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Enquiries: Andrew Pascoe  
Telephone: 9420 2025

22 June 2009

Mr Harry Hilton  
A/Assistant Director, Monitoring  
Economic Regulation Authority  
PO Box 8469  
PERTH BC WA 6849

629 Newcastle Street  
Leederville 6007  
Western Australia  
PO Box 100  
Leederville 6902  
Perth Western Australia  
Tel (+61 8) 9420 2420  
[www.watercorporation.com.au](http://www.watercorporation.com.au)  
ABN 28 003 434 917

Dear Mr Hilton,

Thank you for the opportunity to provide public comments on the Draft Audit Guidelines: Electricity, Gas and Water Licences.

The Water Corporation believes that some of the documents required for auditor approval (section 8.5) are more suited to the audit plan.

The specific section from the guidelines that are of concern:

- a document containing the following information:
  - facilities to be visited – for those licensees who have business operations over a number of sites, the Authority is particularly interested in details of the sites that will be visited during the audit/review;
  - functions to be audited and individuals, or office holders, to be interviewed; and
  - approximate timeline for the above activities – the Authority requires a high level work program and confirmation that the audit/review report will be provided to the Authority by the due date.

The first two points generally are determined as part of the risk assessment completed jointly by the approved auditor and the licensee. We believe it is an unreasonable impost to expect an auditing firm bidding for a contract to complete this considerable task before they have won the tender.

Also this may provide auditing firms with experience of the organisation an advantage in a tender process.



The Corporation suggests this level of information be provided as part of the proposed audit plan approval process.

If there are any further questions, please call Andrew Pascoe on 9420 2025.

Yours sincerely

Wayne Kearney  
Manager Risk & Assurance