



# Notice

23 March 2022

## **RATCH-Australia Kemerton Pty Ltd** 2021 performance audit and asset management system review

The Economic Regulation Authority has published the 2021 [performance audit and asset management system review report](#) and the [post-audit implementation plan](#) for RATCH-Australia Kemerton Pty Ltd's electricity generation licence EGL5.

RATCH-Australia operates the Kemerton Power Station located 25 kilometres north-east of Bunbury. The power station consists of two dual fuel open cycle turbines with a total generating capacity of 300MW and is connected to the South West Interconnected System.

RATCH-Australia has a power purchase agreement with Synergy.

### **The ERA's decision**

The ERA considers that RATCH-Australia 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 60 months. The next audit and review will cover the period 1 November 2021 to 31 October 2026, with the report due to be provided by 31 January 2027.

### **Audit and review findings**

#### **Audit**

The audit of the 32 licence obligations applicable to RATCH-Australia found two minor administrative non-compliances and no controls deficiencies:

- RATCH-Australia paid the annual licence fee to the ERA after the due date once and paid the quarterly standing charge to the ERA after the due date on four occasions.
- RATCH-Australia did not report the late payment of the annual licence fees and quarterly standing charge in the relevant annual compliance reports.

The auditor made two recommendations to address the non-compliances. The post-audit implementation plan states that RATCH-Australia will address the recommendations by November 2022.

#### **Review**

The assessment of the 12 asset management system processes prescribed in the ERA's 2019 Audit and Review Guidelines: Electricity and Gas Licences found no asset management deficiencies. All 12 components were rated A1, the highest rating.

## Further information

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