

Alinta Energy Transmission (Roy Hill) Pty Ltd

**2019 Electricity Integrated
Regional Licence (EIRL6) Report
on Compliance with Performance
Licence Conditions**

Report

1 October 2016 to 30 September 2019

Ms Catherine Rousch
Manager Regulatory Compliance
Alinta Sales Pty Ltd, trading as Alinta Energy
Level 18 Raine Square
300 Murray Street
Perth WA 6000

17 December 2019

Dear Catherine

Alinta Energy Transmission (Roy Hill) Pty Ltd: 2019 EIRL6 Performance audit

We have completed the 2019 EIRL reasonable assurance engagement on Compliance with the Performance Licence Conditions of Alinta Energy Transmission (Roy Hill) Pty Ltd for the period 1 October 2016 to 30 September 2019 and are pleased to submit our report to you.

If you have any questions or wish to discuss anything raised in the report, please contact me on 0456 585 247.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

Vincent Snijders
Partner
Chartered Accountants
Perth

Contents

1	Independent assurance practitioner's report	4
2	Executive summary	7
3	Summary of findings	15
4	Detailed findings, recommendations and action plans	19
5	Follow-up of previous audit non-compliances and recommendations	55

1 Independent assurance practitioner's report

Qualified opinion

We have undertaken a reasonable assurance engagement on Alinta Energy Transmission (Roy Hill) Pty Ltd's (**AETRH**) compliance, in all material respects, with applicable obligations from the Electricity Compliance Reporting Manual released July 2018 (**Licence Obligations**), as evaluated against its Electricity Integrated Regional Licence (EIRL6) (the **Licence**) (together referred to as the "**Licence Conditions**") for the period from 1 October 2016 to 30 September 2019, for the purpose of assisting AETRH comply with its reporting obligations to the Economic Regulation Authority (the **ERA**).

In our opinion, except for the effects of the matters described in the Basis for qualified opinion paragraph below, AETRH has complied, in all material respects, with the Licence Obligations as evaluated against its Licence Conditions for the period from 1 October 2016 to 30 September 2019.

Basis for qualified opinion

During the period from 1 October 2016 to 30 September 2019, AETRH did not comply with applicable obligations within the Licence Conditions in the following instances:

Reporting Manual number and Licence obligation		Issue
370	The standing data for a metering point must comprise at least the items specified <i>Metering Code clause 4.3(1)</i>	Clause 4.3(1) of the Metering Code requires that AETRH's metering database contains the 30 specified standing data items. AETRH's metering database contains the prerequisite standing data item headings of clause 4.3(1), but does not provide commentary on the following six standing data items where the columns in the database were left blank: (4) Voltage at metering point (5) Distribution loss factor (14) NMI meter (20) Summation scheme values and multipliers (21) Data register coding details (27) Algorithms.
319 320 326 327 336 340 342 343 344 357	Metering installation design requirements <i>Metering Code clause 3.1, 3.2(1), 3.5(1), (2) and (3), 3.10, 3.11(1), 3.12(1) to 3.12(4) and 3.21(1)</i>	AETRH has not finalised its metering management plan, meaning it cannot demonstrate compliance with the metrology procedure requirements to: <ul style="list-style-type: none"> Install and maintain meters in accordance with an applicable metrology procedure, the specifications of the National Measurement Institute under the National Measurements Act; and the functionality and testing requirements outlined in Part 3 of the Metering Code (obligations 319, 320, 326, 327, 336, 337, 340, 342-344, 357)
422	Energy data validation	<ul style="list-style-type: none"> Manage validated energy data in accordance with the metrology procedure (obligation 422)
447 448A	<i>Metering Code clause 5.22(1)</i>	<ul style="list-style-type: none"> Comply with all applicable agreements, rules, procedures, criteria and processes outlined in Part 6 of the

Reporting Manual number and Licence obligation	Issue
Part 6 of the Metering Code Metering Code clause 6.1(1) and 6.2	Metering Code (obligations 447 and 448A).

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3100 *Compliance Engagements (ASAE 3100)* issued by the Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

AETRH's responsibilities for compliance with the conditions within the Licence

AETRH is responsible for:

- (a) Compliance with the Licence as evaluated against the conditions within the Licence, for the period 1 October 2016 to 30 September 2019
- (b) Identifying risks that threaten the conditions within the Licence identified above being met
- (c) Identifying suitable compliance requirements as specified by the ERA
- (d) Identifying, designing and implementing controls to enable the conditions within the Licence to be met and to monitor ongoing compliance.

Assurance practitioner's independence and quality control

In conducting our engagement, we have complied with the independence and other relevant ethical requirements relating to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The firm applies Auditing Standard ASQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Assurance practitioner's responsibilities

Our responsibility is to express an opinion on AETRH's compliance, in all material respects, with the licence obligations as evaluated against its Licence Conditions for the period 1 October 2016 to 30 September 2019. ASAE 3100 requires that we plan and perform our procedures to obtain reasonable assurance about whether, AETRH has complied, in all material respects, with the licence obligations as evaluated against its Licence Conditions for the period from 1 October 2016 to 30 September 2019.

An assurance engagement to report on AETRH's compliance with the licence obligations as evaluated against its Licence Conditions involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the conditions within the Licence. The procedures selected depend on our judgement, including the identification and assessment of risks of material non-compliance with the licence obligations as evaluated against its Licence Conditions.

Our procedures included the following:

- Utilising the March 2019 issue of the Audit and Review Guidelines: Electricity and Gas Licences and the July 2018 issue of the Electricity Compliance Reporting Manual (**Reporting Manual**) issued by the ERA as a guide for development of a risk assessment and document review to assess controls
- Development of an Audit Plan for approval by the ERA and an associated work program, set out in Appendix A
- Interviews with relevant AETRH and Alinta staff to gain an understanding of process controls
- Review of documents and walkthrough of processes and controls to assess the overall compliance and effectiveness in accordance with Licence obligations
- Sample testing where relevant for obligations rated as an audit priority 3 and above in the approved Audit Plan.

Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error or non-compliance with compliance requirements may occur and not be detected.

A reasonable assurance engagement relating to the period from 1 October 2016 to 30 September 2019 does not provide assurance on whether compliance with the Licence will continue in the future.

Restricted use

This report has been prepared for use by AETRH for the purpose of satisfying its obligation under section 13 of the Electricity Industry Act 2004. We disclaim any assumption of responsibility for any reliance on this report to any person other than AETRH, or for any purpose other than that for which it was prepared. We understand that a copy of the report will be provided to the ERA for the purpose of reporting on AETRH's compliance with the Licence obligations as evaluated against its Licence Conditions. We agree that a copy of this report will be given to the ERA in connection with this purpose, however we accept no responsibility to the ERA or to anyone who is provided with or obtains a copy of our report

DELOITTE TOUCHE TOHMATSU

Vincent Snijders

Partner

Chartered Accountants

17 December 2019, Perth

2 Executive summary

2.1 Introduction and background

The Economic Regulation Authority (the **ERA**) has under the provisions of the Electricity Industry Act 2004 (the **Act**), issued to Alinta Energy Transmission (Roy Hill) Pty Ltd (**AETRH or Alinta**) the Electricity Integrated Regional Licence (EIRL6) (the **Licence**).

The Licence relates to AETRH's generation, transmission and retail activity in relation to its Newman power station located in the Pilbara region of Western Australia.

Section 13 of the Act requires Alinta to provide the ERA with a performance audit (the **audit**) conducted by an independent expert acceptable to the ERA not less than once in every 24 month period unless otherwise approved by the ERA. With the ERA's approval, Deloitte Touche Tohmatsu (**Deloitte**) has been appointed to conduct the audit for the period 1 October 2016 to 30 September 2019 (**audit period**).

The audit has been conducted in accordance with the March 2019 issue of the Audit and Review Guidelines Electricity and Gas Licenses (**Guidelines**).

2.2 Observations

In considering AETRH's internal control procedures, structure and environment, its compliance culture and its information systems specifically relevant to those licence obligations subject to audit, we observed that AETRH has:

- Has maintained an internal compliance reporting process
- Is in the process of addressing technical metering matters relating to its role as a network operator, which had previously been reported as minor non-compliances with the Metering Code

2.3 Findings

The following tables summarise the assessments made during the audit on AETRH's compliance and the adequacy of controls in place for AETRH to manage its compliance with the relevant obligations or conditions of the Licence.

Table 1 sets out the rating scale defined by the ERA in the Guidelines for the assessment of the level of compliance with the conditions of the Licence. For the highest possible compliance rating to be achieved, AETRH was required to demonstrate it has maintained mature processes and controls, which facilitate compliance with relevant obligations.

Table 1: Control adequacy and compliance rating scale

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
N/P	Not performed – A controls rating was not required	N/R	Not rated – No activity took place during the audit period

Table 4 at section 3 of this report provides further detail on the control adequacy and compliance rating scales. The above rating scale is defined by the Guidelines.

Table 2: Summary of findings, by audit priority and control adequacy

Audit Priority	Control adequacy rating				NP ¹	Total
	A	B	C	D		
Priority 1	-	-	-	-	-	-
Priority 2	4	1	-	-	-	5
Priority 3	-	-	-	-	1	1
Priority 4	4	14	-	-	106	124
Priority 5	-	1	-	-	32	33
Total:	8	16	-	-	139	163

Table 3: Summary of findings, by audit priority and compliance rating

Audit Priority	Compliance rating				NR	Total
	1	2	3	4		
Priority 1	-	-	-	-	-	-
Priority 2	-	5	-	-	-	5
Priority 3	-	-	-	-	1	1
Priority 4	27	16	-	-	81	124
Priority 5	11	1	-	-	21	33
Total:	38	22	-	-	103	163

Note that, in accordance with the Guidelines:

- Obligations assessed as being “not applicable” to AETRH’s operations have not been included within this report
- A control rating is only provided for those obligations with a Priority 1, 2 or 3 rating, where an obligation is assessed as non-compliant, or where a control improvement opportunity is identified.

¹ Refers to the obligations for which a control assessment was not required to be performed (obligations with an audit priority of 4 or 5 and a compliance rating of 1, or which were not rateable).

Specific assessments for each Licence obligation are summarised at **Table 4** in the “Summary of findings” section of this report.

Detailed findings, including relevant observations, recommendations and action plans are located in section 4 “Detailed findings, recommendations and action plans”.

2.4 AETRH’s response to previous audit recommendations

This audit considered AETRH’s progress in completing the action plans detailed in the 2016 performance audit report.

Based on our examination of relevant documents, discussion with staff and consideration of the results of our testing against the associated licence obligations, we determined that AETRH has completed one of the two action plans detailed in the 2016 performance audit report.

Refer to section 5 “Previous audit non-compliances and recommendations” for further detail.

Management’s responses are not within the scope of our assurance report.

2.5 Current audit non-compliances, recommendations and action plans

A. Resolved during current audit period

Reporting manual no. and Licence obligation ref	Non-compliance / Controls improvement (Rating / Details of non-compliance or inadequacy of controls)	Date resolved and management action taken	Auditor’s comments
Obligation 103 <i>Electricity Industry Act section 14(1)(b)</i>	A2 Until September 2017, AETRH did not update its Management of Change procedure to include the definition of substantial change in the Asset Management System and the requirement to notify the ERA of any such change.	Resolved September 2017 <ul style="list-style-type: none"> AETRH updated and approved the Management of Change procedure to incorporate the requirements of the prior audit recommendation. 	No further action required.
Obligation 105 <i>Electricity Industry Act section 17(1)</i> <i>Economic Regulation Authority (Licensing Funding) Regulations 2014</i>	A2 Alinta did not make the payment to the ERA in the prescribed time for the 2018/19 quarter 1 standing charge.	Resolved January 2019 Alinta implemented the following process improvements to help manage its obligation to make annual licence fees and quarterly licence charge payments to the ERA in the prescribed timeframes : <ul style="list-style-type: none"> Regulatory affairs diarises the payment dates for licence fees and charges Sends reminder emails to ensure invoices are paid in the prescribed timeframes. 	No further action required.

Reporting manual no. and Licence obligation ref	Non-compliance / Controls improvement (Rating / Details of non-compliance or inadequacy of controls)	Date resolved and management action taken	Auditor's comments
Obligation 331 <i>Metering Code clause 3.7</i>	N/P N/R AETRH's meters are currently not supported by equipment which is connected to a telecommunications network. However, in the event of such equipment being installed, AETRH has not established a clear metering management plan or framework for ensuring its compliance with the Metering Code and applicable State and Commonwealth enactments.	N/A AETRH's meters operate with internal communication systems only and therefore have not triggered the requirement to comply with the external communication regulations as specified in clause 3.7.	No further action required
Obligation 332 <i>Metering Code clause 3.8</i>	A1 Although AETRH has demonstrated that it has installed and maintained its meters to the satisfaction of its customers throughout the period subject to this audit, it has not established a clear metering management plan or framework for demonstrating its compliance with all requirements outlined in Part 3 of the Metering Code	Resolved July 2016 AETRH's meters have been secured through physical and logical means to prevent and/or detect unauthorised access.	No further action required
Obligation 333 <i>Metering Code clause 3.9</i>	B2 Although AETRH has demonstrated that it has installed and maintained its meters to the satisfaction of its customers throughout the period subject to this audit, it has not established a clear metering management plan or framework for demonstrating its compliance with all requirements outlined in Part 3 of the Metering Code	Resolved January 2018 AETRH's metering database contains calibration tables that applied to each metering installation to achieve installation accuracy in accordance with the accuracy requirements in Part 3 of the Metering Code (Appendix 1, Table 3). All metering installations meet the requirements under the Metering Code for Type 1 installations (annual throughput above 1,000 GWh).	No further action required
Obligation 341 <i>Metering Code clause 3.11A(2)</i>	N/P N/R Although AETRH has demonstrated that it has installed and maintained its meters to the satisfaction of its customers throughout the period subject to this audit, it has not established a clear metering management plan or framework for demonstrating its compliance with all requirements outlined in Part 3 of the Metering Code	N/A AETRH had not identified any of its meters as failing during the audit period. Hence it has not triggered the requirement of this recommendation.	No further action required

Reporting manual no. and Licence obligation ref	Non-compliance / Controls improvement (Rating / Details of non-compliance or inadequacy of controls)	Date resolved and management action taken	Auditor's comments
Obligation 345 <i>Metering Code clause 3.12(4)</i>	A2 Maintain drawings and supporting information, to the standard of good electricity industry practice, detailing the metering installation for maintenance and auditing purposes	Resolved January 2018 AETRH has: <ul style="list-style-type: none"> • Compiled relevant meter drawings and supporting information, which are stored in the internal document management system, CLM Matrix • Drawings show the metering installation arrangements Supporting information contains a list of metering equipment and meter schedule.	No further action required.
Obligation 366 and 369 <i>Metering Code clause 4.1(1)</i> <i>Metering Code clause 4.2(1)</i>	A2 Until January 2018, AETRH did not have a formal metering database: <ul style="list-style-type: none"> • Containing standing data and energy data for each metering point on its network Compliant with meter registry requirements clause 4.2(1).	Resolved January 2018 In January 2018, AETRH created a metering database that: <ul style="list-style-type: none"> • Encapsulates the standing data and energy data requirements of clause 4.1(1) Is compliant with the meter registry requirement of clause 4.1(2).	No further action required.
Obligation 411 <i>Metering Code clauses 5.20(1)</i>	A2 Until January 2018, AETRH had not established an Energy Data Verification Request form.	Resolved January 2018 In January 2018, AETRH established an Energy Data Verification Request form containing the communication rule requirements prescribed by clause 5.20(1) of the Code.	No further action required.

