



McGill Engineering Services Pty Ltd

Engineering, Adjudication & Arbitration Services ABN 45 106 691 169

WESFARMERS KLEENHEAT GAS PTY LTD

GAS TRADING LICENCE GTL 10,
GAS DISTRIBUTION LICENCE GDL 9
PERFORMANCE AUDIT REPORT &
ASSET MANAGEMENT SYSTEM REVIEW REPORT

Prepared By Kevan McGill
Date 30 June 2009



McGill Engineering Services Pty Ltd

Engineering, Adjudication & Arbitration Services ABN 45 106 691 169

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Dear Ian

Performance Audit Gas Distribution Licence GDL9 & Trading Licence GTL 10 Asset Management System Review Gas Distribution Licence GDL9

The fieldwork on the performance audit of Gas Trading Licence GTL 10 and performance audit and asset management review of Gas Distribution licence EDL for the audit period (1 February 2007 to 31 January 2009) is complete and I am pleased to submit the report to you.

In my opinion, except for matters referred to in the qualification section, the licensee maintained control procedures in relation to the Distribution Licence (GDL 9) and Trading licence GTL 10) for the audit period based on the relevant clauses referred to within the scope section of this report.

Yours sincerely

Kevan McGill
Director

30 June 2009

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Executive Summary

This performance audit and asset management review was conducted in accordance with the guidelines issued by the Economic Regulation Authority (*Authority*) for the audit period (1 February 2007 to 31 January 2009).

Performance Audit

A summary of the findings of the performance audit is:

Overall Conclusion

In my opinion, the licensee maintained control procedures in relation to the Trading Licence (GTL 10) and Distribution Licence (GDL 9) for the audit period based on the relevant clauses referred to within the scope section (Page 12) of this report, except for matters referred to in the qualification section. Further to the qualifications, some other non-compliances were noted but these are not material to achieving the licence obligations.

Qualifications

Control procedures can be enhanced with respect to:

1. For the Leinster area (GTL 10) the licensee is not selling gas to small use customers as required by the Act to be a Gas Trader.

The requirement to satisfy the conditions of the Act is to sell to small use customers (those that consume less than 1 Terra Joule per year). This was raised in the last audit as a concern for GLT4 (Leinster).

Leinster is a BHP Billiton owned town and all buildings within the town and the roads and other infrastructure are owned and maintained by BHP Billiton. The occupancy of all consumer premises' is controlled by BHP Billiton as it owns and operates the accommodation and who moves in and out of the premises and when.

The proposed agency agreement with BHP Billiton which on the face of it would allow the Licensee to remain a Gas Trader has not been executed. It was proposed by the licensee that they and BHP Billiton enter an agreement where BHP Billiton would act as a bill collection agency for the licensee and so permit the licensee to remain as the trader. The current proposed arrangement is that the licensee sells gas in bulk and not on charged by BHP Billiton. In which case there would be no trader on the distribution system.

The Distribution network and gas supplied through it are solely to serve BHP Billiton, its employees and contractors either directly or indirectly.

If BHP Billiton should sell the gas to small use consumers (directly or indirectly through rents) then they would more properly hold the licence.

2. The Hopetoun installation consists of two distribution systems, one is a conventional urban distribution in the town area and the other is out of the town and has the characteristics of a caravan park. An exemption should be sought from the Office of Energy from a trading licence for the out of town (Wave Crest) installation. However, should the site be strata titled, a trading licence would still be required.

3. The Hopetoun installation has been greatly impacted by BHP Billiton’s decision to close the Ravensthorpe nickel mine. There is uncertainty about the expected customer numbers and the viability of the in town system with very small numbers of customers must be a concern. There is customer protection obligations on distributors to give at least 6 months notice of closure actions. Given that in this case the distributor is not leaving the customers but the projected customers are not arriving, consideration to shorter notice may be required.
4. The bills do not met the required format and a number of items have to be added to the standard bill. These are not significant items and are not material to meeting the obligations. The bills need to refer to interpreter services, availability of customer charter and refundable advances. The information on interpreter services is available on a number of other places including the customer charter but should be added to the bill. Refundable advances are not currently required so information is not essential on the bill but to comply, advice that they are not required should be added to the bill. The customer charter is on the web site.
5. The current licences were substituted for the old licences and therefore do not require re-approval of the safety awareness plan that a new licence would require. The safety awareness plan has been reapproved by the *Authority* but the processes that lead to this review are not clear.
6. The customer service charter is required to be updated every 36 months. While the charter has been upgraded the licensee needs to improve the controls to ensure the frequency of updates is met.
7. The asset management system requires improvements as detailed in the asset management review.

Ratings

The compliance rating for each licence condition using the 5-point rating scale is described below.

Operational/performance compliance rating scale

Compliance status	Rating	Description of compliance
COMPLIANT	5	Compliant with no further action required to maintain compliance
COMPLIANT	4	Compliant apart from minor or immaterial recommendations to improve the strength internal controls to maintain compliance
COMPLIANT	3	Compliant with major or material recommendations to improve the strength of internal controls to maintain compliance
NON-COMPLIANT	2	Does not meet minimum requirements
SIGNIFICANTLY NON-COMPLIANT	1	Significant weaknesses and/or serious action required

The results are summarised below.

