



Notice

28 January 2021

WR Carpenter No. 1 Pty Ltd

2020 performance audit and asset management system review

The Economic Regulation Authority has published the 2020 [performance audit](#) and [asset management system review](#) reports for WR Carpenter No.1 Pty Ltd's electricity generation licence EGL20.

WR Carpenter operates a multi-fuel cogeneration power station at the BHP Billiton Worsley Alumina site near Collie, 170 kilometres south of Perth. The power station provides base load steam production and 104 megawatts of electricity to Worsley Alumina refinery. Any excess electricity is exported to the South West Interconnected System.

The ERA's decision

The ERA considers that WR Carpenter has achieved a high level of compliance with its licence and has decided to retain the audit period at 60 months. The next audit will cover the period 1 April 2020 to 31 March 2025, with the report due by 30 June 2025.

The ERA considers that WR Carpenter has an effective asset management system and has decided to retain the review period at 60 months. The next review will cover the period 1 April 2020 to 31 March 2025, with the report due by 30 June 2025.

Background to the ERA's decision

Audit ratings

The auditor assessed 42 licence obligations applicable to WR Carpenter's licence and found:

- Two were rated A2 (adequate controls, minor non-compliance)
- 12 were rated NP/1 (controls assessment not performed, compliant)
- 28 were rated NP/NR (controls and compliance were not assessed).

The audit found two non-compliances, both of which were minor administrative matters concerning the late payment of licence fees and submission of annual compliance reports to the ERA.

Audit recommendations

The auditor did not make any recommendations as both non-compliances were resolved during the audit period and no further action was required.

A post-audit implementation plan was not required.

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

- Nine components were rated A1 (documentation adequately defined; performing effectively).
- Three components were not rated.²

Review recommendations

The auditor did not make any recommendations in the 2020 review.

A post-review implementation was not required.

The ERA's assessment of the audit and review findings

The two non-compliances found in the audit were both minor administrative matters that were resolved when they occurred.

The review findings, and the auditor's comments, demonstrate that WR Carpenter has an effective asset management system and that the power station is meeting its operational performance goals.

Further information

General enquiries

Paul Reid
Ph: 08 6557 7976
info@erawa.com.au

Media enquiries

Natalie Warnock
Ph: 08 6557 7933 | Mob: 0428 859 826
media@erawa.com.au

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

² Asset Creation/Acquisition and Asset Disposal were not rated as the multi-fuel cogeneration facility is in the early phase of its lifecycle, and Capital Expenditure Planning is addressed in the Financial Planning process.