B. Unresolved at end of current audit period

Reporting manual no. and Licence obligation reference	Control adequacy	Issue 1/2019
Obligation 370 <i>Metering Code clause 4.3(1)</i> The standing data for a metering point must comprise at least the items specified.	Generally adequate controls – improvement needed (B)	The 2016 Audit reported that AETRH was required to establish a metering database, which includes all relevant metering information. AETRH has implemented the database during the audit period, however examination of the metering database had all the prerequisite standing data item headings of clause 4.3(1). However, six columns in the database were left blank: (4) Voltage at metering point (5) Distribution loss factor (14) NMI meter (20) Summation scheme values and multipliers (21) Data register coding details (27) Algorithms.
	Compliance rating	
	Non-compliant – minor impact on customers or third parties (2)	
Recommendation 1/2019 In its metering database AETRH should provide commentary on the applicability of the following columns, which are currently blank: (4) Voltage at metering point (5) Distribution loss factor (14) NMI meter (20) Summation scheme values and multipliers (21) Data register coding details (27) Algorithms.		Action Plan 1/2019. AETRH will update the metering database to provide commentary on standing data items 4, 5, 14, 20, 21 and 27. Responsible Person: Head of Operations Target Date: 31 January 2020

Reporting manual (obligation) no.	Metering Code clause	Control adequacy	Compliance rating
319	3.1	Generally adequate controls – improvement needed (B)	Non-Compliant – minor impact on customers or third parties (2)
320	3.2(1)	Generally adequate controls – improvement needed (B)	Non-Compliant – minor impact on customers or third parties (2)
326, 327	3.5(1), (2) and (3)	Generally adequate controls – improvement needed (B)	Non-Compliant – minor impact on customers or third parties (2)
336	3.10	Generally adequate controls – improvement needed (B)	Non-Compliant – minor impact on customers or third parties (2)
337	3.11(1)	Generally adequate controls – improvement needed (B)	Non-Compliant – minor impact on customers or third parties (2)
340	3.11A(1)	Generally adequate controls – improvement needed (B)	Non-Compliant – minor impact on customers or third parties (2)
342 - 344	3.12(1) to (3)	Generally adequate controls – improvement needed (B)	Non-Compliant – minor impact on customers or third parties (2)
357	3.21(1)	Generally adequate controls – improvement needed (B)	Non-Compliant – minor impact on customers or third parties (2)
422	5.22(1)	Generally adequate controls – improvement needed (B)	Non-Compliant – minor impact on customers or third parties (2)
447	6.1(1)	Generally adequate controls – improvement needed (B)	Non-Compliant – minor impact on customers or third parties (2)
448A	6.2	Generally adequate controls – improvement needed (B)	Non-Compliant – minor impact on customers or third parties (2)
Issue 2/2019 - refer to next page			

Summary findings

AETRH maintains six meters on its electricity transmission network for measuring and recording energy data relating to electricity transferred to its single customer's delivery points. AETRH's PPA with its customer specifies AETRH's obligations for installing, operating and maintaining metering equipment, including references to the requirements of the *North West Interconnected System Electricity Network Access Technical Rules*, the *Electricity Transmission Regulations 1996 (WA)*, *Good Engineering and Operating Practices* and the Metering Code. All energy data from these meters is captured within Alinta's Honeywell Experion system.

Although AETRH has demonstrated that it has operated its meters and recorded related energy data to the satisfaction of its customer throughout the period subject to this audit, it has not completed the below components of recommendation 2/2016 from the previous audit and is still non-compliant with the below obligations during the audit:

1. AETRH has not established a clear metering management plan or framework for demonstrating its:
 - Installation and maintenance of meters in accordance with an applicable metrology procedure, the specifications of the National Measurement Institute under the *National Measurements Act*; and the functionality and testing requirements outlined in Part 3 of the Metering Code (**obligations 319, 320, 326, 327, 336, 337, 340, 342-344, 357**)
 - Management of validated energy data (**obligation 422**)
 - Compliance with all applicable agreements, rules, procedures, criteria and processes outlined in Part 6 of the Metering Code (**obligation 447**).

We also note that AETRH has not complied with clause 6.2 of the Metering Code, which requires a network operator to submit a proposed model service level agreement, metrology procedure and mandatory link criteria to the Authority for its approval. During the 2016 audit, clause 6.2 of the Metering Code was not referenced in the Reporting Manual and was not included in the scope of the audit. However, the reporting manual has been updated during the audit period to create a new obligation referencing the requirements of clause 6.2 of the Metering Code (**obligation 448A**). The creation of obligation 448A has now triggered the requirement of the Metering Code for such documents to be prepared.

We recognise that AETRH expects to complete the metering management plan and incorporate the technical requirements of clause 6.2 of the Metering Code as part of the NWIS access project, which will include a model SLA and Metrology Procedure. Alinta is currently awaiting the detailed regulatory framework design paper for the NWIS, which it anticipates receiving from the Energy Policy WA (previously Public Utilities Office) in 2020 after review by the Minister for Energy.

The recommendation and action plan below applies to obligations 319, 320, 326, 327, 336, 337, 340, 342-344, 357, 422, 447 and 448A.

Recommendation 2/2019

When the Energy Policy WA detailed regulatory framework design paper for the NWIS is formalised, AETRH will prepare a metering management plan to:

- Incorporate the requirements of the Metering Code relevant to AETRH's metering operations.

Action Plan 2/2019

AETRH will:

- Prepare a metering management plan to incorporate the requirements of the Metering Code relevant to AETRH's metering operations.

Responsible Person:

Head of Operations

Target Date:

30 June 2020

2.6 Scope and objectives

As described in our letter of engagement with AETRH, dated 20 November 2019, we have conducted a reasonable assurance audit in order to state whether, in our opinion, based on our procedures, AETRH has complied, in all material respects, with the conditions of its Licence as outlined in the approved Audit Plan (dated 27 November 2019) during the period 1 October 2016 to 30 September 2019.

Our engagement was conducted in accordance with Australian Standard on Assurance Engagements ASAE 3100 Compliance Engagements, issued by the Australian Auditing and Assurance Standards Board and provides reasonable assurance as defined in ASAE 3100. The procedures we performed are described in more detail in section 2.7 below.

A reasonable assurance engagement in accordance with ASAE 3100 involves performing procedures to obtain evidence about the compliance with the conditions of the Licences. The nature, timing and extent of procedures selected depend on the assurance practitioner's professional judgement, including the assessment of the risks of material misstatement in compliance with the conditions of the Licences. In

making those risk assessments, we considered internal controls in relation to compliance with the conditions of the Licences.

ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

The ERA has summarised the requirements of the applicable legislation that it expects to be reported upon and included in the scope of this audit in its July 2018 Electricity Compliance Reporting Manual (**Reporting Manual**).

The Audit Plan approved by the ERA for this audit sets out AETRH's Licence obligations confirmed to be included in the scope of the audit, along with the risk assessments and audit priority assigned to each licence obligation.

Revision to audit scope

Subsequent to the preparation of the Audit Plan, the audit scope was corrected to remove obligations 339 (*Electricity Industry Metering Code clause 3.11(3)*) and 401 (*Electricity Industry Metering Code clause 5.16*). In each instance, the clause relates to a user's obligations to a network operator. AETRH operates as a network operator and does not operate as a user of any other network.

2.7 Approach

Our approach for this audit involved the following activities, which were undertaken during the period 1 October 2016 to 30 September 2019 :

- Utilising the Guidelines and Reporting Manuals as a guide, developed a risk assessment, which involved discussions with key staff and document review to assess controls
- Developed an Audit Plan (see **Appendix A**) for approval by the ERA and an associated work program
- Interviewed relevant AETRH staff to gain understanding of process controls (see **Appendix B** for staff involved)
- Reviewed relevant documentation and walked through processes and controls to assess overall compliance and effectiveness in accordance with Licence obligations (see **Appendix B** for reference listing)
- Sample tested relevant obligations (assessed as an audit priority 3 or 2) and where there was relevant activity, determine whether transactions complied with the requirements of the obligation
- Reported findings to AETRH for review and response.

3 Summary of findings

Table 1 in section 2 above sets out the rating scale defined by the ERA in the Audit Guidelines for the assessment of the level of compliance with the conditions of the Licences. For the highest possible compliance rating to be achieved, AETRH was required to demonstrate it has maintained effective processes and controls, which facilitate compliance with relevant obligations.

The remainder of this report provides:

- A summary of the findings for the compliance obligations (at **Table 4** below)
- Detailed findings, including relevant observations, recommendations and action plans (at **Section 4**).

Table 4: Compliance Ratings

Refer to Detailed Findings at section 4 and Audit Plan at Appendix A for descriptions of the obligations. Note that detailed findings are not presented for those obligations assessed to be not applicable to AETRH's operations for the period subject to audit - refer to the Audit Plan at Appendix A for further explanation.

#	Obligation reference	Adequacy of controls rating					Audit Priority	Compliance rating				
		A	B	C	D	NP		1	2	3	4	NR
12 Electricity Industry Act – Licence Conditions and Obligations												
101	Section 13(1)					✓	Priority 5	✓				
102	Section 14(1)(a)					✓	Priority 5	✓				
103	Section 14(1)(b)	✓					Priority 4		✓			
104	Section 14(1)(c)					✓	Priority 5	✓				
105	Section 17(1)	✓					Priority 4		✓			
106	Section 31(3)					✓	Priority 5	✓				
107	Section 41(6)					✓	Priority 4					✓
13 Electricity Licences – Licence Conditions and Obligations												
119	Condition 4.3.1					✓	Priority 4	✓				
120	Condition 5.2.4					✓	Priority 4					✓
121	Condition 5.3.2					✓	Priority 4	✓				
122	Condition 5.1.5					✓	Priority 4	✓				
123	Condition 4.4.1					✓	Priority 4					✓
124	Condition 4.5.1					✓	Priority 4	✓				
125	Condition 3.8.1 and 3.8.2					✓	Priority 4					✓
126	Condition 3.7.1					✓	Priority 4	✓				
127	Condition 6.9.1					✓	Priority 4					✓
128	Condition 6.9.3					✓	Priority 4					✓
15 Electricity Industry Metering Code – Licence Conditions and Obligations												
Part 2 Code objectives and arms-length treatment												
317	Clause 2.2(1)(a)					✓	Priority 5					✓
318	Clause 2.2(1)(b)					✓	Priority 4					✓
Part 3 Meters and metering installations												
319	Clause 3.1		✓				Priority 4		✓			
320	Clause 3.2(1)		✓				Priority 4		✓			
321	Clause 3.3(1)					✓	Priority 4					✓
322	Clause 3.3(3)					✓	Priority 4					✓
323	Clause 3.3A(1)					✓	Priority 4	✓				
324	Clause 3.3B					✓	Priority 4					✓
325	Clause 3.3C					✓	Priority 4	✓				
326	Clause 3.5(1) and (2)		✓				Priority 4		✓			
327	Clause 3.5(3)		✓				Priority 4		✓			
328	Clause 3.5(4)					✓	Priority 4	✓				