Assessment	Licence obligations	Audit priority 2	Audit priority 4	Audit priority 5
Compliant 5	95	3	29	63
Compliant 4	3	2	1	0
Compliant 3	2	0	0	2
Non-compliant 2	4	0	2	2
Significantly non compliant 1	0	0	0	0
Not Rated	28	0	14	14

* Note Where an obligation was not exercised in the audit period, it was not possible to form an opinion about compliance and the item was Not Rated.

Previous Audit

The previous audit recommendations and follow actions are set out below.

Recommendations - previous audit

1. A more active promotion of gas could increase utilization of the network and direct marketing should be considered. The important decisions are taken at initial purchase of appliances and are very hard to reverse so marketing on sale of land is likely to be more effective.
2. It is important to market to gas fitters of the cost benefit of using LPG and the short payback time for the investment in conversion. The local gas fitters should be reminded periodically of the commercial benefits of conversion.
3. The *Authority* review and produce a customer service standard that is available and in the interim make available on their web site a copy of the referenced Code. Note the ERA currently has a draft Gas Customer Code being discussed with industry representatives and should go out for public comment shortly prior to implementation in lieu of the AG code.
4. The Licensee should obtain legal advice to be assured that the proposed agency agreement meets the licence obligations to allow the licensee to remain as the gas trader and implement the agreement or alternatively that an exemption is likely to be provided by the Minister under section 11H. If these actions are not successful then BHP Billiton should more properly hold the licence if they choose to sell gas (directly or indirectly through rents).

Follow up actions from last audit.

1. This action is no longer a requirement of the licence but was a requirement of the previous licences Clause 7 –Obligation to market gas. No follow up action has been taken and will not as it is no longer a licence obligation.

2. This action is a strategy to pursue item 1 Obligation to market gas. The comment is the same as item 1.
3. This was a concern for the licensees but the action was the responsibility of the *Authority* and the change has been implemented.
4. The recommended action to resolve the validity of the licence has been pursued but not completed. The current thoughts are that the client at Leinster will be billed for bulk gas and will not be a small use consumer and accordingly a trading licence will not be required by the Licensee and not at all if the client (BHP Billiton) do not bill the small use consumers.

New recommendations

1. To ensure that regular reviews occur, the Licensee should establish a time table for regular 36 month reviews of the customer charter.
2. Establish a process for submitting required documents for approval.
3. Amend bill format to include required information required by the ERA Gas Customer .Code by the operational date of 1 July 2009.

Asset Management Review

The findings of the asset management review are summarized as;

Ratings

The effectiveness ratings for each key process in the licensee's asset management system using the 6-point scale are described below.

Asset management review effectiveness rating scale

Effectiveness	Rating	Description
Continuously improving	5	Continuously improving organisation capability and process effectiveness
Quantitatively controlled	4	Measurable performance goals established and monitored
Well-defined	3	Standard processes documented, performed and coordinated
Planned and tracked	2	Performance is planned, supervised, verified and tracked
Performed informally	1	Base practices are performed
Not performed	0	Not performed (indicate if not applicable)

Asset management effectiveness summary

Asset Management System	Not performed	Performed informally	Planned and tracked	Well defined	Quantitatively controlled	Continuously improving
Process Effectiveness Rating	0	1	2	3	4	5
Asset planning						
Asset creation/acquisition						
Asset disposal						
Environmental analysis						
Asset operations						
Asset maintenance						
Asset Management Information System						
Risk management						
Contingency planning						
Financial planning						
Capital expenditure planning						
Review of AMS						

Previous Review

The previous review recommendations and follow actions are set out below.

Recommendations - previous review

The systems are small and while sophisticated asset management systems may not be required, the licensee’s systems are very basic some improvements are recommended. These improvements are:

1. The licensee should develop a basic asset management plan to improve assurance of outcomes. The addition of formalised processes rather than ad hoc procedures has a greater assurance of success. The plan should reflect the risks to the systems.
2. Establish remote monitoring of the bulk supplies to improve security of supply.
3. Establish processes for regular scheduled monitoring of pressures at strategic points in the networks to ensure service standards are achieved.
4. Ensure that an effective leak detection system is in place to mitigate safety issues.
5. Conduct regular and scheduled exercises of the emergency plans and action consequent updates.
6. The maintenance procedures manual has scheduled reviews and consequent upgrades.
7. While the asset management system is small it should be periodically reviewed. The licensee should put in place a scheduled review of the AMS.

Follow up actions

1. This action has been pursued but not completed and there is a 6 months timetable for implementation of an adequate system.
2. Remote monitoring has been established at Leinster, Margaret River as required and also at new site in Albany. The new site at Hopetoun has been developed for remote monitoring but improved mobile telephone service or a satellite service has to be examined and implemented (if a licence is still required).
3. This action is not complete.
4. This action is not complete.
5. This action is not complete.
6. This action is incomplete and a timetable for completion is required.
7. This action has been pursued but not completed and there is a 6 months timetable for implementation of an adequate system.

New Recommendations

1. That the Licensee puts in place a basic asset management plan that responds to the key environmental issues the system faces.
2. The Licensee puts in place a process for reviewing usefulness of assets.
3. Update emergency (site) plan at Leinster and Margaret River.
4. The maintenance procedures manual has scheduled reviews and consequent upgrades. New tank at Leinster needs painting.
5. A risk management process is implemented for commercial matters.
6. A contingency planning process is implemented.
7. A financial plan should be developed.
8. A capital expenditure plan should be developed, even if the planning horizon is short.

