



Notice

17 January 2019

2019 Review of the audit and review guidelines

Public consultation

The Economic Regulation Authority invites comments on its proposed changes to the [Audit and Review Guidelines: Electricity and Gas Licences](#) and [Audit and Review Guidelines: Water Licences](#).

Most of the proposed changes are cosmetic, made to improve the readability of the document and to clarify or elaborate on existing content.

The proposed guidelines also include some substantive changes. The main substantive changes proposed are:

- Introducing a maximum audit and review period of seven years.
- Removing the following recommendations from the audit and review reports:
 - licence obligations that were rated compliant with controls requiring no, or only some, improvement (for audits).
 - asset management processes or effectiveness criteria with performance, processes and policies requiring no, or only some, improvement (for reviews).
- Replacing the table that explained how to calculate the ratings for a risk occurring with an explanation on how to determine the consequences of a risk occurring. Under the proposed guidelines, auditors should use the classifications (major, moderate and minor) for licence obligations included in the ERA's Electricity, Gas and Water Compliance Reporting Manuals to determine the consequences of a risk occurring.
- Introducing a new effectiveness criterion for the asset management information system: "adequate measures to protect asset management data from unauthorised access or theft by persons outside the organisation".

Background

The existing guidelines were published in 2014. They inform electricity, gas and water licensees and external auditors about the ERA's requirements for conducting performance and operational audits and reviewing asset management systems.



Notice

Invitation for submissions

The ERA invites interested parties to make submissions on the proposed guidelines.

Submissions close 4:00 pm (WST) Monday, 11 February 2019 February 2019.

Submissions should be lodged online using the form on our website
www.erawa.com.au/consultation.

Further information

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