#	Obligation reference	Adequacy of controls rating					Audit Priority	Compliance rating					
		A	B	C	D	NP		1	2	3	4	NR	
329	Clause 3.5(6)					✓	Priority 4						✓
330	Clause 3.5(9)					✓	Priority 4						✓
331	Clause 3.7					✓	Priority 3						✓
332	Clause 3.8	✓					Priority 4	✓					
333	Clause 3.9(3)		✓				Priority 4		✓				
334	Clause 3.9(7)					✓	Priority 4						✓
335	Clause 3.9(9)					✓	Priority 4						✓
336	Clause 3.10		✓				Priority 4		✓				
337	Clause 3.11(1)		✓				Priority 4		✓				
338	Clause 3.11(2)					✓	Priority 4						✓
340	Clause 3.11A(1)		✓				Priority 4		✓				
341	Clause 3.11A(2)					✓	Priority 4						✓
342	Clause 3.12(1)		✓				Priority 4		✓				
343	Clause 3.12(2)		✓				Priority 4		✓				
344	Clause 3.12(3)		✓				Priority 4		✓				
345	Clause 3.12(4)	✓					Priority 2		✓				
346	Clause 3.13(1)					✓	Priority 4	✓					
347	Clause 3.13(3)(c)					✓	Priority 4						✓
348	Clause 3.13(4)					✓	Priority 4	✓					
349	Clause 3.14(3)					✓	Priority 4						✓
355	Clause 3.20(1)					✓	Priority 4						✓
356	Clause 3.20(3)					✓	Priority 4						✓
357	Clause 3.21(1)		✓				Priority 4		✓				
358	Clause 3.21(2)	✓					Priority 4	✓					
359	Clause 3.22					✓	Priority 4	✓					
360	Clause 3.23(a)					✓	Priority 4						✓
361	Clause 3.23(b)					✓	Priority 4						✓
364	Clause 3.27					✓	Priority 4						✓
365	Clause 3.29					✓	Priority 4						✓
Part 4 The metering database													
366	Clause 4.1(1)	✓					Priority 2		✓				
367	Clause 4.1(2)					✓	Priority 4	✓					
368	Clause 4.1(3)					✓	Priority 4	✓					
369	Clause 4.2(1)	✓					Priority 2		✓				
370	Clause 4.3(1)		✓				Priority 2		✓				
371	Clause 4.4(1)					✓	Priority 5						✓
372	Clause 4.5(1)					✓	Priority 5						✓
373	Clause 4.5(2)					✓	Priority 4						✓
374	Clause 4.6(1)					✓	Priority 4						✓
375	Clause 4.6(2)					✓	Priority 4						✓
376	Clause 4.7					✓	Priority 4						✓
377	Clause 4.8(3)					✓	Priority 4						✓
378	Clause 4.8(3A)					✓	Priority 4						✓
379	Clause 4.8(4)(a)					✓	Priority 4	✓					
380	Clause 4.8(4)(b)					✓	Priority 4	✓					
381	Clause 4.8(5)					✓	Priority 4	✓					
382	Clause 4.9					✓	Priority 4	✓					
Part 5 Metering services													
383	Clause 5.1 (1)					✓	Priority 5						✓
384	Clause 5.1(2)					✓	Priority 5						✓
385	Clause 5.3					✓	Priority 4	✓					
386	Clause 5.4(1)					✓	Priority 5	✓					

#	Obligation reference	Adequacy of controls rating					Audit Priority	Compliance rating				
		A	B	C	D	NP		1	2	3	4	NR
387	Clause 5.4(1A)					✓	Priority 4	✓				
388	Clause 5.4(2)					✓	Priority 5					✓
389	Clause 5.5(2)					✓	Priority 5					✓
390	Clause 5.5(2A)					✓	Priority 4					✓
391	Clause 5.6(1)					✓	Priority 5					✓
392	Clause 5.7					✓	Priority 4					✓
393	Clause 5.8					✓	Priority 4					✓
394	Clause 5.9					✓	Priority 4					✓
397	Clause 5.12(1)					✓	Priority 4					✓
398	Clause 5.13					✓	Priority 4					✓
399	Clause 5.14(3)					✓	Priority 4					✓
400	Clause 5.15					✓	Priority 4					✓
402	Clause 5.17(1)					✓	Priority 4	✓				
403	Clause 5.17A(1)					✓	Priority 4					✓
404	Clause 5.17A(3)					✓	Priority 4					✓
405	Clause 5.18					✓	Priority 4					✓
406	Clause 5.19(1)					✓	Priority 5					✓
407	Clause 5.19(2)					✓	Priority 5					✓
408	Clause 5.19(3)					✓	Priority 4					✓
409	Clause 5.19(5)					✓	Priority 4					✓
410	Clause 5.19(6)					✓	Priority 5					✓
411	Clause 5.20(1)	✓					Priority 2		✓			
412	Clause 5.20(2)					✓	Priority 4	✓				
413	Clause 5.20(4)					✓	Priority 4					✓
414	Clause 5.21(2)					✓	Priority 4					✓
415	Clause 5.21(4)					✓	Priority 4					✓
416	Clause 5.21(5)					✓	Priority 4					✓
417	Clause 5.21(6)					✓	Priority 4					✓
418	Clause 5.21(8)					✓	Priority 4					✓
419	Clause 5.21(9)					✓	Priority 4					✓
420	Clause 5.21(11)					✓	Priority 4					✓
421	Clause 5.21(12)					✓	Priority 4					✓
422	Clause 5.22(1)		✓				Priority 4		✓			
423	Clause 5.22(2)					✓	Priority 4	✓				
424	Clause 5.22(3)					✓	Priority 4					✓
425	Clause 5.22(4)					✓	Priority 4					✓
426	Clause 5.22(5)					✓	Priority 4					✓
427	Clause 5.22(6)					✓	Priority 4					✓
428	Clause 5.23(1)					✓	Priority 4					✓
429	Clause 5.23(3)					✓	Priority 4					✓
430	Clause 5.24(1)					✓	Priority 4					✓
431	Clause 5.24(2)					✓	Priority 4					✓
432	Clause 5.24(3)					✓	Priority 4					✓
433	Clause 5.24(4)					✓	Priority 4					✓
434	Clause 5.25					✓	Priority 4					✓
435	Clause 5.27					✓	Priority 4					✓
441	Clause 5.37(1)(a)					✓	Priority 4					✓
442	Clause 5.37(1)(b)					✓	Priority 4					✓
443	Clause 5.37(1)(b)					✓	Priority 4					✓
444	Clause 5.37(2)					✓	Priority 4					✓
445	Clause 5.37(3)					✓	Priority 4					✓
446	Clause 5.38					✓	Priority 4					✓
Part 6 Documentation												
447	Clause 6.1(1)		✓				Priority 4		✓			

#	Obligation reference	Adequacy of controls rating					Audit Priority	Compliance rating					
		A	B	C	D	NP		1	2	3	4	NR	
448	Clause 6.1(2)					✓	Priority 4						✓
448A	Clause 6.2		✓				Priority 5		✓				
448B	Clause 6.18					✓	Priority 5						✓
448C	Clause 6.19A(1)					✓	Priority 5						✓
448D	Clause 6.19B(1)					✓	Priority 5						✓
449	Clause 6.20(4)					✓	Priority 5						✓
450	Clause 6.20(5)					✓	Priority 4						✓
Part 7 Notes and confidential information													
451	Clause 7.2(1)					✓	Priority 5	✓					
452	Clause 7.2(2)					✓	Priority 4						✓
453	Clause 7.2(4)					✓	Priority 4						✓
454	Clause 7.2(5)					✓	Priority 4						✓
455	Clause 7.5					✓	Priority 4	✓					
456	Clause 7.6(1)					✓	Priority 4						✓
Part 8 Dispute resolution													
457	Clause 8.1(1)					✓	Priority 5						✓
458	Clause 8.1(2)					✓	Priority 5						✓
459	Clause 8.1(3)					✓	Priority 5						✓
460	Clause 8.1(4)					✓	Priority 4						✓
461	Clause 8.3(2)					✓	Priority 5						✓
16 Electricity Industry (Network Quality and Reliability of Supply) Code – Licence Conditions and Obligations													
462	Clause 5(1)					✓	Priority 5	✓					
463	Clause 8					✓	Priority 5						✓
464	Clause 9					✓	Priority 5	✓					
465	Clause 10(1)					✓	Priority 5	✓					
466	Clause 10(2)					✓	Priority 5						✓
468	Clause 13(2)					✓	Priority 5	✓					
469	Clause 13(3)					✓	Priority 4	✓					
470	Clause 14(8)					✓	Priority 4						✓
471	Clause 15(2)					✓	Priority 4						✓
477	Clause 23(1)					✓	Priority 5	✓					
478	Clause 23(2)					✓	Priority 4	✓					
479	Clause 24(3)					✓	Priority 4						✓
480	Clause 24(4)					✓	Priority 4						✓

4 Detailed findings, recommendations and action plans

This section has been structured in subsections for the relevant Codes and Regulations against which we assessed AETRH's compliance. The sections are:

- 4.1 Electricity Industry Act – Licence Conditions and Obligations
- 4.2 Electricity Licences – Licence Conditions and Obligations
- 4.3 Electricity Industry Metering Code – Licence Conditions and Obligations
- 4.4 Electricity Industry (Network Quality and Reliability of Supply) Code

Each section contains:

- **Assessment of compliance and control adequacy** – the conclusions from our audit procedures and our assessment of AETRH's compliance with the applicable obligations
- **Findings** – the auditor's understanding of the process and any issues that have been identified during the audit
- **Recommendations** – for improvement or enhancement of the process or control
- **Action plans** – AETRH's formal response to audit recommendations, providing details of action to be implemented to address the specific issue raised by the audit, assignment of the actions to appropriate staff and corresponding completion dates for the actions.

The compliance and control adequacy ratings have been summarised below for each sub-section.

Controls adequacy rating						Compliance rating					
A	B	C	D	NP	Total	1	2	3	4	NR	Total
4.1 Electricity Industry Act											
2	-	-	-	5	7	4	2	-	-	1	7
4.2 Electricity Licences											
-	-	-	-	10	10	5	-	-	-	5	10
4.3 Electricity Industry Metering Code											
Part 2 Code objectives and arms-length treatment											
-	-	-	-	2	2	-	-	-	-	2	2
Part 3 Meters and metering installations											
3	12	-	-	24	39	8	13	-	-	18	39
Part 4 The metering database											
2	1	-	-	14	17	6	3	-	-	8	17
Part 5 Metering services											
1	1	-	-	54	56	6	2	-	-	48	56
Part 6 Documentation											
-	2	-	-	6	8	-	2	-	-	6	8
Part 7 Notes and confidential information											
-	-	-	-	6	6	2	-	-	-	4	6
Part 8 Dispute resolution											
-	-	-	-	5	5	-	-	-	-	5	5
4.4 Electricity Industry (Network Quality & Reliability of Supply) Code											
-	-	-	-	13	13	7	-	-	-	6	13

4.1 Electricity Industry Act – Licence Conditions and Obligations

No.	Obligation under Condition	Findings
101	<p>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.</p> <p><i>Electricity Industry Act section 13(1)</i></p>	<p>Deloitte was appointed with the ERA's approval to undertake the performance audit for AETRH for the period 1 October 2016 to 30 September 2019.</p>
	<p>Priority 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	
102	<p>A licensee must provide for an asset management system.</p> <p><i>Electricity Industry Act section 14(1)(a)</i></p>	<p>Through discussion with the Head of Operations and examination of AETRH's Licence Application and relevant documentation, we determined AETRH has:</p> <ul style="list-style-type: none"> • Maintained an established asset management system in Ellipse • Provided for a functioning asset management system applicable to all of its operations. The 2019 Asset Management System (AMS) Review reported on the effectiveness of AETRH's Asset Management System for the period 1 October 2016 to 30 September 2019 • Maintains both a Strategic Asset Management Plan (SAMP) and Asset Management Plan (AMP) • Aligned its asset management system with ISO55000:2014.
	<p>Priority 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	
103	<p>A licensee must notify details of the asset management system and any substantial changes to it to the ERA.</p> <p><i>Electricity Industry Act section 14(1)(b)</i></p>	<p>Through discussions with the Regulatory Compliance Manager, examination of communications with the ERA and AETRH's Management of Change procedures, we determined:</p> <ul style="list-style-type: none"> • In response to recommendation 1/2016 of the previous audit, AETRH amended its Management of Change procedure in September 2017 to include a definition of a "substantial change" to the asset management system and requirement to notify the ERA of any such change • AETRH had a substantial change in the asset management system during the audit period, when AETRH installed a battery storage system at the Newman Power Station • In February 2017, AETRH provided written advice to the ERA in the form of a letter, to notify them that a battery storage system was being installed at Newman Power Station to provide an uninterruptable power supply, replacing spinning reserve usually provided by a gas turbine <p>While AETRH was compliant with this obligation at the end of the period under audit, the amended Management of Change procedure was implemented after the start of the audit period which resulted in a partial non-compliance during the earlier part of the period under audit. We have therefore rated this obligation with an A/2 rating.</p>
	<p>Priority 4</p> <p>Controls rating: A</p> <p>Compliance Rating: 2</p>	

No.	Obligation under Condition	Findings	
104	<p>A licensee must provide the ERA with a report by an independent expert as to the effectiveness of its asset management system every 24 months, or such longer period as determined by the ERA.</p> <p><i>Electricity Industry Act section 14(1)(c)</i></p>	<p>Deloitte was appointed with the ERA's approval to undertake the asset management system review for AETRH for the period 1 October 2016 to 30 September 2019.</p>	
	<p>Priority 5</p>	<p>Controls rating: NP</p>	<p>Compliance Rating: 1</p>
105	<p>A licensee must pay the prescribed licence fees to the ERA according to clauses 6, 7 and 8 of the Economic Regulation Authority (Licensing Funding) Regulations 2014.</p> <p><i>Electricity Industry Act section 17(1)</i> <i>Economic Regulation Authority (Licensing Funding) Regulations 2014</i></p>	<p>Through discussion with the Regulatory Compliance Manager and examination of Alinta's financial records of licence fee payments processed, we determined all annual licence fees and standing charges have been paid on time (i.e. within one month of the anniversary date) except for the Q1 2018/2019 standing charge.</p>	
	<p>Priority 4</p>	<p>Controls rating: A</p>	<p>Compliance Rating: 2</p>
106	<p>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.</p> <p><i>Electricity Industry Act section 31(3)</i></p>	<p>AETRH confirmed that it maintains emergency and incident response and business continuity systems to minimise the impact of any supply interruptions. Through examination of AETRH's Emergency Response Plans and the Business Continuity Plans, we determined:</p> <ul style="list-style-type: none"> AETRH maintains emergency response, incident response and business continuity management systems, which support AETRH's commitment to its customer for maintaining continuity of supply and safe and secure operations AETRH managers are notified of significant disruptions as and when they occur. 	
	<p>Priority 5</p>	<p>Controls rating: NP</p>	<p>Compliance Rating: 1</p>
107	<p>A licensee must pay the costs of taking an interest in land or an easement over land.</p> <p><i>Electricity Industry Act section 41(6)</i></p>	<p>Project Development Manager - Environmental Asset Strategy has confirmed AETRH did not acquire additional interest in land or easement over the audit period.</p>	
	<p>Priority 4</p>	<p>Controls rating: NP</p>	<p>Compliance Rating: NR</p>