Overall conclusion

In my opinion the licensee maintained control procedures in relation to the Distribution Licence (GDL 9) for the audit period, based on the relevant clauses referred to within the scope section of this report, except for matters referred to in the qualification section. The recommendations include a number of changes to improve the effectiveness of the asset management system in accordance with the *Act s 11Y(2)*.

PERFORMANCE AUDIT

Performance Audit Objectives

Under section 11ZA(1) of the *Energy Coordination Act 1994* (the Act), it is a requirement that every licensee provide the Economic Regulation Authority (*Authority*) not less than once in every period of 2 years with a performance audit conducted by an independent expert acceptable to the *Authority*.

The primary objective of the operational audit is to audit the effectiveness of measures taken by the Licensee to maintain quality and performance standards. The Act states a performance audit is an audit of the effectiveness of measures taken by the licensee to meet the performance criteria specified in the licence. The licence states that performance standards are contained in *applicable legislation*. Performance criteria are defined in the licence as:

- (a) the terms and conditions of the *licence*; and
- (b) any other relevant matter in connection with the *applicable legislation* that the *Authority* determines should form part of the *performance audit*.

The licence also provides for individual licence conditions namely - the *Authority* may prescribe *individual performance standards* in relation to the *licensee* of its obligations under this *licence* or the *applicable legislation* (the Act and subordinate legislation).

The *Authority* has summarised the performance requirements in various legislation in its gas compliance reporting manual (March 2008)¹.

McGill Engineering Services Pty Ltd has been engaged to carry out the performance audit for Gas Trading Licence GTL 10 and Distribution Licence GDL 9 for Wesfarmers Kleenheat Gas Pty Ltd.

Audit Period

The audit period is 1 February 2007 to 31 January 2009. These licences have operated since 26 February 2008 and the Licensee previously had licences GDL 4 & 5 and GTL 4 & 5 which had different conditions for the performance audit. However this review for the whole period has been conducted under the conditions of the GTL 10 and GDL 9 licences. Items 60 and 82 are a requirement about the content of the customer bill that has arisen from the issue of a new licence and this was not required to be reviewed under the old licences.

Scope Limitation

The audit was undertaken by examination of documents, interviews with key persons and observations and is not a detailed inspection of physical items.

¹ Gas compliance reporting manual, March 2008

Excluded Conditions

Conditions relating to the Gas Corporations are not applicable (29-31). As there is no other persons trading (retail) on the Licensee's distribution systems there is no need for a retail market scheme (the Act s 11ZOE) therefore conditions relating to a retail scheme are not applicable (18-22). As there has been no designation as supplier of last resort, conditions relating to carrying out supplier of last resort functions are not applicable (11, 12, 14, 15 & 16). As the Licensee holds both Distribution and Trading licences, conditions about transfer of information between Distribution and Trading licences are not applicable (132).

Inherent Limitations

Because of the inherent limitations of any internal control structure, it is possible that fraud, error or non-compliance with laws and regulations may occur and not be detected.

An audit is not designed to detect all weaknesses in compliance measures as an audit is not performed continuously throughout the period and the audit procedures performed on the compliance measures are undertaken on a test basis.

Any projection of the evaluation of the operating licences to future periods is subject to the risk that the compliance measures in the plans may become inadequate because of changes in conditions or circumstances, or that the degree of compliance with them may deteriorate.

The audit opinion expressed in this report has been formed on the above basis.

Scope of the Audit

The *Authority* guideline² for performance audits sets out that the audit should be conducted in 3 phases.

1. Risk and Materiality Assessment

With reference to AS/NZS4360 Risk Management a preliminary assessment was made of the risk and materiality of non-compliance with the required licence conditions in order to focus the audit effort on areas of higher compliance risk and identify areas for testing and analysis.

2. System Analysis, Assertion Setting and Review

Through discussion, observation and review, a sample of cases or data was analysed relating to the licensee's quality and performance systems and standards against requirements of the Licence conditions to be audited.

3. Fieldwork: Testing and Analysis

Using the results of the risk assessment and systems analysis, detailed testing and analysis was performed to compare those standards maintained by the licensee with the relevant clauses of the Licence.

² Audit Guidelines: Electricity, Gas and Water Licences, September 2006

During this audit the Perth office and Leinster, Hopetoun, Margaret River and Albany licence areas were visited.

The actions taken in response to recommendations in previous audit are included in this report.

The report to the licensee and the *Authority* clearly expresses the opinion of the auditor in respect of the findings of the audit.

The key contacts were:

- Licensee
 - Ian Allison, Phil Cockayne, David Maxfield and Rory Shepherdson
- McGill Engineering Services Pty Ltd
 - Kevan McGill,

The audit was conducted during March and April 2009 with the final audit report submitted to the Authority by 30 April 2009.

Audit Requirements

Compliance with licence conditions was examined according to the likely inherent risk and the adequacy of controls to manage that risk.

