



Notice

1 August 2022

Peel Renewable Energy Pty Ltd

2022 performance audits and asset management system review

The Economic Regulation Authority has published the 2022 [performance audits and asset management system review report](#) and [post-audit and post-review implementation plans](#) for Peel Renewable Energy Pty Ltd's electricity distribution licence EDL7 and electricity retail licence ERL28.

Peel Renewable Energy owns and operates a microgrid that supplies electricity to commercial tenants in Peel Business Park, 70 kilometres south of Perth in the Shire of Murray.

Peel Renewable Energy currently supplies five large use commercial customers on the microgrid.¹ It did not supply any small use customers during the audit and review period.

The ERA's decision

The ERA considers that Peel Renewable Energy has demonstrated a good level of compliance with its licences and has decided to increase the audit period from 24 to 36 months for both licences. The next audits will cover the period 1 April 2022 to 31 March 2025, with the report due by 30 June 2025.

The ERA considers that Peel Renewable Energy has an effective asset management system, but there is room for improvement. The ERA has decided to maintain the review period for EDL7 at 24 months. The next review will cover the period 1 April 2022 to 31 March 2024, with the report due by 30 June 2024.

Audit and review findings

Audit

The auditor found three minor non-compliances with the *Electricity Industry (Metering) Code 2012* and no controls deficiencies.

The auditor made three recommendations to address the non-compliances. Peel Renewable Energy has addressed the recommendations.

Review

The auditor found one deficiency from the 12 asset management system processes prescribed in the ERA's *Audit and Review Guidelines: Electricity and Gas Licences*. The auditor rated 15 of the 58 asset management system effectiveness criteria associated with the asset management processes as deficient.

¹ A 'large use customer' is a customer who consumes more than 160 megawatt hours of electricity per year.

The deficiencies were in asset planning, asset creation and acquisition, asset disposal, environmental analysis, asset operations, asset maintenance, asset management information systems, risk management, contingency planning and review of the asset management system.

The auditor did not identify any concerns with the level of service, such as reliability of supply, that Peel Renewable Energy's customers are receiving.

The auditor made eight recommendations to address the deficiencies. The post-review implementation plan states that Peel Renewable Energy will address the recommendations by 31 May 2023.

Further information

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