where necessary</li> </ul>	<ul style="list-style-type: none"> <li>Annual budgets are prepared in accordance with requirements of the parent company. Financial statement are not prepared for NPPL but the parent company's accounts include NPPL's activities. These accounts are independently audited.</li> <li>NPPL's assets have zero value in the financial asset register due to being in place for 20 years and, therefore, have already been written off.</li> <li>Capital planning is undertaken within the requirements of Newmont Mining Corporation's Investment Documentation Guidance. This specifies the level of authority and approvals required for new capital expenditure.</li> <li>NPPL's power lines are managed and maintained under an agreement with TEC Operations Pty Ltd (TECO). TECO are a wholly owned TransAlta subsidiary. The current contract started on 1 July 1999 and can be terminated by notice by either party.</li> <li>There are monthly and quarterly reports to the GPPL Board (with GPPL 50% owned by NPPL) that provides information on operations and maintenance activities and costs.</li> </ul>	<ul style="list-style-type: none"> <li>Newmont Mining Corporation Investment Standard</li> <li>Newmont Investment Process Summary</li> </ul>
<b>Capital Expenditure Planning – Overall Rating: A1</b>		
<ul style="list-style-type: none"> <li>There is a capital expenditure plan that covers issues to be addressed, actions proposed, responsibilities and dates</li> <li>The plan provides reasons for capital expenditure and timing of expenditure</li> <li>The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan</li> <li>There is an adequate process to ensure that the capital expenditure plan is regularly updated and actioned</li> </ul>	<ul style="list-style-type: none"> <li>Capital planning is undertaken within the requirements of Newmont Mining Corporation's Investment Documentation Guidance. This specifies the level of authority and approvals required for new capital expenditure.</li> <li>During the review period, there has been no change to future demand or quality identified that would trigger the need for further planning investigation.</li> <li>The new supply agreement signed between NPPL and KCGM was for a minimum of five years, stating in October 2016. The term of the contract has been based on the longest gas contract that NPPL could get to provide them with supply from Parkston Power Station.</li> <li>Given this planning horizon, NPPL is appropriately adopting an "as required" approach to the management of the assets.</li> <li>Any capital expenditure required for NPPL assets is reimbursed by KCGM.</li> <li>During the review period, NPPL has replaced a number of poles due to their condition. A number of others have been reinforced. NPPL classes replacement of poles as repairs and maintenance, i.e. the costs are recorded as expenses and are not capitalised. The replacement work has been completed under contract by TECO.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>Newmont Mining Corporation: Investment Documentation Guidance</li> <li>Newmont Mining Corporation Investment Standard</li> <li>Newmont Investment Process Summary</li> </ul>

Asset Management Process / Effectiveness Criteria	Observations / Comments	Evidence
	<ul style="list-style-type: none"> <li>NPPL has not installed any new assets in the review period.</li> </ul>	
<b>Review of Asset Management System – Overall Rating: A1</b>		
<ul style="list-style-type: none"> <li>A review process is in place to ensure that the asset management plan and the asset management system described therein are kept current</li> <li>Independent reviews (e.g., internal audit) are performed of the asset management system</li> </ul>	<ul style="list-style-type: none"> <li>NPPL periodically reviews its asset management practices, generally in line with the periodic review required under its licence. Because of the scale and nature of its operations, this review frequency is appropriate.</li> <li>NPPL engages an independent consultant to provide advice on the management of its assets.</li> <li>External review of the AMS is undertaken as part of Clause 20.4 of NPPL's current distribution operating licences under section 14(1)(c) of the Electricity Industry Act. The last review was undertaken for year period 1 July 2011 to 30 June 2014. No other intermediary reviews have been undertaken between the previous review and this review which covers the period 1 July 2014 to 30 June 2018.</li> <li>NPPL's AMS is considered appropriate, fit-for-purpose and suitable for the organization given the assets it owns and manages.</li> </ul>	<ul style="list-style-type: none"> <li>Interview with Tim Gordon.</li> <li>2015, 2016, 2017 and 2018 Compliance Reports to the ERA viewed</li> </ul>

## 6 Recommendations

### 6.1 Performance Audit

Table 6-1 Table of Current Non Audit Compliances and Recommendations

A. Resolved during current audit period				
Electricity compliance reporting manual 2017 (ref. no./ year)	(Compliance rating/ Legislative obligation / details of the issue)	Auditor's recommendation or action undertaken	Date resolved	Further action required (Yes/No/Not applicable) & details of further action required including current recommendation reference if applicable

B. Unresolved at end of current Audit period			
(Compliance rating/ Legislative obligation / details of the issue)	Auditor's recommendation or action undertaken	Date resolved	Further action required (Yes/No/Not applicable) & details of further action required including current recommendation reference if applicable

### 6.2 Asset Management Review

Table 6-2 Table of Current Review Asset System Deficiencies/Recommendations

A. Resolved during current audit period			
Ref.	Asset System Deficiency  (Rating / Asset Management System Component & Effectiveness Criteria / Details of Asset System Deficiency)	Date Resolved (& management action taken)	Auditor's Comments

B. Unresolved at end of current Audit period			
Reference (no./year)	Asset System Deficiency (Rating / Asset Management System Component & Effectiveness Criteria / Details of Asset System Deficiency)	Auditor's recommendation	Management action taken by end of Audit Period

## 7 Confirmation of the Audit/Review

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I confirm that the audit/review carried out at Newmont Power Pty Ltd on 15 - 16 August 2018 and recorded in this report is an accurate presentation of our findings and opinions.