Nature of audit work conducted

The *Authority* guidelines for performance audits require that the audit considers:

- a) **Process compliance** - the effectiveness of systems and procedures in place throughout the audit period, including the adequacy of internal controls.
- b) **Outcome compliance** – the actual performance against standards prescribed in the licence throughout the audit period.
- c) **Output compliance** – the existence of the output from systems and procedures throughout the audit period (that is, proper records exist to provide assurance that procedures are being consistently followed and controls are being maintained).
- d) **Integrity of performance reporting** – the completeness and accuracy of the performance reporting to the Authority.
- e) **Compliance with any individual licence conditions** - the requirements imposed on the specific licensee by the Authority or specific issues for follow-up that are advised by the Authority.

Stage	Auditor	Standard
1. Risk & Materiality Assessment Outcome - Operational/ Performance Audit Plan	K McGill	ASA 300 replaces AUS 302: Planning ASA 315 replaces AUS 402: Risk Assessments and Internal Controls AUS 808: Planning Performance Audits AS/NZS 4360:2004: Risk Management ERA Guidelines
2. System Analysis	K McGill	AUS 810: Special Purpose Reports on Effectiveness of Control Procedures

3. Fieldwork Assessment and testing of; <ul style="list-style-type: none"> The control environment Information system Compliance procedures Compliance attitude 	K McGill	AUS 502: Audit Evidence AUS 806: Performance Auditing
4. Reporting	K McGill	ASA 300 replaces AUS 302 Planning AUS 806: Performance Auditing

Overall Conclusion

In my opinion, the licensee maintained control procedures in relation to the Trading Licence (GTL 10) and Distribution Licence (GDL 9) for the audit period based on the relevant clauses referred to within the scope section (Page 12) of this report, except for matters referred to in the qualification section. Further to the qualifications, some other non-compliances were noted but these are not material to achieving the licence obligations.

Findings

The conclusions of each of the elements of the licence are summarised in the following table. The audit risk as determined for each licence condition is also shown. The details of the audit can be seen in Appendix I (Page 30)

Item	Licence obligation	Consequence	Likelihood	Inherent Risk	Controls risk requirement	Review priority	Rating	Rating									
								0	1	2	3	4	5	N			
Licence conditions Type 1 Energy Coordination Act																	
25	5.1 /5.1 ECA ³ s11Z	Maj	Ul	H	Str	2	Compliant 4										
Licence conditions Type 1 – Gas Standards Act																	
26	5.1 ECA s11Z, GSA ⁴ s8.1	Maj	Ul	H	Str	2	Compliant 5										
27	5.1 ECA s11Z, GSA s9.1	Maj	Ul	H	Str	2	Compliant 5										
28	5.1 ECA s11Z, GSA s13.1	Maj	Ul	H	Str	2	Compliant 5										
92	12 ECA s11M	Maj	Ul	H	Str	2	Compliant 4										
Licence conditions Type 2 - Energy Coordination Act																	
1	4.1/4.1 ECA s11Q(1-2)	Mod	Ul	M	Mod	4	Compliant 4										
2	12.1 ECA s11WG(1)	Mod	Ul	M	Mod	4	Compliant 5										
3	13.1 ECA s11WG(2)	Mod	Ul	M	Mod	4	Compliant 5										
8	14.1 & 14.2 ECA s11Y(1)(b)	Mod	Ul	M	Mod	4	Compliant 5										

³ Energy Coordination Act 1994

⁴ Gas Standards Act 1972

10	15.1/18.1 ECA s11ZA(1)	Mod	Ul	M	Mod	4	Compliant 5												
13	16.1 ECA s11ZAF(c)	Mod	Ul	M	Mod	4	Not Rated												
23	5.1 ⁶ ECA Sch 3 s 2(1)	Mod	Ul	M	Mod	4	Not Rated												
24	17/20 ECA s11ZQH	Mod	Ul	M	Mod	4	Compliant 5												
93	13 ECA 11M	Mod	Ul	M	Mod	4	Compliant 5												
94	14.4 ECA 11M	Mod	Ul	M	Mod	4	Compliant 5												
96	15.2/18.2 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
100	19.1/23.1 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
101	21.1/25.1 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
102	20/24 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
103	22/26 ECA s11M	Mod	Ul	M	Mod	4	Not Rated												
105	Sch 2 Cl 2/ Sch 3 Cl 3 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
113	5.1 ⁶ ECA 11M	Mod	Ul	M	Mod	4	Compliant 5												
114	Sch 2 Cl 4.2 ECA 11M	Mod	Ul	M	Mod	4	Compliant 5												
117	14.1 ECA s11M	Mod	Ul	M	Mod	4	Not Rated												
118	14.1 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
119	14.2 ECA s11M	Mod	Ul	M	Mod	4	Not Compliant 2												
120	17.1 & 17.2 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
121	Sch 3 Cl 1.5 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
122	Sch 3 Cl 1.7 ECA s11M	Mod	Ul	M	Mod	4	Not Rated												
124	Sch 3 Cl 2.3 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
125	Sch 3 Cl 2.5 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
126	Sch 3 Cl 2.6 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
127	Sch 3 Cl 2.7 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
128	Sch 3 Cl 2.8 & 2.9 ECA s11M	Mod	Ul	M	Mod	4	Not Rated												
129	Sch 3 Cl 4.1 ECA s11M	Mod	Ul	M	Mod	4	Compliant 3												
131	Sch 3 Cl 4.3 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
133	Sch 3 Cl 6.1 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
Licence conditions Type 2- Gas Marketing Standard																			
134	21.1 & 21.2 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
135	21.1 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
136	Sch 2 Cl 2.1 & 2.2 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
137	Sch 2 Cl 3 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
138	Sch 2 Cl 4.1 ECA s11M	Mod	Ul	M	Mod	4	Not Rated												
140	Sch 2 Cl 4.3 ECA s11M	Mod	Ul	M	Mod	4	Not Rated												
141	Sch 2 Cl 5.1 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
142	Sch 2 Cl 5.2 & 5.3 ECA s11M	Mod	Ul	M	Mod	4	Compliant 5												
143	Sch 2 Cl 6.1 ECA s11M	Mod	Ul	M	Mod	4	Not Rated												
144	Sch 2 Cl 6.2 ECA s11M	Mod	Ul	M	Mod	4	Not Rated												
145	Sch 2 Cl 7.1a ECA s11M	Mod	Ul	M	Mod	4	Not Rated												
146	Sch 2 Cl 7.1b, 7.2 & 7.3 ECA s11M	Mod	Ul	M	Mod	4	Not Rated												
147	Sch 2 Cl 7.2 ECA s11M	Mod	Ul	M	Mod	4	Not Rated												
148	Sch 2 Cl 7.2 ECA s11M	Mod	Ul	M	Mod	4	Not Rated												
Licence conditions Type NR - Energy Coordination Act																			
4	5.1 ⁶ ECA s11WK(1-2)	Min	Ul	L	Mod	5	Compliant 5												
5	5.1 ⁶ ECA s11WK(3)	Min	Ul	L	Mod	5	Compliant 5												
6	5.1/5.1 ⁶ ECA s11X(3)	Min	Ul	L	Mod	5	Compliant 5												
17	5.1 ⁶ / 5.1 ECA s11ZK(3)	Min	Ul	L	Mod	5	Compliant 5												
97	15.4/18.4 ECA 11M	Min	Ul	L	Mod	5	Compliant 5												
98	16/19 ECA 11M	Min	Ul	L	Mod	5	Not Rated												