4.2 Electricity Licenses – Licence Conditions and Obligations

No.	Obligation under Condition			Findings
119	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. <i>Electricity Industry Act, section 11</i>			<p>Through examination of Alinta Energy Pty Ltd's 2017 and 2018 Financial Reports, we assessed that the audit opinion on those financials, as issued by KMPG for FY17 Financial Statements on 30 August 2017 and FY18 Financial Statements on 28 August 2018 included comment confirming that the Financials:</p> <ul style="list-style-type: none"> • Are prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative • Use the pronouncements of the Australian Accounting Standards Board (AASB) • Adopt all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of AETRH and effective reporting periods.
	Priority 4	Controls rating: NP	Compliance Rating: 1	
120	A licensee must comply with any individual performance standards prescribed by the ERA. <i>Electricity Industry Act, section 11</i>			The Regulatory Compliance Manager confirmed that no individual performance standards were prescribed over the audit period. Deloitte has performed the audit in accordance with the March 2019 issue of the Audit and Review Guidelines Electricity and Gas Licences.
	Priority 4	Controls rating: NP	Compliance Rating: NR	
121	A licensee must comply, and require its auditor to comply, with the ERA's standard audit guidelines for a performance audit. <i>Electricity Industry Act, section 11</i>			Deloitte was appointed with the ERA's approval to undertake the performance audit for AETRH for the period 1 October 2016 to 30 September 2019. Deloitte has performed the audit in accordance with the March 2019 issue of the Audit and Review Guidelines Electricity and Gas Licences.
	Priority 4	Controls rating: NP	Compliance Rating: 1	
122	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. <i>Electricity Industry Act, section 11</i>			Deloitte was appointed with the ERA's approval to undertake the asset management system review for AETRH for the period 1 October 2016 to 30 September 2019. Deloitte has performed the review in accordance with the March 2019 issue of the Audit and Review Guidelines Electricity and Gas Licences.
	Priority 4	Controls rating: NP	Compliance Rating: 1	
123	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 that the licence			The Regulatory Compliance Manager confirmed that AETRH was not placed under external administration during the audit period nor were there any circumstances that affected the company's ability to meet its licence obligations.

No.	Obligation under Condition			Findings
	was granted which may affect the licensee's ability to meet its obligations. <i>Electricity Industry Act, section 11</i>			
	Priority 4	Controls rating: NP	Compliance Rating: NR	
124	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. <i>Electricity Industry Act, section 11</i>			Through discussion with the Regulatory and Compliance Manager and examination of AETRH's Annual Compliance Report for FY18, we determined AETRH had prepared reports in the manner and form as required by section 11 of the Industry Act. Through examination of communications with the ERA evidencing lodgement of the annual compliance report, we determined AETRH had submitted the reports to the ERA by the 31 August due date.
	Priority 4	Controls rating: NP	Compliance Rating: 1	
125	A licensee must publish any information as directed by the ERA to publish, within the timeframes specified. <i>Electricity Industry Act, section 11</i>			The Regulatory Compliance Manager confirmed that AETRH was not required by the ERA to publish any information during the audit period.
	Priority 4	Controls rating: NP	Compliance Rating: NR	
126	All notices must be in writing, unless otherwise specified. <i>Electricity Industry Act, section 11</i>			The Regulatory Compliance Manager confirmed that AETRH maintains manual and scanned records to evidence formal communications with the Authority, which have been made via post or email and are stored on AETRH Energy's system. We sighted a number of sample correspondences with the ERA.
	Priority 4	Controls rating: NP	Compliance Rating: 1	
127	A distributor must create and maintain a Priority Restoration Register. <i>Electricity Industry Act, section 11</i>			<i>Obligation 127 and 128</i> Through discussions with the Regulatory Compliance Manager and examination of AETRH's Electricity Integrated Regional Licence, we determined AETRH was not required by the ERA to maintain a priority restoration register as it transports electricity to just one customer. AETRH must notify the ERA within ten business days if they distribute electricity to more than one customer.
	Priority 4	Controls rating: NP	Compliance Rating: NR	
128	The Priority Restoration Register must comply with any criteria determined by the Minister. <i>Electricity Industry Act, section 11</i>			
	Priority 4	Controls rating: NP	Compliance Rating: NR	

4.3 Electricity Industry Metering Code

Summary findings

AETRH maintains six meters on its electricity transmission network for measuring and recording energy data relating to electricity transferred to its customers' delivery points. AETRH's PPA with its customer specifies AETRH's obligations for operating and maintaining metering equipment, including references to the requirements of the *North West Interconnected System Electricity Network Access Technical Rules*, the *Electricity Transmission Regulations 1996 (WA)*, *Good Engineering and Operating Practices* and the Metering Code. All energy data from these meters is captured within Alinta's Honeywell Experion system.

Although AETRH has demonstrated that it has operated its meters and recorded related energy data to the satisfaction of its customer throughout the period subject to this audit, it has not completed the below components of recommendation 2/2016 from the previous audit and is still non-compliant with the below obligations during the audit:

1. AETRH has not established a clear metering management plan or framework for demonstrating its:
 - Installation and maintenance of meters in accordance with an applicable metrology procedure, the specifications of the National Measurement Institute under the *National Measurements Act*; and the functionality and testing requirements outlined in Part 3 of the Metering Code (**obligations 319, 320, 326, 327, 336, 337, 340, 342-344, 357**)
 - Management of validated energy data (**obligation 422**)
 - Compliance with all applicable agreements, rules, procedures, criteria and processes outlined in Part 6 of the Metering Code (**obligation 447**).

We also note that AETRH has not complied with clause 6.2 of the Metering Code, which requires a network operator to submit a proposed model service level agreement, metrology procedure and mandatory link criteria to the Authority for its approval. During the 2016 audit, clause 6.2 of the Metering Code was not referenced in the Reporting Manual and was not included in the scope of the audit. However, the reporting manual has been updated during the audit period to create a new obligation referencing the requirements of clause 6.2 of the Metering Code (**obligation 448A**). The creation of obligation 448A has now triggered the requirement of the Metering Code for such documents to be prepared.

We recognise that AETRH expects to complete the metering management plan and incorporate the technical requirements of clause 6.2 of the Metering Code as part of the NWIS access project, which will include a model SLA and Metrology Procedure. AETRH is currently awaiting the detailed regulatory framework design paper for the NWIS, which it anticipates receiving from Energy Policy WA in July 2020 after review by the Minister for Energy.

The recommendation and action plan below applies to obligations 319, 320, 326, 327, 336, 337, 340, 342-344, 357, 422, 447 and 448A.

Recommendation 2/2019

When the Energy Policy WA detailed regulatory framework design paper for the NWIS is formalised, AETRH will prepare a metering management plan to:

- Incorporate the requirements of the Metering Code relevant to AETRH's metering operations

Action Plan 2/2019

AETRH will:

- Prepare a metering management plan to incorporate the requirements of the Metering Code relevant to AETRH's metering operations.

Responsible Person: Head of Operations

Target Date: 30 June 2020

No.	Obligation under condition	Findings
Part 2 Code objectives and arms-length treatment		
317	A network operator must treat all Code participants that are its associates on an arms-length basis. <i>Metering Code clause 2.2(1)(a)</i>	<i>Obligations 317 and 318</i> During the period subject to audit, no other retailers, distributors, generators or users (Code participants) had access to AETRH's network.
	Priority 5 Controls rating: NP Compliance Rating: NR	
318	A network operator must ensure that no Code participant that is its associate receives a benefit in respect of the Code unless the	

No.	Obligation under condition	Findings	
	benefit is attributable to an arm's length application of the Code or is also made available to all other Code participants on the same terms and conditions. <i>Metering Code clause 2.2(1)(b)</i>		
	Priority 4	Controls rating: NP	Compliance Rating: NR
Part 3 Meters and metering installations			
319	A network operator must ensure that its meters meet the requirements specified in the applicable metrology procedure and also comply with any applicable specifications or guidelines (including any transitional arrangements) specified by the National Measurement Institute under the National Measurement Act. <i>Metering Code clause 3.1</i>		<i>Obligations 319 and 320</i> Through discussion with Head of Operations and consideration of AETRH's metering processes, we determined: <ul style="list-style-type: none"> Although AETRH has demonstrated that it has maintained its meters to the satisfaction of its customer throughout the period subject to this audit, it has not completed recommendation 2/2016 of the previous audit, regarding the creation of a metering management plan for demonstrating its compliance with the specifications of the National Measurement Institute under the National Measurements Act Despite the meters collecting interval data, AETRH categorises its meters as accumulation meters In response to recommendation 2/2016, AETRH has developed a metering database which includes relevant technical metering information The information relevant to the meters is captured in the metering database and monthly generation database.
	Priority 4	Controls rating: B	Compliance Rating: 2
320	An accumulation meter must at least conform to the requirements specified in the applicable metrology procedure and display, or permit access to a display of the measurements specified in subclauses 3.2(1) (a) (b) using dials, a cyclometer, an illuminated display panel or some other visual means. <i>Metering Code clause 3.2(1)</i>		<i>Refer to summary findings, recommendation and action plan at Issue 2/2019 above.</i>
	Priority 4	Controls rating: B	Compliance Rating: 2
321	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. <i>Metering Code clause 3.3(1)</i>		Through discussion with the Head of Operations, we determined that despite the meters collecting interval data, AETRH categorises its meters as accumulation meters. The information relevant to the meters is captured in the metering database.
	Priority 4	Controls rating: NP	Compliance Rating: NR
322	If a metering installation is required to include a communications link, the link must (where necessary), include a modem and isolation device approved under the relevant telecommunications regulations, to allow the interval energy data to be downloaded in the manner prescribed. <i>Metering Code clause 3.3(3)</i>		Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined AETRH's meters operate within internal communications systems and are not required to comply with telecommunications regulations.
	Priority 4	Controls rating: NP	Compliance Rating: NR

No.	Obligation under condition	Findings
323	<p>A network operator must ensure that bidirectional electricity flows do not occur at a metering point unless the metering installation for the metering point is capable of separately measuring and recording electricity flows in each direction. <i>Metering Code clause 3.3A(1)</i></p> <p>Priority 4 Controls rating: NP Compliance Rating: 1</p>	Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined AETRH's meters are capable of separately measuring and recording electricity flows in each direction.
324	<p>A user who is aware of bi-directional flows at a metering point which was not previously subject to a bi-directional electricity flows or any changes in a customer's or user's circumstances in a metering point which will result in bi-directional electricity flows must notify the network operator within 2 business days. <i>Metering Code clause 3.3B</i></p> <p>Priority 4 Controls rating: NP Compliance Rating: NR</p>	<p><i>Obligations 324 and 325</i></p> <p>Though discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined:</p> <ul style="list-style-type: none"> AETRH's electricity supply arrangements provide only for electricity to be transferred out of the network at the point of connection to the Roy Hill mine site. Accordingly, no bi-directional electricity flows have occurred at AETRH's metering points during the period subject to audit Each of AETRH's accumulation meters have the capability to record the net electricity production transferred into the network that exceeds electricity consumption and the net electricity consumption transferred out of the network that exceeds electricity production All such energy data is captured within Alinta's Honeywell Experion system.
325	<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"> The net electricity production transferred into the network that exceeds electricity consumption and The net electricity consumption transferred out of the network that exceeds electricity production. <p><i>Metering Code clause 3.3C</i></p> <p>Priority 4 Controls rating: NP Compliance Rating: 1</p>	
326	<p>A network operator must ensure that there is a metering installation at every connection point on its network which is not a Type 7 connection point. Unless it is a Type 7 metering installation, the metering installation must meet the functionality requirements prescribed. <i>Metering Code clause 3.5(1) and (2)</i></p> <p>Priority 4 Controls rating: B Compliance Rating: 2</p>	<p><i>Obligations 326 and 327</i></p> <p>Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined:</p> <ul style="list-style-type: none"> AETRH has no Type 7 connection points (street lights etc). AETRH has meters for each points on its network and maintains a schematic that displays the meters at the switching points Although AETRH has demonstrated that it has maintained its meters to the satisfaction of its customer throughout the period subject to this audit, it has not completed recommendation 2/2016 of the previous audit, regarding the creation of a metering management plan for demonstrating its compliance with the specifications of the National Measurement Institute under the National Measurements Act.
327	<p>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. <i>Metering Code clause 3.5(3)</i></p> <p>Priority 4 Controls rating: B Compliance Rating: 2</p>	<p><i>Refer to summary findings, recommendation and action plan at Issue 2/2019 above.</i></p>

No.	Obligation under condition	Findings
328	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. <i>Metering Code clause 3.5(4)</i>	Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined: <ul style="list-style-type: none"> AETRH's meters are located as close as practicable to the connection points within its network, being the Roy Hill mine site switchyard AETRH maintains a schematic which outlines the meters at the switching points.
	Priority 4	
329	A network operator may only impose a charge for providing, installing, operating or maintaining a metering installation in accordance with the applicable service level agreement between it and the user. <i>Metering Code clause 3.5(6)</i>	Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined: <ul style="list-style-type: none"> AETRH operates under the PPAs with its customer which does not provide for AETRH to impose a charge for providing, installing, operating or maintaining its meters AETRH has not imposed such a charge during the period subject to audit.
	Priority 4	
330	If a network operator becomes aware that a metering installation does not comply with the Code, the network operator must advise affected parties of the non-compliance and arrange for the non-compliance to be corrected as soon as practicable. <i>Metering Code clause 3.5(9)</i>	Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined that AETRH has not identified any of its meters to be non-compliant with the Metering Code.
	Priority 4	
331	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. <i>Metering Code clause 3.7</i>	Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined: <ul style="list-style-type: none"> AETRH's meters operate with internal communication systems only and therefore have not triggered the requirement to comply with the external communication regulations as specified in clause 3.7.
	Priority 3	
332	Subject to clause 3.27, a network operator must ensure that, consistent with the standards of good electricity industry practice, each metering installation on its network is secured by devices or methods that hinder unauthorized access and enable unauthorized access to be detected. <i>Metering Code clause 3.8</i>	<i>Obligations 332 and 333</i> Through discussion with the Head of Operations, inspection of site operations at Newman, consideration of AETRH's metering arrangements and examination of the metering database, we determined: <ul style="list-style-type: none"> Meters are secured to prevent and detect unauthorised access Meters are designed to meet the accuracy requirements for type 1 meters
	Priority 4	

