



Economic Regulation Authority  
Attention: Paul Reid  
Assistant Director Utility Services Regulations  
PO Box 8469  
PERTH BC WA 6849

23 October 2019

Dear Paul

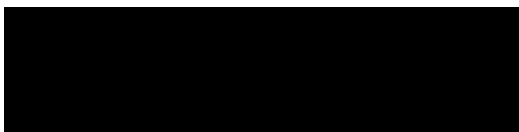
**RE: 2019 performance audit and asset management system review**

Please find attached the 2015 – 2019 Audit and Asset Management System Review (Final Audit Report) for Emu Downs Wind Farm, Licence EGL01.

As required under Clause 5.3 of the ERA's Audit and Review Guidelines (Guidelines), Emu Downs Wind Farm is also providing its intended Post Audit Implementation Plan to address the findings of the auditor Geographe Environment Services. The table below details the issues, auditor recommendations and our proposed actions to address the findings.

Should you require any further information or wish to discuss the Final Audit Report or the Post Audit Implementation Plan, please do not hesitate to contact me.

Yours sincerely



Naomi Donohue

Risk & Compliance Manager, APA Power



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Recommendation reference (no./year)	Non-compliance / Controls improvement (Rating / Licence obligation reference number & licence obligation / Details of non-compliance or inadequacy of controls)	Auditor's recommendation	Action proposed to be taken by the licensee	Responsible person(s)	Target completion date
01/2019	<p><b>B2 (105) Payment of prescribed fees</b></p> <p>The licensee has not met the obligations in regards to payment of prescribed licence fees on 2 occasions during the audit period.</p>	<p>It is recommended, to ensure ongoing compliance, the Licensee update the Compliance Manual to reference both the Annual and Quarterly licence fees payable and the associated Compliance Calendar to ensure that the requirement to pay Annual Licence fees occurs within 30 days after the anniversary of issue of the licence (i.e before the 23rd July each year) and the quarterly Standing Data charges are paid within 30 days of receipt of invoice..</p>	<p>Emu Downs proposes to update the Compliance Manual to provide greater detail on the payment of prescribed fees, including both payment terms and expected timing of invoices.</p>	Risk & Compliance Manager	30/06/2020
02/2019	<p><b>B2 (124) Annual Compliance Report</b></p> <p>The Annual Compliance Report for 2015-2016 Year did not reflect the late payment of the licence fee for the Standing Data Charge quarter commencing July 2015.</p>	<p>It is recommended the Licensee to establish process to ensure that all non-compliances are reported in a Compliance Report which is to be submitted by the 31st August annually. The 2015-2016 Compliance Report prepared during the audit period did not report a non-compliance in reference to late payment of the licence fee for the 2015 Standing Data Charges for the July quarter. It is noted that during the audit period, the responsibility for monitoring Compliance is managed by an APA representative and the reporting function of the compliance Report was the responsibility of the Operations Manager. A process to ensure compliance requirements have been met and documented liaison relating to the legislative requirements and content of the Compliance Report prior to submission to the Authority is required This would ensure all non-compliances are clearly identified and reported.</p>	<p>Emu Downs proposes to update the Compliance Manual to provide greater detail on the annual compliance report, including confirmation from the Commercial Manager that all payments to ERA have been completed on time.</p>	Risk & Compliance Manager	30/06/2020