99	18/22 ECA 11M	Min	Ul	L	Mod	5	Compliant 5											
106	Sch 2 Cl 2.2/Sch 3 Cl 3.2 ECA 11M AGA Code Cl 2.5.1(a)	Min	Ul	L	Mod	5	Compliant 5											
107	Sch 2 Cl 2.2/Sch 3 Cl 3.2 ECA 11M AGA Code Cl 2.5.1(b)	Min	Ul	L	Mod	5	Compliant 5											
108	Sch 2 Cl 2.2/Sch 3 Cl 3.2 ECA 11M AGA Code Cl 2.5.1(c)	Min	Ul	L	Mod	5	Compliant 5											
109	Sch 2 Cl 2.2/Sch 3 Cl 3.2 ECA 11M AGA Code Cl 2.5.2(a)	Min	Ul	L	Mod	5	Compliant 5											
110	Sch 2 Cl 2.2/Sch 3 Cl 3.2 ECA 11M AGA Code Cl 2.5.2(b)	Min	Ul	L	Mod	5	Compliant 5											
111	Sch 2 Cl 2.2/Sch 3 Cl 3.2 ECA 11M AGA Code Cl 2.5.2(c)	Min	Ul	L	Mod	5	Compliant 5											
115	12.2 ECA s11M	Min	Ul	L	Mod	5	Compliant 5											
116	12.3 ECA s11M	Min	Ul	L	Mod	5	Compliant 5											
123	Sch 3 Cl 2.1 ECA s11M	Min	Ul	L	Mod	5	Compliant 5											
130	Sch 3 Cl 4.2 ECA s11M	Min	Ul	L	Mod	5	Compliant 5											
Licence conditions Type NR - Energy Coordination Act																		
7	14.1 ECA s11Y(1)(a)	Min	Ul	L	Mod	5	Compliant 3											
9	14.1 ECA s11Y(1)(c)	Min	Ul	L	Mod	5	Compliant 5											
95	14.4 ECA 11M	Min	Ul	L	Mod	5	Compliant 5											
104	Sch 2 Cl 1.1 ECA 11M	Min	Ul	L	Mod	5	Compliant 5											
Licence Conditions Type NR - Energy Coordination (Customer Contracts) Regulations																		
32	5.1 ⁶ EC(CC) ⁷ Reg 12.1.2	Min	Ul	L	Mod	5	Compliant 5											
33	5.1 ⁶ EC(CC) ⁷ Reg 12.1.4(a)	Min	Ul	L	Mod	5	Compliant 5											
34	5.1 ⁶ EC(CC) ⁷ Reg 12.1.4(b)	Min	Ul	L	Mod	5	Compliant 5											
35	5.1 ⁶ EC(CC) ⁷ Reg 12.1.5(a)	Min	Ul	L	Mod	5	Not Rated											
36	5.1 ⁶ EC(CC) ⁷ Reg 12.1.5(b)	Min	Ul	L	Mod	5	Not Rated											
37	5.1 ⁶ EC(CC) ⁷ Reg 12.1.5(c)	Min	Ul	L	Mod	5	Not Rated											
38	5.1 ⁶ EC(CC) ⁷ Reg 12.1.5(d)	Min	Ul	L	Mod	5	Not Rated											
39	5.1 ⁶ EC(CC) ⁷ Reg 12.1.5(e)	Min	Ul	L	Mod	5	Not Rated											
40	5.1 ⁶ EC(CC) ⁷ Reg 12.1.6 AGA Code Cl 5.1.1.2	Min	Ul	L	Mod	5	Compliant 5											
41	5.1 ⁶ EC(CC) ⁷ Reg 12.1.6 AGA Code Cl 5.1.1.3	Min	Ul	L	Mod	5	Compliant 5											
42	5.1 ⁶ EC(CC) ⁷ Reg 12.1.6 AGA Code Cls 5.1.2.1 & 5.1.2.2	Min	Ul	L	Mod	5	Compliant 5											
43	5.1 ⁶ EC(CC) ⁷ Reg 12.1.6 AGA Code Cls 5.1.3.1 & 5.1.3.2	Min	Ul	L	Mod	5	Compliant 5											
44	5.1 ⁶ EC(CC) ⁷ Reg 12.1.6 AGA Code Cls 5.1.4.1 & 5.1.4.2	Min	Ul	L	Mod	5	Compliant 5											
45	5.1 ⁶ EC(CC) ⁷ Reg 12.1.6 AGA Code Cls 5.1.5.1 & 5.1.5.2	Min	Ul	L	Mod	5	Compliant 5											
46	5.1 ⁶ EC(CC) ⁷ Reg 12.1.6	Min	Ul	L	Mod	5	Compliant 5											