No.	Obligation under condition	Findings
333	Subject to subclauses 3.9(4), 3.9(5) and 3.9(7), each metering installation must meet at least the requirements for that type of metering installation specified in Table 3 in Appendix 1 of the Code. <i>Metering Code clause 3.9(3)</i>	<ul style="list-style-type: none"> In response to recommendation 2/2016 of the previous audit, AETRH created its metering database in January 2018 containing calibration tables that applied to each metering installation to achieve installation accuracy in accordance with the accuracy requirements in Part 3 of the Metering Code (Appendix 1, Table 3) All metering installations meet the requirements under the Metering Code for Type 1 installations (annual throughput above 1,000 GWh).
	Priority 4	
334	A metering installation used to supply a customer with requirements above 1000 volts that requires a VT and whose annual consumption is below 750MWh must meet the relevant accuracy requirements of a Type 3 metering installation for active energy only. <i>Metering Code clause 3.9(7)</i>	<p>During the audit period, AETRH did not have any customers with annual consumption below 750 MWh.</p> <p>Accordingly, AETRH had no obligations under clause 3.9(7) of the Metering Code for the period subject to audit.</p>
	Priority 4	
335	If compensation is carried out within the meter then the resultant metering system error must be as close as practicable to zero. <i>Metering Code clause 3.9(9)</i>	<p>Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined that no such compensation has been carried out within AETRH's meters during the period subject to audit.</p>
	Priority 4	
336	A network operator must ensure that any programmable settings within any of its metering installations, data loggers or peripheral devices, that may affect the resolution of displayed or stored data, meet the relevant requirements specified in the applicable metrology procedure and comply with any applicable specifications or guidelines specified by the National Measurement Institute under the National Measurement Act. <i>Metering Code clause 3.10</i>	<p>Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined:</p> <ul style="list-style-type: none"> AETRH has maintained each meter on its network in accordance with relevant requirements, including those under the <i>National Measurement Act</i> Although AETRH has demonstrated that it has maintained its meters to the satisfaction of its customer throughout the period subject to this audit, it has not completed recommendation 2/2016 of the previous audit, regarding the creation of a metering management plan for demonstrating its compliance with the specifications of the National Measurement Institute under the National Measurements Act. <p><i>Refer to summary findings, recommendation and action plan at Issue 2/2019 above.</i></p>
	Priority 4	

No.	Obligation under condition	Findings			
337	<p>A network operator must ensure that a metering installation on its network is operating consistently with good electricity industry practice to measure and record data, and to permit collection of data within the time specified in the applicable service level agreement, for at least the percentages of the year specified.</p> <p><i>Metering Code clause 3.11(1)</i></p>	<p>Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined:</p> <ul style="list-style-type: none"> AETRH has maintained each meter on its network in accordance with good industry practice to measure and record data Although AETRH has demonstrated that it has maintained its meters to the satisfaction of its customer throughout the period subject to this audit, it has not completed recommendation 2/2016 of the previous audit, regarding the creation of a metering management plan for demonstrating its compliance with the specifications of the National Measurement Institute under the National Measurements Act. <p><i>Refer to summary findings, recommendation and action plan at Issue 2/2019 above.</i></p>			
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: B</td> <td>Compliance Rating: 2</td> </tr> </table>	Priority 4	Controls rating: B	Compliance Rating: 2	
Priority 4	Controls rating: B	Compliance Rating: 2			
338	<p>If an outage or malfunction occurs to a metering installation, the network operator must make repairs to the metering installation in accordance with the applicable service level agreement.</p> <p><i>Metering Code clause 3.11(2)</i></p>	<p>The Head of Operations confirmed that AETRH had not made repairs to its meters during the period subject to audit.</p>			
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
340	<p>A network operator must ensure that the meters on its network are systematically sampled and tested for accuracy in accordance with AS 1284.13.</p> <p><i>Metering Code clause 3.11A(1)</i></p>	<p><i>Obligations 340 to 344</i></p> <p>Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined:</p> <ul style="list-style-type: none"> AETRH has a metering database, which includes all relevant metering information AETRH had not identified any of its meters as failing during the audit period Although AETRH has demonstrated that it has maintained its meters to the satisfaction of its customer throughout the period subject to this audit, it has not completed recommendation 2/2016 of the previous audit, regarding the creation of a metering management plan for demonstrating its compliance with the specifications of the National Measurement Institute under the National Measurements Act. <p><i>Refer to summary findings, recommendation and action plan at Issue 2/2019 above.</i></p>			
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: B</td> <td>Compliance Rating: 2</td> </tr> </table>	Priority 4	Controls rating: B	Compliance Rating: 2	
Priority 4	Controls rating: B	Compliance Rating: 2			
341	<p>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 the meters that make up the population are removed and replaced with new meters within 3 years of the testing of the population.</p> <p><i>Metering Code clause 3.11A(2)</i></p>				
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
342	<p>A network operator must ensure that each metering installation complies with, at least, the prescribed design requirements.</p> <p><i>Metering Code clause 3.12(1)</i></p>				
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: B</td> <td>Compliance Rating: 2</td> </tr> </table>	Priority 4	Controls rating: B	Compliance Rating: 2	
Priority 4	Controls rating: B	Compliance Rating: 2			
343	<p>A network operator must ensure that instrument transformers in its metering installations comply with the relevant requirements of any applicable specifications or guidelines (including any transitional arrangements) specified by the National Measurement Institute under the National Measurement Act and</p>				

No.	Obligation under condition	Findings
	any requirements specified in the applicable metrology procedure. <i>Metering Code clause 3.12(2)</i>	
	Priority 4	Controls rating: B Compliance Rating: 2
344	A network operator must provide isolation facilities, to the standard of good electricity industry practice, to facilitate testing and calibration of the metering installation. <i>Metering Code clause 3.12(3)</i>	
	Priority 4	Controls rating: B Compliance Rating: 2
345	A network operator must maintain drawings and supporting information, to the standard of good electricity industry practice, detailing the metering installation for maintenance and auditing purposes. <i>Metering Code clause 3.12(4)</i>	Through discussion with the Head of Operations, examination of meter drawings and supporting information showing AETRH's metering arrangements, we determined: <ul style="list-style-type: none"> In response to recommendation 2/2016 of the previous audit, AETRH compiled relevant meter drawings and supporting information These are now stored in the internal document management system, CLM Matrix Drawings show the metering installation arrangements AETRH keeps a detailed commissioning test report that highlights the tests completed to commission the meters Supporting information contains list of metering equipment and meter schedule This has been classified as an A/2 as AETRH were compliant for part of the audit period, and therefore had a period of non-compliance before the changes were put into place.
	Priority 2	Controls rating: A Compliance Rating: 2
346	A network operator must procure the user or the user's customer to install (or arrange for the installation of) a full check metering installation or partial check metering installation in accordance with the prescribed requirements. <i>Metering Code clause 3.13(1)</i>	<i>Obligations 346 to 348</i> Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined: <ul style="list-style-type: none"> AETRH uses parallel check meters for each of its metering installations, which are Type 1 metering installations AETRH does not use partial check meters AETRH's parallel check metering arrangements meet the requirements of clause 3.13(4) (b) of the Metering Code.
	Priority 4	Controls rating: NP Compliance Rating: 1
347	A partial check metering installation must be physically arranged in a manner determined by the network operator, acting in accordance with good electricity industry practice. <i>Metering Code clause 3.13(3)(c)</i>	
	Priority 4	Controls rating: NP Compliance Rating: NR
348	A check metering installation for a metering point must comply with the prescribed requirements. <i>Metering Code clause 3.13(4)</i>	

No.	Obligation under condition			Findings
	Priority 4	Controls rating: NP	Compliance Rating: 1	
349	<p>If, under clause 3.14(2), a metering installation uses metering class CTs and VTs that do not comply with the Table 3 in Appendix 1, then the network operator must either or both install meters of a higher class accuracy and apply accuracy calibration factors within the meter to compensate for CT and VT errors, in order to achieve the accuracy requirements in Table 3 in Appendix 1.</p> <p><i>Metering Code clause 3.14(3)</i></p>			<p>Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined:</p> <ul style="list-style-type: none"> At the time of commissioning, AETRH's metering installations were designed in compliance with the accuracy requirements of the Metering Code Accordingly, clause 3.14(3) is not relevant to AETRH's circumstances.
	Priority 4	Controls rating: NP	Compliance Rating: NR	
355	<p>If reasonably requested by a Code participant, a network operator must provide enhanced technology features in a metering installation.</p> <p><i>Metering Code clause 3.20(1)</i></p>			<p>The Head of Operations confirmed that AETRH has not been requested by a Code participant to provide enhanced technology features in a metering installation.</p>
	Priority 4	Controls rating: NP	Compliance Rating: NR	
356	<p>A network operator may only impose a charge for the provision of metering installations with enhanced technology features in accordance with the applicable service level agreement between it and the user.</p> <p><i>Metering Code clause 3.20(3)</i></p>			<p>Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined:</p> <ul style="list-style-type: none"> AETRH's PPAs with its customer does not provide for AETRH to impose a charge for providing, installing, operating or maintaining its meters AETRH has not imposed such a charge during the period subject to audit.
	Priority 4	Controls rating: NP	Compliance Rating: NR	
357	<p>Meters containing an internal real time clock must maintain time accuracy as prescribed. Time drift must be measured over a period of 1 month.</p> <p><i>Metering Code clause 3.21(1)</i></p>			<p>Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined:</p> <ul style="list-style-type: none"> AETRH's meters contain an internal real time clock Although AETRH has demonstrated that it has maintained its meters to the satisfaction of its customer throughout the period subject to this audit, it has not completed recommendation 2/2016 of the previous audit, regarding the creation of a metering management plan for demonstrating its compliance with the specifications of the National Measurement Institute under the National Measurements Act. <p><i>Refer to summary findings, recommendation and action plan at Issue 2/2019 above.</i></p>
	Priority 4	Controls rating: B	Compliance Rating: 2	
358	<p>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.</p>			<p>Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined that AETRH's on-site facilities and systems appropriately provide for interval energy data to be stored.</p>

No.	Obligation under condition	Findings
	<i>Metering Code clause 3.21(2)</i>	
	Priority 4 Controls rating: A Compliance Rating: 1	
359	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. <i>Metering Code clause 3.22</i>	Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined: <ul style="list-style-type: none"> • During the period subject to audit AETRH held the required licence for using and accessing the metering software associated with its meters • AETRH has trained and qualified personnel who are able to set the parameters of the meters.
	Priority 4 Controls rating: NP Compliance Rating: 1	
360	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. <i>Electricity Industry Metering Code clause 3.23(a)</i>	<i>Obligations 360 and 361</i> AETRH confirmed that during the period subject to audit, no signals were provided from the meter to the user or customer.
	Priority 4 Controls rating: NP Compliance Rating: NR	
361	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. <i>Electricity Industry Metering Code clause 3.23(b)</i>	
	Priority 4 Controls rating: NP Compliance Rating: NR	
364	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. <i>Metering Code clause 3.27</i>	The Head of Operations confirmed that no meters were installed on AETRH's transmission network during the period subject to audit.
	Priority 4 Controls rating: NP Compliance Rating: NR	
365	A network operator must publish a list of registered metering installation providers, including the prescribed details, and update the list at least annually. <i>Metering Code clause 3.29</i>	As AETRH has not installed any new meters during the period subject to audit, there was no requirement to register a metering installation provider or publish an associated list.
	Priority 4 Controls rating: NP Compliance Rating: NR	
Part 4 The metering database		

No.	Obligation under condition	Findings
366	<p>A network operator must establish, maintain and administer a metering database containing standing data and energy data for each metering point on its network.</p> <p><i>Metering Code clause 4.1(1)</i></p>	<p>Through discussion with the Head of Operations and examination of AETRH's metering database, we determined:</p> <ul style="list-style-type: none"> In response to recommendation 2/2016 of the previous audit, AETRH has created a metering database which is contained in the internal document management system CLM Matrix AETRH maintains standing data within the metering database for each point on its network Energy data from each of AETRH's meters is captured within Alinta's Honeywell Experion system. <p>We examined the standing data in the metering database and energy data in the Honeywell Experion system against the criteria of clause 4.1(1) and determined:</p> <ul style="list-style-type: none"> Each metering point on the network is contained in the database Database contains standing data for each metering point Energy data is maintained for the metering points. <p>This has been classified as a A/2 as AETRH were compliant for part of the audit period, and therefore had a period of non-compliance before the changes were put into place.</p>
	<p>Priority 2</p> <p>Controls rating: A</p> <p>Compliance Rating: 2</p>	
367	<p>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).</p> <p><i>Metering Code clause 4.1(2)</i></p>	<p>Through discussion with the Head of Operations and Alinta Energy IT, consideration of AETRH's metering arrangements and examination of Alinta Energy's IT Security Policy and password policy system parameters, we determined:</p> <ul style="list-style-type: none"> Alinta's Honeywell Experion system is appropriately secured through physical and logical means to prevent and/or detect unauthorised access.
	<p>Priority 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	
368	<p>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.</p> <p><i>Metering Code clause 4.1(3)</i></p>	<p>Through discussion with the Head of Operations and Alinta Energy IT; and examination of Alinta Energy's System back-up protocol, we determined:</p> <ul style="list-style-type: none"> AETRH has established appropriate capabilities to restore the Honeywell Experion system within two business days to ensure energy data will continue to be captured Alinta backs up the metering database every evening to its server, which allows AETRH to recover the database should it need to.
	<p>Priority 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	

