



Notice

3 February 2021

Wind Portfolio Pty Ltd

2020 performance audit and asset management system review

The Economic Regulation Authority has published the 2020 [performance audit and asset management system review report](#) and the [post-audit implementation plan](#) for Wind Portfolio Pty Ltd's electricity generation licence EGL26.

The licence covers the Badgingarra Renewables Facility, which is located approximately 200 kilometres north of Perth and includes the Badgingarra Wind Farm and the Badgingarra Solar Farm. The wind farm has a capacity of 133.2 megawatts, while the solar farm has a capacity of 19.3 megawatts. The facility exports power through a 132-kilovolt transmission line to the Badgingarra substation, which is connected to the South West Interconnected System.

The ERA's decision

The ERA considers that Wind Portfolio has achieved a high level of compliance with its licence and has an effective asset management system.

The ERA has decided to increase the audit and review period from 36 months to 60 months. The next audit and review will cover the period 1 July 2020 to 30 June 2025, with the report due by 30 September 2025.

Background to the ERA's decision

Audit ratings

The auditor assessed 34 licence obligations applicable to Wind Portfolio's licence and found:

- 10 were rated A1 (adequate controls; compliant).
- One was rated A/NR (adequate controls; not rated for compliance due to lack of relevant activity).
- One was rated B2 (generally adequate controls; minor non-compliance).
- One was rated B3 (generally adequate controls; moderate non-compliance).
- 21 were rated NP/NR (controls assessment not performed; not rated for compliance due to lack of relevant activity).

The audit found two non-compliances:

- Wind Portfolio failed to pay two licence fee invoices on time.
- Wind Portfolio submitted its 2018 annual compliance report and standing charge data late.

Audit recommendations

The auditor made two recommendations to address the two non-compliances. The post-audit implementation plan states that Wind Portfolio will address the audit recommendations between now and March 2021.

Review ratings

The assessment of the 12 asset management components prescribed in the ERA's *2019 Audit and Review Guidelines: Electricity and Gas Licences* found:¹

- 10 components were rated A1 (documentation adequately defined, performing effectively).
- Two components were rated A2 (documentation adequately defined, performance requires some improvement).

Review recommendations

The auditor did not make any recommendations in response to the review.

The ERA's assessment of the audit and review findings

Both non-compliances identified by the auditor were relatively minor, administrative matters.

The audit and review of EGL26 has demonstrated that Wind Portfolio has achieved a high level of compliance with its licence and has an effective asset management system. Wind Portfolio has a long-term contract with Alinta to supply energy from its facility, providing financial stability for Wind Portfolio's operations. Wind Portfolio has contracted third parties to undertake the operation and maintenance of its assets. The contracts are likely to have strict performance targets for equipment availability.

Further information

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¹ A copy of the guidelines is available on the ERA [website](#).