



Notice

15 January 2020

EDL NGD (WA) Pty Ltd

2019 performance audit and asset management system review

The Economic Regulation Authority has published the 2019 [performance audit](#) and [asset management system review](#) reports for EDL NGD (WA) Pty Ltd's electricity integrated regional licence EIRL1.

EDL holds an electricity integrated regional licence for the operation of the Broome Power Station, which has natural gas generators supplemented by diesel generators. The total nameplate capacity of the generators is 37 megawatts. EDL supplies its electricity to Horizon Power.

The ERA's decision

The ERA considers that EDL has achieved a high level of compliance with its licence obligations 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 August 2019 to 31 July 2024, with the report due by 31 October 2024.

Background to the ERA's decision

Audit ratings

The auditor assessed 15 licence obligations applicable to EDL's licence and found:

- 11 were rated NP/1 (controls assessment not performed, compliant).
- Four were rated NP/NR (controls assessment not performed, not rated because no relevant activity took place during the audit period).

Audit recommendations

The auditor did not make any recommendations following the 2019 audit.

EDL was not required to provide a post-audit implementation plan.

Review ratings

The assessment of the 12 asset management components prescribed in the ERA's *2019 Audit and Review Guidelines: Electricity and Gas Licences* found:¹

- 10 components were rated A1 (documentation adequately defined, performing effectively).
- Two components were rated B2 (documentation requires some improvement, performance improvement required).

Review recommendations

The auditor made three recommendations to address the performance improvements.²

EDL is not required to provide a post-review implementation plan.³

Further information

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¹ A copy of the guidelines is available on the ERA [website](#).

² Section 5.1.8 of the guidelines requires auditors who wish to make recommendations for process improvement opportunities to provide them directly to the licensee. They should not be included in the report.

³ A post-review implementation plan is not mandatory if there were no asset management deficiencies – components or effectiveness criteria that were rated C or D for process and policy, or 1 or 2 for performance.