	AGA Code Cl 5.1.7.2																		
47	5.1 ⁶ EC(CC) ⁷ Reg 12.1.6 AGA Code Cl 5.1.8.1(a)	Min	Ul	L	Mod	5	Compliant 5												
48	5.1 ⁶ EC(CC) ⁷ Reg 12.1.6 AGA Code Cl 5.1.8.1(b)	Min	Ul	L	Mod	5	Compliant 5												
49	5.1 ⁶ EC(CC) ⁷ Reg 12.1.6 AGA Code Cl 5.1.8.1(c)	Min	Ul	L	Mod	5	Compliant 5												
50	5.1 ⁶ EC(CC) ⁷ Reg 12.1.6 AGA Code Cl 5.1.8.1(d)	Min	Ul	L	Mod	5	Compliant 5												
51	5.1 ⁶ EC(CC) ⁷ Reg 12.1.6 AGA Code Cl 5.1.8.1(e) & (f)	Min	Ul	L	Mod	5	Compliant 5												
52	5.1 ⁶ EC(CC) ⁷ Reg 12.1.6 AGA Code Cl 5.2.2.2	Min	Ul	L	Mod	5	Compliant 5												
53	5.1 ⁶ EC(CC) ⁷ Reg 13(1) AGA Code Cl 4.4.6.2	Min	Ul	L	Mod	5	Compliant 5												
54	5.1 ⁶ EC(CC) ⁷ Reg 13(3)	Min	Ul	L	Mod	5	Compliant 5												
55	5.1 ⁶ EC(CC) ⁷ Reg 13(4)	Min	Ul	L	Mod	5	Compliant 5												
56	5.1 ⁶ EC(CC) ⁷ Reg 14(2)	Min	Ul	L	Mod	5	Compliant 5												
57	5.1 ⁶ EC(CC) ⁷ Reg 14(3) AGA Code Cl 4.1.2.1 & 4.1.2.2	Min	Ul	L	Mod	5	Compliant 5												
58	5.1 ⁶ EC(CC) ⁷ Reg 14 AGA Code Cl 4.1.3.1 & 4.1.3.2	Min	Ul	L	Mod	5	Compliant 5												
59	5.1 ⁶ EC(CC) ⁷ Reg 15(1) AGA Code Cl 4.2.1	Min	Ul	L	Mod	5	Compliant 5												
60	5.1 ⁶ EC(CC) ⁷ Reg 15(1) AGA Code Cl 4.2.3.1, 4.2.3.2 & 4.2.3.3	Min	Ul	L	Mod	5	Not Compliant 2												
61	5.1 ⁶ EC(CC) ⁷ Reg 15(1) AGA Code Cl, 4.2.3.2	Min	Ul	L	Mod	5	Not Rated												
62	5.1 ⁶ EC(CC) ⁷ Reg 15(1) & 15.(2)	Min	Ul	L	Mod	5	Compliant 5												
63	5.1 ⁶ EC(CC) ⁷ Reg 15(1) & 15.(2) AGA Code Cl, 4.2.3.4	Min	Ul	L	Mod	5	Compliant 5												
64	5.1 ⁶ EC(CC) ⁷ Reg 15(1) AGA Code Cl, 4.2.4.1	Min	Ul	L	Mod	5	Compliant 5												
65	5.1 ⁶ EC(CC) ⁷ Reg 15(1) AGA Code Cl, 4.2.4.2	Min	Ul	L	Mod	5	Compliant 5												
67	5.1 ⁶ EC(CC) ⁷ Reg 15(1) AGA Code Cl, 4.2.4.5	Min	Ul	L	Mod	5	Compliant 5												
68	5.1 ⁶	Min	Ul	L	Mod	5	Compliant 5												