No.	Obligation under condition	Findings
369	A network operator must ensure that its registry complies with the Code and the prescribed clause of the market rules. <i>Metering Code clause 4.2(1)</i>	<i>Obligations 369 and 370</i> Through discussion with the Head of Operations and examination of the metering database, we determined: <ul style="list-style-type: none"> In response to recommendation 2/2016 of the previous audit AETRH established a metering database, which includes relevant metering information This database is located in the internal document management system CLM Matrix The database contained the minimum required information prescribed in the market rules The database contains most of the minimum required standing data specified in <i>Metering Code clause 4.3(1)</i>.
	Priority 2	Controls rating: A
		Compliance Rating: 2
370	The standing data for a metering point must comprise at least the items specified. <i>Metering Code clause 4.3(1)</i>	Examination of the Standing database showed the metering database had all the prerequisite standing data item headings of <i>clause 4.3(1)</i> . However, six columns in the database were left blank: <ul style="list-style-type: none"> (4) Voltage at metering point (5) Distribution loss factor (14) NMI (20) Summation scheme values and multipliers (21) Data register coding details (27) Algorithms.
	Priority 2	Controls rating: B
		Compliance Rating: 2
	Recommendation 1/2019 In its metering database AETRH should provide commentary on the applicability of the following columns, which are currently blank: (4) Voltage at metering point (5) Distribution loss factor (14) NMI meter (20) Summation scheme values and multipliers (21) Data register coding details (27) Algorithms.	Action Plan 1/2019. AETRH will update the metering database to provide commentary on standing data items 4, 5, 14, 20, 21 and 27. Responsible Person: Head of Operations Target Date: 31 January 2020
371	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. <i>Metering Code clause 4.4(1)</i>	<i>Obligations 371 and 372</i> Through discussion with the Head of Operations we determined that AETRH has not accessed any other network for the purpose of its Licence throughout the period subject to this audit. Accordingly it has not acted as a Code participant in relation to another network and this obligation is not relevant to this audit.
	Priority 5	Controls rating: NP
		Compliance Rating: NR

No.	Obligation under condition	Findings			
372	<p>A Code participant must not knowingly permit the registry to be materially inaccurate.</p> <p><i>Metering Code clause 4.5(1)</i></p> <table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 5	Controls rating: NP	Compliance Rating: NR	
Priority 5	Controls rating: NP	Compliance Rating: NR			
373	<p>Subject to subclause 5.19(6), if a Code participant, other than a network operator, becomes aware of a change to, or an inaccuracy in, an item of standing data in the registry, then it must notify the network operator and provide details of the change or inaccuracy within the timeframes prescribed.</p> <p><i>Metering Code clause 4.5(2)</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	<p><i>Obligations 373 to 376</i></p> <p>The Head of Operations confirmed that AETRH had not become aware of any inaccuracy in an item of standing data in Horizon Power's metering registry during the period subject to audit.</p> <p>During the period of audit there was no opportunity for a code participant to have visibility of AETRH's standing data, as no code participants had access to AETRH's network.</p>
Priority 4	Controls rating: NP	Compliance Rating: NR			
374	<p>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 address the issue.</p> <p><i>Metering Code clause 4.6(1)</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
375	<p>If a network operator is notified of a change to or inaccuracy in an item of standing data by a Code participant which is not the designated source for the item of standing data, or otherwise becomes aware of a change to or inaccuracy in an item of standing data, then the network operator must undertake investigations to the standard of good electricity industry practice to determine whether the registry should be updated, and update the registry as required.</p> <p><i>Metering Code clause 4.6(2)</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
376	<p>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.</p> <p><i>Metering Code clause 4.7</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			

No.	Obligation under condition	Findings	
377	<p>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.</p> <p><i>Electricity Industry Metering Code, clause 4.8(3)</i></p>	<p><i>Obligations 377 and 378</i></p> <p>During the period subject of audit, no other retailers or generators had access to AETRH's transmission and distribution network.</p>	
Priority 4	Controls rating: NP		Compliance Rating: NR
378	<p>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 using a password provided by the network operator which provides 'read only' access.</p> <p><i>Electricity Industry Metering Code, clause 4.8(3A)</i></p>		
Priority 4	Controls rating: NP		Compliance Rating: NR
379	<p>A network operator must have devices and methods in place that ensure that energy data held in its metering installation is secured from unauthorised local or remote access using the methods prescribed.</p> <p><i>Metering Code clause 4.8(4)(a)</i></p>		
Priority 4	Controls rating: NP	Compliance Rating: 1	
380	<p>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.</p> <p><i>Metering Code clause 4.8(4)(b)</i></p>	<p><i>Obligations 379 to 381</i></p> <p>Through discussion with the Head of Operations and Alinta Energy IT, consideration of AETRH's metering arrangements and examination of Alinta Energy's IT Security Policy and password policy system parameters, we determined:</p> <ul style="list-style-type: none"> Alinta has appropriate methods in place to ensure that relevant data held in its meters and Honeywell Experian system and is appropriately secured through physical and logical means to prevent and/or detect unauthorised access The metering database and associated information is appropriately protected through passwords and other system securities to prevent unauthorised access Alinta Energy business systems are appropriately protected through passwords and other system securities to prevent unauthorised access. 	
Priority 4	Controls rating: NP		Compliance Rating: 1
381	<p>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.</p> <p><i>Metering Code clause 4.8(5)</i></p>		
Priority 4	Controls rating: NP		Compliance Rating: 1

No.	Obligation under condition			Findings
382	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. <i>Metering Code clause 4.9</i>			<p>Through discussion with the Head of Operations and Alinta Energy IT; and consideration of AETRH's metering arrangements, we determined:</p> <ul style="list-style-type: none"> Alinta's Honeywell Experion system is designed to ensure that relevant energy data is retained in a readily accessible format for at least 13 months and once archived, indefinitely (i.e. in excess of five years and 11 months) in a format that is accessible within a reasonable period of time.
	Priority 4	Controls rating: NP	Compliance Rating: 1	
Part 5 Metering Services				
383	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. <i>Metering Code clause 5.1 (1)</i>			<p><i>Obligations 383 and 384</i></p> <p>During the period subject to audit, no other retailers, distributors, generators or users (collectively Code Participants) had access to AETRH's transmission network, or an opportunity to obtain a metering service. Therefore clause 5.1 of the Metering Code did not apply to AETRH's circumstances during the period subject to audit.</p>
	Priority 5	Controls rating: NP	Compliance Rating: NR	
384	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. <i>Metering Code clause 5.1(2)</i>			
	Priority 5	Controls rating: NP	Compliance Rating: NR	
385	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). <i>Metering Code clause 5.3</i>			<p><i>Obligations 385 to 387</i></p> <p>Through discussion with the Senior Analyst, Finance – Merchant Energy and consideration of AETRH's metering arrangements, we determined:</p> <ul style="list-style-type: none"> Energy data collected from meters is immediately transferred to Alinta's Honeywell Experion system Actual meter readings are undertaken on a continuous basis and in 30 minute intervals AETRH's use of check meters accommodates the required energy data validation processes Meter readings are only performed by appointed AETRH personnel.
	Priority 4	Controls rating: NP	Compliance Rating: 1	

No.	Obligation under condition	Findings		
386	<p>A network operator must, for each meter on its network, at least once in every 12 month period, undertake a meter reading that provides an actual value that passes the validation processes in Appendix 2.</p> <p><i>Metering Code clause 5.4(1)</i></p>			
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>		Priority 5	Controls rating: NP
Priority 5	Controls rating: NP	Compliance Rating: 1		
387	<p>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.</p> <p><i>Metering Code clause 5.4(1A)</i></p>			
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>		Priority 4	Controls rating: NP
Priority 4	Controls rating: NP	Compliance Rating: 1		
388	<p>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).</p> <p><i>Electricity Industry Metering Code clause 5.4(2)</i></p>	<p>The Head of Operations confirmed that AETRH has not accessed any other network for the purpose of its Licence throughout the period subject to this audit. Accordingly it has not acted as a user in relation to another network and this obligation is not relevant to this audit.</p>		
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>		Priority 5	Controls rating: NP
Priority 5	Controls rating: NP	Compliance Rating: NR		
389	<p>Subject to subclause 5.5(2A) (b), a network operator may impose a charge for the provision of data but only if a user has requested the energy data to the extent permitted by, and in accordance with the applicable service level agreement between it and the user, and if a customer has given a direction under subclause 5.17A (1), in accordance with the prescribed conditions.</p> <p><i>Metering Code clause 5.5(2)</i></p>	<p><i>Obligations 389 and 390</i></p> <p>Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined:</p> <ul style="list-style-type: none"> AETRH's PPA with its customer does not allow for it to impose a charge for providing energy data or standing data on request AETRH has not imposed such a charge during the period subject to audit. 		
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>		Priority 5	Controls rating: NP
Priority 5	Controls rating: NP	Compliance Rating: NR		
390	<p>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.</p> <p><i>Metering Code clause 5.5(2A)</i></p>			
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>		Priority 4	Controls rating: NP
Priority 4	Controls rating: NP	Compliance Rating: NR		

No.	Obligation under condition	Findings			
391	<p>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).</p> <p><i>Metering Code clause 5.6(1)</i></p>	<p><i>Obligations 391 and 392</i></p> <p>Through discussion with the Senior Analyst, Finance – Merchant Energy and consideration of AETRH’s metering arrangements, we determined:</p> <ul style="list-style-type: none"> • Energy data, including validated, substituted or estimated data is provided to AETRH’s customer in accordance with the PPA • As AETRH’s network is not part of the wholesale electricity market, AETRH is not required to provide data to the IMO (AEMO) • During the period subject to audit, no other users had access to AETRH’s transmission network. 			
	<table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>		Priority 5	Controls rating: NP	Compliance Rating: NR
Priority 5	Controls rating: NP		Compliance Rating: NR		
392	<p>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.</p> <p><i>Metering Code clause 5.7</i></p>				
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>		Priority 4	Controls rating: NP	Compliance Rating: NR
Priority 4	Controls rating: NP	Compliance Rating: NR			
393	<p>A network operator must provide a user with whatever information the network operator has that is necessary to enable the user to comply with its obligations under the Code of Conduct, within the time necessary for the user to comply with the obligations.</p> <p><i>Metering Code clause 5.8</i></p>				
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
394	<p>A network operator must provide standing data, provided to or obtained by it under this Code, to users where required to do so under any enactment.</p> <p><i>Metering Code clause 5.9</i></p>				
	<table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
397	<p>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 a network operator must provide a user with a complete set of energy data for the a metering point within the timeframes prescribed.</p> <p><i>Metering Code clause 5.12(1)</i></p>				

No.	Obligation under condition			Findings
	Priority 4	Controls rating: NP	Compliance Rating: NR	
398	<p>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.</p> <p><i>Metering Code clause 5.13</i></p>			
	Priority 4	Controls rating: NP	Compliance Rating: NR	
399	<p>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.</p> <p><i>Metering Code clause 5.14(3)</i></p>			
	Priority 4	Controls rating: NP	Compliance Rating: NR	
400	<p>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.</p> <p><i>Metering Code clause 5.15</i></p>			
	Priority 4	Controls rating: NP	Compliance Rating: NR	
402	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.17(1)</i></p>			Through discussion with the Senior Analyst, Finance – Merchant Energy and consideration of AETRH's metering arrangements, we determined that standing data and validated energy data is provided to AETRH's customer in accordance with the PPA, for the purpose of invoicing.
	Priority 4	Controls rating: NP	Compliance Rating: 1	
403	<p>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).</p> <p><i>Metering Code clause 5.17A(1)</i></p>			<i>Obligations 403 and 404</i> The Senior Analyst, Finance – Merchant Energy confirmed that during the period subject to audit, AETRH did not receive any directions from its customer to provide data for a metering point from its metering database.
	Priority 4	Controls rating: NP	Compliance Rating: NR	

No.	Obligation under condition	Findings			
404	<p>A network operator must comply with a direction under subclause 5.17A (1) within the timeframes prescribed.</p> <p><i>Metering Code clause 5.17A(3)</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
405	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.18</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	<p><i>Obligations 405-408</i></p> <p>The Senior Analyst, Finance – Merchant Energy confirmed that AETRH has not accessed any other network for the purpose of its Licence throughout the period subject to this audit. Accordingly it has not acted as a user in relation to another network and this obligation is not relevant to this audit.</p>
Priority 4	Controls rating: NP	Compliance Rating: NR			
406	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.19(1)</i></p> <table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 5	Controls rating: NP	Compliance Rating: NR	
Priority 5	Controls rating: NP	Compliance Rating: NR			
407	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.19(2)</i></p> <table border="1"> <tr> <td>Priority 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 5	Controls rating: NP	Compliance Rating: NR	
Priority 5	Controls rating: NP	Compliance Rating: NR			
408	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.19(3)</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
409	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.19(5)</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			

