



# Notice

14 January 2019

## Goldfields Power Pty Ltd

### 2018 performance audits and asset management system review

The Economic Regulation Authority has published the [2018 performance audits and asset management system review report](#) for Goldfields Power Pty Ltd's (GPPL) electricity generation licence EGL11 and electricity retail licence ERL4.

GPPL's generation assets are located at the Parkeston Power Station approximately 3km east of Kalgoorlie. GPPL retails electricity to KCGM, under a Power Purchase Agreement and supplies electricity to Newmont Power Pty Ltd under an agreement for on-supply to its customers. GPPL also participates in the Wholesale Electricity Market through its connection to the South West Interconnected System.

#### *The ERA's response to the audits and review*

The audits and review report shows that GPPL has demonstrated a high level of compliance with the conditions of its licences and has an effective asset management system.

The ERA has decided to increase the period covered by the next audit and review from 48 to 60 months. The next audit and review will cover 1 July 2018 to 30 June 2023, with the report due by 30 September 2023.

#### *Background to the ERA's decision*

##### **Audit ratings**

The auditors assessed 76 obligations applicable to GPPL's licence and found:

- 23 were rated 1/NP (compliant, controls assessment not performed)
- 52 were not rated, because no relevant activity took place during the audit
- one was not applicable.

The audits did not find any non-compliances.

##### **Audit recommendations**

The auditor did not make any recommendations in the 2018 audits.

### **Review ratings**

The auditor rated all 12 asset management components prescribed in the ERA's *Audit and Review Guidelines: Electricity and Gas Licences* as highly effective, giving them a rating of A1.

### **Review recommendations**

The auditor made three recommendations, which are all considered to be minor process improvements.

The recommendations identified opportunities for GPPL to improve its documentation and to rectify asset record data gaps in GPPL's asset management plan.

GPPL did not provide a post-review implementation plan.<sup>1</sup>

### **Further information**

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<sup>1</sup> As per section 11.8 of the [2014 Audit and Review Guidelines: Electricity and Gas Licences](#), it is only mandatory to provide a post-review implementation plan for asset management system processes rated C, D, 3 or 4.