	EC(CC) ⁷ Reg 15(1) AGA Code Cl, 4.3.2.1																		
69	5.1 ⁶ EC(CC) ⁷ Reg 15(1) AGA Code Cl, 4.3.2.2	Min	Ul	L	Mod	5	Compliant 5												
70	5.1 ⁶ EC(CC) ⁷ Reg 16(3)	Min	Ul	L	Mod	5	Not Rated												
71	5.1 ⁶ EC(CC) ⁷ Reg 19	Min	Ul	L	Mod	5	Compliant 5												
72	5.1 ⁶ EC(CC) ⁷ Reg 20(2) AGA Code Cl 4.3.5.1	Min	Ul	L	Mod	5	Compliant 5												
73	5.1 ⁶ EC(CC) ⁷ Reg 27(4) & 40(3)	Min	Ul	L	Mod	5	Not Rated												
74	5.1 ⁶ EC(CC) ⁷ Reg 20(3) & 48	Min	Ul	L	Mod	5	Not Rated												
75	5.1 ⁶ EC(CC) ⁷ Reg 22 & 49(2)	Min	Ul	L	Mod	5	Compliant 5												
76	5.1 ⁶ EC(CC) ⁷ Reg 49(3)	Min	Ul	L	Mod	5	Compliant 5												
77	5.1 ⁶ EC(CC) ⁷ Reg 49(4)	Min	Ul	L	Mod	5	Compliant 5												
78	5.1 ⁶ EC(CC) ⁷ Reg 49(5)	Min	Ul	L	Mod	5	Compliant 5												
79	5.1 ⁶ EC(CC) ⁷ Reg 50	Min	Ul	L	Mod	5	Compliant 5												
80	5.1 ⁶ EC(CC) ⁷ Reg 44	Min	Ul	L	Mod	5	Compliant 5												
82	14.1 ECA 11M, EC(CC) ⁷ Reg 45(2)	Min	Ul	L	Mod	5	Not Compliant 2												
83	5.1 ⁶ EC(CC) ⁷ Reg 46(1) & (2)	Min	Ul	L	Mod	5	Not Rated												
84	5.1 ⁶ EC(CC) ⁷ Reg 46(4)	Min	Ul	L	Mod	5	Compliant 5												
85	5.1 ⁶ EC(CC) ⁷ Reg 28 AGA Code Cl, 3.1.1(a)	Min	Ul	L	Mod	5	Compliant 5												
86	5.1 ⁶ EC(CC) ⁷ Reg 28 AGA Code Cl, 3.1.1(b)	Min	Ul	L	Mod	5	Compliant 3												
87	5.1 ⁶ EC(CC) ⁷ Reg 28 AGA Code Cl, 3.1.2	Min	Ul	L	Mod	5	Compliant 5												
88	Sch2 cl 4 ECA 11M, EC(CC) ⁷ Reg 28 AGA Code Cl, 3.1.3.1	Min	Ul	L	Mod	5	Compliant 5												
89	5.1 ⁶ ECA 11M, EC(CC) ⁷ Reg 28 AGA Code Cl, 3.5.2.1	Min	Ul	L	Mod	5	Compliant 5												
90	5.1 ⁶ EC(CC) ⁷ Reg 33(3) AGA Code Cl, 3.5.2.2	Min	Ul	L	Mod	5	Compliant 5												
91	5.1 ⁶ EC(CC) ⁷ Reg 42	Min	Ul	L	Mod	5	Not Rated												
Licence conditions Type NR/Trading – Gas Marketing Standard																			
139	Sch2 cl 4.2 ECA 11M	Min	Ul	L	Mod	5	Not Rated												

149	Sch2 cl 7.2 ECA 11M	Min	Ul	L	Mod	5	Not Rated												
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Legend

Consequences	Maj = Major	Mod = Moderate	Min = Minor
Likelihood	Like = Likely	Prob - Probable	Ul = Unlikely
Inherent Risk	H = High	M = Medium	L = Low
Controls risk requirement	Str = Strong	Mod = Moderate	Wk = Weak

Audit Results and Recommendations

Summary of significant results

A number of non compliances have been recorded (60/82 &119). These are not material to the delivery of the licence obligations.

Items 60 and 82 were not required to be reviewed under the previous licences. These items relates to information on the customers’ bill. The bill contains the required information except for three issues. The first relates to refundable advances and the Licensee does not charge refundable advances. The second relates to the availability of interpreter services and while missing from the bill is referenced in other places such as customer charter which in turn is on the *Authority* and Licensee’s web sites and in the introductory information for new customers. The third relates to availability of the customer charter which is otherwise in several locations including the Licensees web site.

Item 119 refers to reviewing the customer charter and it has been reviewed but a robust process is required to ensure that it is reviewed in the required 36 months.

Audit Item	Recommendation
60 and 82	Issue 1
	Bill contents are compliant except do not meet 4.2.3.3 (p) in Code but do not charge for meter reads. There are no refundable advances. The availability of interpreter service (4.2.3.3 (q)) is not on bill but in other customer documents such as customer charter. The availability of the customer charter is also to be addressed.
	Recommendation 1
	Amend bill format to include required information, (including advice with the Bill that the customer charter is available free of charge) to the requirements of the ERA Gas Customer Code by the implementation date of 1 July 2009.
92	Issue 2
	The Licensee has installed a second bulk tank at Leinster which improves the diversity/ security of supply. The emergency plans at Leinster need to be modified to show the second tank. The second tank at Leinster has been tested but not externally refurbished, which does not give confidence of refurbishment processes. There are 2 tanks at Hopetoun and Margaret River tank numbers have been doubled to 6. The emergency plans at

	Margaret River need to be modified to show the extra tanks.
	Recommendation 2
	Update the emergency plans at Leinster and Margaret River. Paint the tank at Leinster.
119	Issue 3
	The customer charter has been reviewed but cannot establish if it was reviewed in the required time.
	Recommendation 3
	To ensure that regular reviews occur, the Licensee should establish a time table for regular 36 month reviews of the customer charter.
129	Issue 4
	As the licences were substituted for the old licences the technical condition of seeking approval of the safety awareness plan did not arise. However there is no process to deal with document approval requirements.
	Recommendation 4
	Establish a process for submitting required documents for approval.

