



# Notice

13 August 2021

## Robe River Mining Co Pty Ltd

### 2021 operational audit and asset management system review

The Economic Regulation Authority has published the 2021 [operational audit and asset management system review report](#) for Robe River Mining Co Pty Ltd's water services licence WL45.

Robe River, a member of the Rio Tinto Group, supplies potable water and sewerage services to the township of Pannawonica, approximately 200 kilometres south-east of Karratha in the Pilbara. Most of Pannawonica's residents are employees of Robe River and their families.

#### *The ERA's decision*

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

The ERA has decided to maintain the audit and review period at 48 months. The next audit and review will cover the period 1 May 2021 to 30 April 2025, with the report due by 31 July 2025.

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

##### **Audit ratings**

The auditor determined that there were 129 licence obligations applicable to Robe River's licence, of which 86 obligations were determined as not applicable during the audit period and therefore not assessed for compliance. These obligations were determined as not applicable because of the type of services provided by Robe River. For example, Robe River does not charge customers for its services, therefore obligations relating to bills and financial hardship do not apply to Robe River.

The audit of the 129 obligations found:

- 57 were rated A1 (adequate controls, compliant).
- Two were rated A2 (adequate controls, non-compliant – minor effect on customers or third parties).
- 47 were rated A/NR (adequate controls, not rated for compliance due to lack of relevant activity).

- 23 were rated NP/NR (controls rating not performed, not rated for compliance due to lack of relevant activity).

The audit found two non-compliances. The licensee was non-compliant with a generic obligation to comply with the terms and conditions of its licence because the 2017/18 performance report and standing charge data were submitted late to the ERA.

### ***Audit recommendations***

The auditor did not make any recommendations as both non-compliances were resolved during the audit period.

A post-audit implementation plan was not required.

### ***Review ratings***

The assessment of the 12 asset management components prescribed in the ERA's *2019 Audit and Review Guidelines: Water Licences* found:<sup>1</sup>

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

### ***Review recommendations***

The auditor did not make any recommendations as no asset management deficiencies were identified.

A post-review implementation plan was not required.

### ***Further information***

General enquiries

Paul Reid

Ph: 08 6557 7976

[licensing@erawa.com.au](mailto:licensing@erawa.com.au)

Media enquiries

Natalie Warnock

Ph: 08 6557 7933 | Mob: 0428 859 826

[media@erawa.com.au](mailto:media@erawa.com.au)

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