No.	Obligation under condition			Findings
410	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. <i>Electricity Industry Metering Code clause 5.19(6)</i>			AETRH has not acted as a user on any other network. Accordingly, AETRH had no obligations under clause 5.19(6) of the Metering Code for the period subject to audit.
	Priority 5	Controls rating: NP	Compliance Rating: NR	
411	A network operator must, by not later than 6 months after the date this Code applies to the network operator, develop, in accordance with the communication rules, an Energy Data Verification Request Form. <i>Metering Code clause 5.20(1)</i>			<p><i>Obligations 411 and 412</i></p> <p>Through consultation with the Head of Operations and examination of AETRH's Energy Data Verification Required Form, it was determined:</p> <ul style="list-style-type: none"> In response to recommendation 2/2016 of the previous audit, AETRH created an Energy Data Verification Request Form during the audit period The Request Form was developed and placed in the internal document management system, CLM Matrix on Sept 2017 The Request Form contains the communication rule requirements prescribed by section 5.20(1) (2) of the Code. <p>This has been classified as a A/2 as AETRH were compliant for part of the audit period, and therefore had a period of non-compliance before the changes were put into place.</p>
	Priority 2	Controls rating: A	Compliance Rating: 2	
412	An Energy Data Verification Request Form must require a Code participant to provide the information prescribed. <i>Metering Code clause 5.20(2)</i>			<p>This has been classified as a A/2 as AETRH were compliant for part of the audit period, and therefore had a period of non-compliance before the changes were put into place.</p>
	Priority 4	Controls rating: NP	Compliance Rating: 1	
413	If a Code participant requests verification of energy data under subclause 5.20(3), the network operator must, in accordance with the metrology procedure, subject to subclause 5.20(5), use reasonable endeavours to verify energy data and inform the requesting Code participant of the result of the verification and provide the verified energy data within the timeframes prescribed. <i>Metering Code clause 5.20(4)</i>			The Senior Analyst, Finance – Merchant Energy confirmed that during the period subject to audit, AETRH did not receive any request for verification of energy data.
	Priority 4	Controls rating: NP	Compliance Rating: NR	
414	A network operator must comply with any reasonable request under subclause 5.21(1) <i>Metering Code clause 5.21(2)</i>			<p><i>Obligations 414 and 415</i></p> <p>The Head of Operations and Senior Analyst, Finance – Merchant Energy confirmed that during the period subject to audit, AETRH did not receive any request for a test or audit of the accuracy of a metering installation, the energy data from the metering installation and/or the standing data from the metering installation.</p>
	Priority 4	Controls rating: NP	Compliance Rating: NR	
415	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. <i>Metering Code clause 5.21(4)</i>			
	Priority 4	Controls rating: NP	Compliance Rating: NR	

No.	Obligation under condition	Findings
416	<p>A Code participant must not request a test or audit under subclause 5.21(1) unless the Code participant is a user and the test or audit relates to a time or times at which the user was the current user or the Code participant is the IMO. <i>Electricity Industry Metering Code, clause 5.21(5)</i></p> <p>Priority 4 Controls rating: NP Compliance Rating: NR</p>	<p><i>Obligations 416 and 417</i></p> <p>Through discussions with the Head of Operations, we determined AETRH has not acted as a user on any other networks. Accordingly, AETRH had no obligations under clause 5.25 (5) (6) for the period subject to audit.</p>
417	<p>A Code participant must not make a request under subclause 5.21(1) that is inconsistent with any access arrangement or agreement. <i>Electricity Industry Metering Code, clause 5.21(6)</i></p> <p>Priority 4 Controls rating: NP Compliance Rating: NR</p>	
418	<p>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. <i>Metering Code clause 5.21(8)</i></p> <p>Priority 4 Controls rating: NP Compliance Rating: NR</p>	<p><i>Obligations 418 to 421</i></p> <p>Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined:</p> <ul style="list-style-type: none"> AETRH's PPA with its customer does not provide for AETRH to impose a charge for undertaking a test of metering installations and/or auditing of information from the meters associated with the metering installations AETRH has not imposed such a charge during the period subject to audit. <p>The Head of Operations confirmed that during the period subject to audit, AETRH did not receive any request for a test or audit of the accuracy of a metering installation, the energy data from the metering installation and/or the standing data from the metering installation.</p>
419	<p>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. <i>Metering Code clause 5.21(9)</i></p> <p>Priority 4 Controls rating: NP Compliance Rating: NR</p>	
420	<p>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. <i>Metering Code clause 5.21(11)</i></p> <p>Priority 4 Controls rating: NP Compliance Rating: NR</p>	
421	<p>The original stored error correction data in a meter must not be altered except during accuracy testing and calibration of a metering installation.</p>	

No.	Obligation under condition	Findings
	<i>Metering Code clause 5.21(12)</i>	
	Priority 4 Controls rating: NP Compliance Rating: NR	
422	<p>A network operator must validate energy data in accordance with this Code applying, as a minimum, the prescribed rules and procedures set out in Appendix 2 and must, where necessary, substitute and estimate energy data under this Code applying, as a minimum, the prescribed rules and procedures set out in Appendix 3.</p> <p><i>Metering Code clause 5.22(1)</i></p>	<p>Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined:</p> <ul style="list-style-type: none"> • AETRH uses parallel check meters for each of its metering installations, which are Type 1 metering installations • Energy data is validated in accordance with the prescribed rules and procedures as set out in Appendix 2 of the Metering Code • Although AETRH applies energy data validation process in accordance with its obligations under its customer's PPA, AETRH has not completed recommendation 2/2016 of the previous audit, regarding the creation of a metering management plan for demonstrating its compliance with the specifications of the National Measurement Institute under the National Measurements Act. <p><i>Refer to summary findings, recommendation and action plan at Issue 2/2019 above.</i></p>
	Priority 4 Controls rating: B Compliance Rating: 2	
423	<p>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.</p> <p><i>Metering Code clause 5.22(2)</i></p>	<p>Through discussion with the Head of Operations and consideration of AETRH's metering arrangements, we determined:</p> <ul style="list-style-type: none"> • AETRH uses parallel check meters for each of its metering installations, which are Type 1 metering installations • AETRH's parallel check metering arrangements meet the requirements of clause 3.13(4) (b) of the Metering Code.
	Priority 4 Controls rating: NP Compliance Rating: 1	
424	<p>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.</p> <p><i>Metering Code clause 5.22(3)</i></p>	<p>The Senior Analyst, Finance – Merchant Energy confirmed that during the period subject to audit, there were no instances in which substitute values were required to be prepared due to a check meter not being available or energy data not being recoverable from a metering installation within the time required.</p>
	Priority 4 Controls rating: NP Compliance Rating: NR	
425	<p>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.</p> <p><i>Metering Code clause 5.22(4)</i></p>	<p>The Senior Analyst, Finance – Merchant Energy confirmed that during the period subject to audit, there were no instances in which it detected a loss of energy data or incorrect energy data from a metering installation.</p>
	Priority 4 Controls rating: NP Compliance Rating: NR	

No.	Obligation under condition	Findings			
426	<p>Substitution or estimation of energy data is required when energy data is missing, unavailable or corrupted, including in the circumstances described in this subclause.</p> <p><i>Metering Code clause 5.22(5)</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	<p><i>Obligations 426 to 429</i></p> <p>The Head of Operations and Senior Analyst, Finance – Merchant Energy confirmed that during the period subject to audit, there were no instances in which substitution or estimation of energy data was required due to energy data being missing, unavailable or corrupted.</p>
Priority 4	Controls rating: NP	Compliance Rating: NR			
427	<p>A network operator must review all validation failures before undertaking any substitution.</p> <p><i>Metering Code clause 5.22(6)</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
428	<p>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.</p> <p><i>Metering Code clause 5.23(1)</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
429	<p>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.</p> <p><i>Metering Code clause 5.23(3)</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
430	<p>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.</p> <p><i>Metering Code clause 5.24(1)</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	<p><i>Obligations 430 to 434</i></p> <p>The Senior Analyst, Finance – Merchant Energy confirmed that during the period subject to audit, there were no instances in which:</p> <ul style="list-style-type: none"> • A better quality actual or deemed actual value became available • Substitution or estimation of energy data was required • A Code participant requested an estimated or substituted value to be replaced.
Priority 4	Controls rating: NP	Compliance Rating: NR			
431	<p>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</p>				

No.	Obligation under condition	Findings			
	<p>value if doing so would be consistent with good electricity industry practice.</p> <p><i>Metering Code clause 5.24(2)</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
432	<p>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.</p> <p><i>Metering Code clause 5.24(3)</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
433	<p>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.</p> <p><i>Metering Code clause 5.24(4)</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
434	<p>A network operator must ensure the accuracy of estimated energy data in accordance with the methods in its metrology procedure and ensure that any transformation or processing of data preserves its accuracy in accordance with the metrology procedure.</p> <p><i>Metering Code clause 5.25</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	
Priority 4	Controls rating: NP	Compliance Rating: NR			
435	<p>Upon request from a network operator, the current user for a connection point must provide the network operator with customer attribute information that it reasonably believes are missing or incorrect within the timeframes prescribed.</p> <p><i>Electricity Industry Metering Code clause 5.27</i></p> <table border="1"> <tr> <td>Priority 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority 4	Controls rating: NP	Compliance Rating: NR	Through discussions with the Head of Operations, we determined AETRH has not acted as a user on any other networks. Accordingly, AETRH had no obligations under clause 5.27 for the period subject to audit.
Priority 4	Controls rating: NP	Compliance Rating: NR			
441	<p>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.</p> <p><i>Metering Code clause 5.37(1)(a)</i></p>	<p><i>Obligations 441 to 446</i></p> <p>During the period subject to audit, the requirements of Division 5.5 of the Metering Code were not relevant to AETRH's network operations as AETRH did not have any small use customers connected to its network and it was not</p>			

No.	Obligation under condition			Findings
	Priority 4	Controls rating: NP	Compliance Rating: NR	contracted to provide metering services at one or more connection points on its network. Accordingly, AETRH had no obligations under clauses 5.37 and 5.38 of the Metering Code for the period subject to audit.
442	A network operator must provide a copy of the report described in subclause 5.37(1) (a) to the Minister and the ERA not less than 5 business days before it is published under subclause 5.37(3). <i>Metering Code clause 5.37(1)(b)</i>			
	Priority 4	Controls rating: NP	Compliance Rating: NR	
443	A network operator must publish the report described in subclause 5.37(1) within 3 months after the year ends. <i>Metering Code clause 5.37(1)(b)</i>			
	Priority 4	Controls rating: NP	Compliance Rating: NR	
444	The report prepared by the network operator must include the information prescribed. <i>Metering Code clause 5.37(2)</i>			
	Priority 4	Controls rating: NP	Compliance Rating: NR	
445	For each relevant metering service, the information in subclause 5.37(2) must be reported separately for the specified classes of connection point. <i>Metering Code clause 5.37(3)</i>			
	Priority 4	Controls rating: NP	Compliance Rating: NR	
446	A network operator must keep such records of information as are required for the purposes of subclause 5.37, and must retain the information (in a format that is accessible within a reasonable period of time) for at least 7 years after the day on which a report containing the information is published under subclause 5.37(1)(c). <i>Metering Code clause 5.38</i>			
	Priority 4	Controls rating: NP	Compliance Rating: NR	
Part 6 Documentation				
447	A network operator must, in relation to its network, comply with the agreements, rules, procedures, criteria and processes prescribed. <i>Metering Code clause 6.1(1)</i>			AETRH has not completed recommendation 2/2016 of the previous audit, regarding the creation of a metering management plan for demonstrating its compliance with all applicable agreements, rules, procedures, criteria and processes outlined in Part 6 of the Metering Code. <i>Refer to summary findings, recommendation and action plan at Issue 2/2019 above.</i>
	Priority 4	Controls rating: B	Compliance Rating: 2	

No.	Obligation under condition	Findings
448	<p>A user must, in relation to a network on which it has an access contract, comply with the rules, procedures, agreements and criteria prescribed.</p> <p><i>Electricity Industry Metering Code, clause 6.1(2)</i></p>	<p>Through discussions with the Head of Operations, we determined AETRH has not acted as a user on any other networks. Accordingly, AETRH had no obligations under clause 6.1(2) for the period subject to audit.</p>
	<p>Priority 4 Controls rating: NP Compliance Rating: NR</p>	
448A	<p>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).</p> <p><i>Electricity Industry Metering Code clause 6.2</i></p>	<p>In its role of a network operator, AETRH has not complied with clause 6.2(a)-(d) of the Metering Code, which required the following documents to be submitted by June 2013 to the ERA for approval:</p> <ul style="list-style-type: none"> Proposed model service level agreement Proposed metrology procedure Proposed mandatory link criteria. <p>AETRH has not completed recommendation 2/2016 of the previous audit, regarding the creation of a metering management plan for demonstrating its compliance with all applicable agreements, rules, procedures, criteria and processes outlined in Part 6 of the Metering Code.</p> <p><i>Refer to summary findings, recommendation and action plan at Issue 2/2019 above.</i></p>
	<p>Priority 5 Controls rating: B Compliance rating: 2</p>	
448B	<p>A network operator must publish the document within 10 business days after notification of the ERA's approval under subclauses 6.13(1) (a) (i), 6.16 or 6.17.</p> <p><i>Electricity Industry Metering Code clause 6.18</i></p>	<p><i>Obligations 448B to 448D</i></p> <p>Regulatory Compliance Manager confirmed that the requirement for AETRH to submit the prescribed documents (model SLA, metrology procedure, mandatory link criteria) over the audit period was not triggered.</p> <p>However, through examination of the Post Audit and Review Implementation Plan, AETRH expects to incorporate the technical requirements of clause 6.2 of the Metering Code as part of the NWIS access project, which will include a model SLA and Metrology Procedure.</p> <p>AETRH is currently awaiting the detailed regulatory framework design paper for the NWIS, which it anticipates receiving from Energy Policy WA in July 2020 after review by the new Minister for Energy.</p>
	<p>Priority 5 Controls rating: NP Compliance rating: NR</p>	
448C	<p>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.</p> <p><i>Electricity Industry Metering Code clause 6.19A(1)</i></p>	
	<p>Priority 5 Controls rating: NP Compliance rating: NR</p>	
448D	<p>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.</p> <p><i>Electricity Industry Metering Code clause 6.19B(1)</i></p>	
	<p>Priority 5 Controls rating: NP Compliance rating: NR</p>	
449	<p>A network operator must amend any document in accordance with the ERA's final findings.</p>	<p><i>Obligations 449 and 450</i></p>