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Justin Edwards PhD MEng  
Cardno (QLD) Pty Ltd  
515 St Paul's Terrace  
Fortitude Valley QLD 4006

17 September 2018

APPENDIX

A

RISK MANAGEMENT FRAMEWORK

## Types of Compliance Risk

Type of Risk	Examples
Supply quality and reliability	Delays in new connections, excessive supply interruptions, supply quality standards not met.
Consumer protection	Customer service levels not met, incorrect bills, disconnection and reconnection standards not met, customers unable to access financial hardship assistance.
Legislation/licence	Breach of industry Acts, regulations and codes, contravention of licence conditions.

## Risk Assessment Rating Scales

The consequence, likelihood, inherent risk and adequacy of internal controls are assessed using a 3-point rating scale as described below. The rating scale is as per the Audit and Review Guidelines: Electricity and Gas Licences, (Economic Regulation Authority), April 2014.

### Consequence Rating

The consequence rating scale is outlined below.

Rating	Supply Quality and Reliability	Consumer Protection	Breaches of Legislation or Other Licence Conditions
1 Minor	Breaches of supply quality or reliability standards – affecting small number of customers. Delays in providing a small proportion of new connections.	Customer complaints procedures not followed in a few instances. Small percentage of disconnections or reconnections not completed on time. Small percentage of bills not issued on time.	Legislative obligations or licence conditions not fully complied with, minor impact on customers or third parties. Compliance framework generally fit for purpose and operating effectively.
2 Moderate	Supply quality breach events that significantly impact customers; large number of customers affected and/or extended duration and/or damage to customer equipment. Supply interruptions affecting significant proportion of customers on the network for up to one day. Significant number of customers experiencing excessive number of interruptions per annum. Significant percentage of new connections not provided on time/ some customers experiencing extended delays.	Significant percentage of complaints not being correctly handled. Customers not receiving correct advice regarding financial hardship. Significant percentage of bills not issued on time. Ongoing instances of disconnections and reconnections not completed on time, remedial actions not being taken or proving ineffective. Instances of wrongful disconnection.	More widespread breaches of legislative obligations or licence conditions over time. Compliance framework requires improvement to meet minimum standards.
3 Major	Supply interruptions affecting significant proportion of customers on the network for more than one day. Majority of new connections not completed on time/ large number of customers experiencing extended delays.	Significant failure of one or more customer protection processes leading to ongoing breaches of standards. Ongoing instances of wrongful disconnection.	Wilful breach of legislative obligation or licence condition. Widespread and/or ongoing breaches of legislative obligations or licence conditions. Compliance framework not fit for purpose, requires significant improvement.



## Likelihood Ratings

The likelihood rating scale is described below.

Level	Description
A	Likely Non-compliance is expected to occur at least once or twice a year
B	Probable Non-compliance is expected to occur once every three years
C	Unlikely Non-compliance is expected to occur once every 10 years or longer

## Inherent Risk Assessment Rating and Description

The inherent risk rating is based on the combined consequence and likelihood rating. The inherent risk assessment rating scale and descriptions are outlined below.

Likelihood	Consequence		
	Minor	Moderate	Major
Likely	Medium	High	High
Probable	Low	Medium	High
Unlikely	Low	Medium	High

Level	Description
High	Likely to cause major damage, disruption or breach of licence obligations
Medium	Unlikely to cause major damage but may threaten the efficiency and effectiveness of service
Low	Unlikely to occur and consequences are relatively minor

## Adequacy Ratings for Existing Controls

The adequacy of existing internal controls is also assessed based on a 3-point scale as indicated below.

Level	Description
Strong	Controls that mitigate the identified risks to an appropriate level
Moderate	Controls that only cover significant risks; improvement required
Weak	Controls are weak or non-existent and have minimal impact on the risks

## Assessment of Audit Priority

The assessment of audit priority is used to determine the audit objectives, the nature of audit testing and the extent of audit testing required. It combines the inherent risk and risk control adequacy rating to determine the priority level.

Inherent Risk	Adequacy of Existing Controls		
	Weak	Medium	Strong
High	Audit Priority 1	Audit Priority 2	
Medium	Audit Priority 3	Audit Priority 4	
Low	Audit Priority 5		

## APPENDIX

# B

### ASSET MANAGEMENT PERFORMANCE RATING DEFINITIONS

## Compliance Assessment Rating Scale

In accordance with the Audit Guidelines – Electricity, Gas and Water Licences (ERA, April 2014), a 7-point rating scale has been adopted to assess the licensee's compliance against each licence condition. The rating scale and description of compliance is outlined below.

Compliance Status	Rating	Description of Compliance
Compliant	5	Compliant with no further action required to maintain compliance
Compliant	4	Compliant apart from minor or immaterial recommendations to improve the strength of internal controls to maintain compliance
Compliant	3	Compliant with major or material recommendations to improve the strength of internal controls to maintain compliance
Non-Compliant	2	Does not meet minimum requirements
Significantly Non-Compliant	1	Significant weaknesses and/or serious action required
Not Applicable	N/A	Determined that the compliance obligation does not apply to the licensee's business operations.
Not Rated	N/R	No relevant activity took place during the audit period therefore it is not possible to assess compliance.

## Asset Management Review Rating Scales

The asset management review utilises a combination of asset management adequacy ratings and asset management performance ratings, which are outlined below. These are based on the Audit Guidelines – Electricity, Gas and Water Licences (ERA, April 2014).

### Asset Management Adequacy Ratings

Rating	Description	Criteria
A	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	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>
C	Requires significant improvement	<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 improvement system(s) require significant improvements (taking into consideration the assets that are being managed).</li> </ul>
D	Inadequate	<ul style="list-style-type: none"> <li>Processes and policies are not documented.</li> <li>The asset management information system is not fit for purpose (taking into consideration the assets that are being managed).</li> </ul>

## Asset Management Performance Ratings

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 when 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>