



Economic Regulation Authority

 WESTERN AUSTRALIA

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NOTICE

Call for Submissions on Draft Audit Guidelines for Electricity, Gas and Water Licences

The Economic Regulation Authority, as the regulator responsible for administering electricity, gas and water licensing schemes, is seeking public comments on its audit guidelines.

The guidelines are to inform licensees and external auditors about the Authority's requirements on the conduct of licence audits and asset management system reviews. The guidelines will replace a previous version, published in September 2006, from 1 January 2010.

The guidelines are designed to promote consistency of licence audits and asset management system reviews by:

- informing licensees and auditors about the legislative framework applicable to auditing licensee's compliance with licence conditions;
- describing a framework for the conduct of audits/reviews based on Australian Auditing and Assurance Standards;
- adopting a risk-based approach to planning audits/reviews using the risk assessment process in standard AS/NZS 4360:2004;
- promoting consistency of reporting on the performance/operational audit by mandating a seven-point compliance rating scale;
- promoting consistency of reporting on the effectiveness of asset management processes by mandating separate adequacy and performance rating scales; and
- providing a framework for:
 - the criteria the Authority will consider when approving auditors;
 - the format and content of audit plans;
 - the conduct of the audit/review with reference to the Australian Auditing and Assurance Standards; and
 - the format and content of the audit/review report to be provided to the Authority.

The guidelines are available on the Authority's [web site](#). Printed copies are also available directly from the Authority for \$25.00 per set.

Interested parties are invited to comment on the proposed guidelines.

Submissions should be in both printed and electronic form and should be received by **4.00pm WST on Monday 22 June 2008**, addressed to:

Mr Harry Hilton
A/Assistant Director, Monitoring
PO Box 8469
PERTH BC WA 6849
Email: elicensing@era.wa.gov.au

Confidentiality

In general, all submissions from interested parties will be treated as in the public domain and placed on the Authority's web site. Where an interested party wishes to make a submission in confidence, it should clearly indicate the parts of the submission for which confidentiality is claimed, and specify in reasonable detail the basis upon which the claim is made.

The receipt and publication of any submission on the Authority's web site shall not be taken as indicating that the Authority has knowledge, either actual or constructive, of the contents of a particular submission and, in particular, whether the submission in whole or part contains information of a confidential nature and no duty of confidence for the Authority will arise for the Authority in these circumstances.

General Enquiries

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LYNDON ROWE
CHAIRMAN

27 May 2009