No.	Obligation under condition	Findings
	<i>Metering Code clause 6.20(4)</i>	During the period subject to audit, AETRH had not submitted a proposed model service level agreement, metrology procedure or mandatory link criteria to the Authority for its approval.
	Priority 5 Controls rating: NP Compliance Rating: NR	
450	The network operator must publish any document that has been amended under subclause 6.20(4). <i>Metering Code clause 6.20(5)</i>	
	Priority 4 Controls rating: NP Compliance Rating: NR	
Part 7 Notes and confidential information		
451	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. <i>Metering Code clause 7.2(1)</i>	Through discussions with the Head of Operations and consideration of AETRH's business practices, we determined AETRH maintains electronic, facsimile and voice communication channels commensurate with the expectations of a major business.
	Priority 5 Controls rating: NP Compliance Rating: 1	
452	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. <i>Metering Code clause 7.2(2)</i>	Alinta Energy moved into its new Perth office premises on 26 March 2018, however there are no other code participants on AETRH's network.
	Priority 4 Controls rating: NP Compliance Rating: NR	
453	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. <i>Electricity Industry Metering Code, clause 7.2(4)</i>	<i>Obligations 453 and 454</i> AETRH has not accessed any other network for the purpose of its Licence throughout the period subject to this audit. Accordingly it has not acted as a Code participant in relation to another network and this obligation is not relevant to this audit.
	Priority 4 Controls rating: NP Compliance Rating: NR	
454	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. <i>Electricity Industry Metering Code, clause 7.2(5)</i>	
	Priority 4 Controls rating: NP Compliance Rating: NR	
455	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	<i>Obligations 455 and 456</i> Through discussions with the Head of Operations and examination of the PPA, we determined:

No.	Obligation under condition			Findings
	for which it was disclosed or another purpose contemplated by the Code. <i>Metering Code clause 7.5</i>			<ul style="list-style-type: none"> AETRH is aware of its confidentiality requirements both in its capacity as a user and a network operator AETRH's PPA (which governs AETRH's obligations as a network operator) with its customer contains detailed provisions on the management of confidential information During the period subject to audit, AETRH was not required under a provision in the Metering Code to disclose confidential information.
		Priority 4	Controls rating: NP Compliance Rating: 1	
456	A Code participant must disclose or permit the disclosure of confidential information that is required to be disclosed by the Code. <i>Metering Code clause 7.6(1)</i>			
		Priority 4	Controls rating: NP Compliance Rating: NR	
Part 8 Dispute resolution				
457	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. <i>Metering Code clause 8.1(1)</i>			<p><i>Obligations 457 to 461</i></p> <p>For the purposes of the Metering Code, 'disputes' refers to metering disputes between AETRH as a code participant and as a network operator, another retailer, another generator, another network operator, a user or the IMO. Through discussions with the Head of Operations; and examination of AETRH's PPA, we determined:</p> <ul style="list-style-type: none"> No disputes occurred during the period subject to audit AETRH, in its role as a network operator, is governed by the provisions of its customer PPA when settling disputes.
		Priority 5	Controls rating: NP Compliance Rating: NR	
458	If a dispute is not resolved within 10 business days after the dispute is referred to representative negotiations, the disputing parties must refer the dispute to a senior management officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith. <i>Metering Code clause 8.1(2)</i>			
		Priority 5	Controls rating: NP Compliance Rating: NR	
459	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. <i>Metering Code clause 8.1(3)</i>			
		Priority 5	Controls rating: NP Compliance Rating: NR	
460	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.			

No.	Obligation under condition			Findings
	<i>Metering Code clause 8.1(4)</i>			
	Priority 4	Controls rating: NP	Compliance Rating: NR	
461	The disputing parties must at all times conduct themselves in a manner which is directed towards achieving the objective in subclause 8.3(1).			
	<i>Metering Code clause 8.3(2)</i>			
	Priority 5	Controls rating: NP	Compliance Rating: NR	

4.4 Electricity Industry (Network Quality and Reliability of Supply) Code

No.	Obligation under Condition			
462	A distributor or transmitter must, as far as reasonably practicable, ensure that electricity supply to a customer's electrical installations complies with prescribed standards. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 5(1)</i>			Through discussion with the Head of Operations and consideration of AETRH's transmission network operations and the PPA with its customer, we determined that during the audit period, AETRH had ensured that electricity supply to its customers' electrical installations complied with the prescribed standards and in accordance with the PPA.
	Priority 5	Controls rating: NP	Compliance Rating: 1	
463	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. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 8</i>			Head of Operations confirmed that there were no occasions during the audit period in which AETRH was required to disconnect the supply of electricity to its customer's electrical installations.
	Priority 5	Controls rating: NP	Compliance Rating: NR	
464	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. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 9</i>			<p><i>Obligation 464, 465, 466, 468 and 469</i></p> <p>Through discussion with the Head of Operations and consideration of AETRH's transmission network operations and its customer PPAs, we determined that during the audit period:</p> <ul style="list-style-type: none"> AETRH's customer's PPA prescribe voltage fluctuation, harmonic and reliability requirements, plus obligations upon AETRH for managing interruptions As far as reasonably practicable, AETRH had ensured that the supply of electricity to its customer was maintained and the occurrence and duration of interruptions was kept to a minimum There were no instances in which an alternate supply of electricity was viable in the event of its customer being affected by a proposed interruption AETRH's customer PPA addresses the requirements of clause 13 of the Network Quality and Reliability of Supply Code in relation to the duration of interruptions.
	Priority 5	Controls rating: NP	Compliance Rating: 1	
465	A distributor or transmitter must, so far as reasonably practicable, reduce the effect of any interruption on a customer. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 10(1)</i>			
	Priority 5	Controls rating: NP	Compliance Rating: 1	
466	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. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 10(2)</i>			
	Priority 5	Controls rating: NP	Compliance Rating: NR	

No.	Obligation under Condition		
468	A distributor or transmitter must, so far as reasonably practicable, ensure that customers in specified areas do not have average total lengths of interruptions of supply greater than specified durations. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 13(2)</i>		
	Priority 5	Controls rating: NP	Compliance Rating: 1
469	The average total length of interruptions of supply is to be calculated using the specified method. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 13(3)</i>		
	Priority 4	Controls rating: NP	Compliance Rating: 1
470	A distributor or transmitter must, on request, provide to an affected customer a free copy of an instrument issued by the Minister and of any notice given under section 14(7) of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 14(8)</i>		
	Priority 4	Controls rating: NP	Compliance Rating: NR
471	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. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 15(2)</i>		
	Priority 4	Controls rating: NP	Compliance Rating: NR
477	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. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 23(1)</i>		
	Priority 5	Controls rating: NP	Compliance Rating: 1

The Regulatory Compliance Manager confirmed no requests had been made by its customer and the Minister had not issued an instrument in relation to the Network Quality and Reliability of Supply Code, nor had any notice been given under section 14(7) of the Network Quality and Reliability of Supply Code.

Through discussion with the Head of Operations and consideration of AETRH's operations and its customer's PPA, we determined that:

- AETRH's PPA with its customer set out provisions related to quality and reliability standards
- However, no new customer agreements had been established and or modified during the audit period.

Through discussion with the Head of Operations and consideration of AETRH's transmission network operations and its customer's PPA, we determined that during the audit period, AETRH had monitored its network operations to ensure compliance with the requirements of its customer's PPA and any additional requirement prescribed by the Network Quality and Reliability of Supply Code.

No.	Obligation under Condition			
478	A distributor or transmitter must keep records of information regarding its compliance with specific requirements for the period specified. <i>Electricity Industry (Network Quality and Reliability of Supply) Code, clause 23(2)</i>			Through discussion with the Head of Operations and consideration of AETRH's business practices, we determined that AETRH uses the SharePoint system to maintain formal records of information regarding its network quality and reliability performance for a minimum of 7 years.
	Priority 4	Controls rating: NP	Compliance Rating: 1	
479	A distributor or transmitter must complete a quality investigation requested by a customer in accordance with specified requirements. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 24(3)</i>			<i>Obligation 479 and 480</i> Head of Operations confirmed that during the audit period, there were no requests from its customer for AETRH to complete a quality investigation.
	Priority 4	Controls rating: NP	Compliance Rating: NR	
480	A distributor or transmitter must report the results of an investigation to the customer concerned. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 24(4)</i>			
	Priority 4	Controls rating: NP	Compliance Rating: NR	

5 Follow-up of previous audit non-compliances and recommendations

The ratings provided are defined in accordance with the ERA's March 2019 issue of the Audit and Review Guidelines: Electricity and Gas Licences.

Ref	Legislative obligation	Rating	Details of the issue (taken from the 2016 Performance Audit Report)	Auditors' recommendation or action taken	Date resolved	Further action required
Resolved during current audit period						
Obligation 103	<i>Electricity Industry Act section 14(1)(b)</i>	A2	Judgement is required to determine whether changes to the asset management system during the audit period are sufficiently substantial as to require specific notification to the Authority in accordance with the requirements of section 14(1) of the Act. AETR H had not specifically considered this requirement and does not have a protocol in place for determining whether the requirement has been triggered. As it may be reasonable to form a view either way, we consider AETR H has not breached the requirements of the Act.	In September 2017 AETR H updated its Management of Change procedure to include the definition of substantial change in the Asset Management System and the requirement to notify the ERA of any such change.	September 2017	No
Obligation 331	<i>Metering Code clause 3.7</i>	NPNR	AETR H's meters are currently not supported by equipment which is connected to a telecommunications network. However, in the event of such equipment being installed, AETR H has not established a clear metering management plan or framework for ensuring its compliance with the Metering Code and applicable State and Commonwealth enactments.	AETR H's meters operate with internal communication systems only and therefore have not triggered the requirement to comply with the external communication regulations as specified in clause 3.7.	N/A	No
Obligation 332	<i>Metering Code clause 3.8</i>	A1	Although AETR H has demonstrated that it has installed and maintained its meters to the satisfaction of its customers throughout the period subject to this audit, it has not established a clear metering management plan or framework for demonstrating its	AETR H's meters have been secured through physical and logical means to prevent and/or detect unauthorised access.	N/A	No

			compliance with all requirements outlined in Part 3 of the Metering Code			
Obligation 333	<i>Metering Code clause 3.9</i>	A2	Although AETRH has demonstrated that it has installed and maintained its meters to the satisfaction of its customers throughout the period subject to this audit, it has not established a clear metering management plan or framework for demonstrating its compliance with all requirements outlined in Part 3 of the Metering Code	AETRH's metering database contains calibration tables that applied to each metering installation to achieve installation accuracy in accordance with the accuracy requirements in Part 3 of the Metering Code (Appendix 1, Table 3). All metering installations meet the requirements under the Metering Code for Type 1 installations (annual throughput above 1,000 GWh).	January 2018	No
Obligation 341	<i>Metering Code clause 3.11A(2)</i>	NPNR	Although AETRH has demonstrated that it has installed and maintained its meters to the satisfaction of its customers throughout the period subject to this audit, it has not established a clear metering management plan or framework for demonstrating its compliance with all requirements outlined in Part 3 of the Metering Code	AETRH had not identified any of its meters as failing during the audit period. Hence it has not triggered the requirement of this recommendation.	N/A	No
Obligation 345	<i>Metering Code clause 3.12(4)</i>	A2	Maintain drawings and supporting information, to the standard of good electricity industry practice, detailing the metering installation for maintenance and auditing purposes	AETRH has: <ul style="list-style-type: none"> • Compiled relevant meter drawings and supporting information, which are stored in the internal document management system, CLM Matrix • Drawings show the metering installation arrangements • Supporting information contains a list of metering equipment and meter schedule. 	January 2018	No
Obligation 366 and 369	<i>Metering Code clause 4.1(1)</i> <i>Metering Code clause 4.2(1)</i>	A2 B2	AETRH did not have a formal metering database: <ul style="list-style-type: none"> • Containing standing data and energy data for each metering point on its network • Compliant with meter registry requirements clause 4.2(1). 	In January 2018, AETRH created a metering database that: <ul style="list-style-type: none"> • Encapsulates the standing data and energy data requirements of clause 4.1(1) • Compliant with the meter registry requirement of clause 4.1(2). 	January 2018	No

Follow-up of previous audit non-compliances and recommendations

Obligation 411	<i>Metering Code clause 5.20(1)</i>	A2	AETRH had not established an Energy Data Verification Request form.	In January 2018, AETRH established an Energy Data Verification Request form containing the communication rule requirements prescribed by clause 5.20(1) of the Code.	January 2018	No
Obligation 434	<i>Metering Code clause 5.25</i>	NPNR	AETRH has not established a metrology procedure as outlined in Part 3 of the Metering Code	AETRH has a single customer, and there is no need to estimate the energy data. The control rating has been changed from a D to an NP.	N/A	No
Unresolved during current audit period						
Refer to post audit implementation plan. The recommendation and action plan applies to obligations 319, 320, 326, 327, 336, 337, 340, 342-344, 357, 370, 422, 447.						

Appendix A - Audit plan

Appendix B - References

Alinta staff participating in the audit

- Head of Operations – Power Generation
- Regulatory Compliance Manager
- Operations and Platform Manager – Alinta IT
- Senior Analyst Power Generation

Sites visited by the auditor during the audit

- Alinta Energy’s Perth Head Office
- Newman Power Station

Deloitte staff participating in the audit

		Hours
• Vincent Snijders	Partner	11
• Maria Moreano	Senior Manager	5
• Lyle Stewart	Senior Analyst	10
• Morgan Jones	Analyst	72
• Alexis Lefebvre	Analyst	35
• Peter Rupp	Partner (Quality Assurance Review)	2

Key documents and other information sources examined

- AETRH Payment detail reports
- Lodgement of Annual Compliance Reports
- AETRH Energy Data Verification Report
- ERA Licence payment invoices for 2017, 2018 and 2019
- Electricity Licence Application AETRH Pty Ltd
- Energy Data Verification Request Form
- Metering Database
- Meter Drawings
- Customer Power Purchase Agreements
- Newman Power Station Asset Management Plan
- Newman Power Station Emergency Response Plan
- Power Generation Weekly Performance Report
- Identity and Access Management Standard
- Business Continuity Management Standard
- Alinta Sites Business Continuity Plan
- Alinta Energy Cyber Security Policy
- Letter to ERA regarding new Battery Storage System.