

19 June 2009

Mr Harry Hilton  
A/Assistant Director, Monitoring  
Economic Regulation Authority  
Level 6, Governor Stirling Tower  
197 St Georges Terrace  
Perth Western Australia 6000

Dear Mr Hilton

**Submission – Draft Audit Guidelines**

WestNet Energy appreciates the invitation from the Economic Regulation Authority to provide comment on the Draft Audit Guidelines: Electricity, Gas and Water Licences dated May 2009.

As you are aware WestNet Energy provides services to WA Gas Networks Pty Ltd (**WAGN**) to assist WAGN in the operation and maintenance of its gas distribution system known as the Mid West and South West Gas Distribution System (**GDS**).

Having reviewed the Draft Audit Guidelines we acknowledge, and welcome the clarity that the guidelines provide, for audits required to be carried out under Licence requirements.

We suggest it would be useful if the guidelines contained a glossary of terms or definitions at the front of the publication.

Furthermore item 10.4 - Audit Evidence, documents the requirement for auditors to make available working papers and audit documentation at the request of the Authority. We acknowledge that although item 13 discusses Commercial Confidentiality we highlight the sensitivity of ring fencing and our obligations surrounding the use and transfer of any ring fenced information.

We welcome the opportunity to discuss any of the above comments in further detail if required.

Kind Regards

Deborah Evans  
Manager Regulatory Services