Post Audit Implementation Plan

Item	Licence	Action	Responsible	When
1	GTL 10	Bill contents will be amended to meet 4.2.3.3 (p) in Code and (4.2.3.3 (q)). Customer Charter availability is included.	Technical Services Manager	July 2009
2	GDL 9	Update the emergency plans at Leinster and Margaret River.	Technical Services Manager	October 2009
3	GTL 10	Establish a program to review the customer charter every 36 months	Technical Services Manager	August 2009
4	GTL 10 GDL 9	A process for submitting required documents for approval is to be developed.	Technical Services Manager	October 2009

ASSET MANAGEMENT SYSTEM REVIEW

Asset Management System Review Objectives

Under the *Energy Coordination Act 1994* (the Act) section 11Y, the licensee must develop and maintain an asset management system to manage the significant asset base for ongoing service delivery to its customers. The Act requires a review of the asset management system every two years (or other time approved by the Economic Regulation Authority - *Authority*).

An asset management system is to set out the measures to be taken by the licensee for the proper maintenance of assets used in the transport of gas and in the operation and maintenance of, and, where relevant, the construction or alteration of, the distributor's assets.

Asset Management System Review Recommendations

The recommendations identify:

- a) The asset management process.
- b) The effectiveness rating.
- c) The issue(s) identified that have resulted in the nominated effectiveness rating.
- d) The recommended action(s) to improve the effectiveness of the asset management process to an acceptable level.

Asset management system review methodology

The asset management review report provides a table that summarises the auditor's assessment of the effectiveness ratings for each key process in the licensee's asset management system using the 6-point scale described below.

The overall effectiveness rating is based on an assessment of the adequacy and effectiveness of the licensee's asset management system.

Use of Audit Processes and Practices

- 1 Accepted audit processes and practices were used to complete the review. These include the sampling techniques associated with process reviews such as interviews to define accountability, observations, document sighting and testing of users.
- 2 The review addressed four key elements of successful delivery of asset management to allow the assessment of the effectiveness of the asset management system. These elements are:
 - Process – the existence of a suitable process for activities
 - Documentation – the existence of a document defining a process
 - Availability/accessibility/understanding – the process is understood, available to those required to use it and accessible to them
 - Use- confirmation the process is used consistently

- 3 The audit priorities were determined and included in the asset management system review plan approved by the *Authority*.

The review was conducted by Kevan McGill during March and April 2009.

Audit priority

The *Authority* guidelines for asset management system reviews sets out a rating for audit priority based on inherent risk and existing controls. The following priorities were determined in accordance with the guidelines and audit plan and accepted by the Licensee.

The review priorities and findings are as follows. The detail of the review and findings can be seen in Appendix II (Page 95).

Item	Licence obligation	Inherent Risk	Controls risk requirement	Review priority	Rating					
					0	1	2	3	4	5
1	Asset planning	High	Strong	2						
2	Asset creation/ acquisition	High	Strong	2						
3	Asset disposal	Medium	Moderate	4						
4	Environmental analysis	Medium	Moderate	4						
5	Asset operations	High	Strong	2						
6	Asset maintenance	High	Strong	2						
7	Asset Management Information System	High	Strong	2						
8	Risk management	Medium	Moderate	4						
9	Contingency planning	Medium	Moderate	4						
10	Financial planning	Medium	Moderate	4						
11	Capital expenditure planning	Medium	Moderate	4						
12	Review of AMS	Medium	Moderate	4						

Overall conclusion

In my opinion, the licensee maintained control procedures in relation to the Distribution Licence (GDL 9) for the period to 31 January 2009 based on the relevant clauses referred to within the scope section of this report, except for matters referred to in the qualification section. The recommendations include a number of changes to improve the effectiveness of the asset management system in accordance with the *Act* s 11Y(2).

Findings

The conclusions of each of the elements of the licence are summarised in the following table. The audit risk as determined for each licence condition is also shown.

Asset management process	Review priority	Rating	
Asset planning	2	Not performed	0
Asset creation/ acquisition	2	Performed informally	1
Asset disposal	4	Performed informally	1
Environmental analysis	2	Not performed	0
Asset operations	2	Performed informally	1
Asset maintenance	2	Performed informally	1
Asset Management Information System	4	Planned and tracked	2
Risk management	4	Planned and tracked	2
Contingency planning	4	Performed informally	1
Financial planning	4	Performed informally	1
Capital expenditure planning	4	Performed informally	1
Review of AMS	4	Not performed	0

The overall effectiveness rating for each licence condition is based on an assessment of the effectiveness of the licensee's existing control procedures to manage its assets.

Review Results and Recommendations

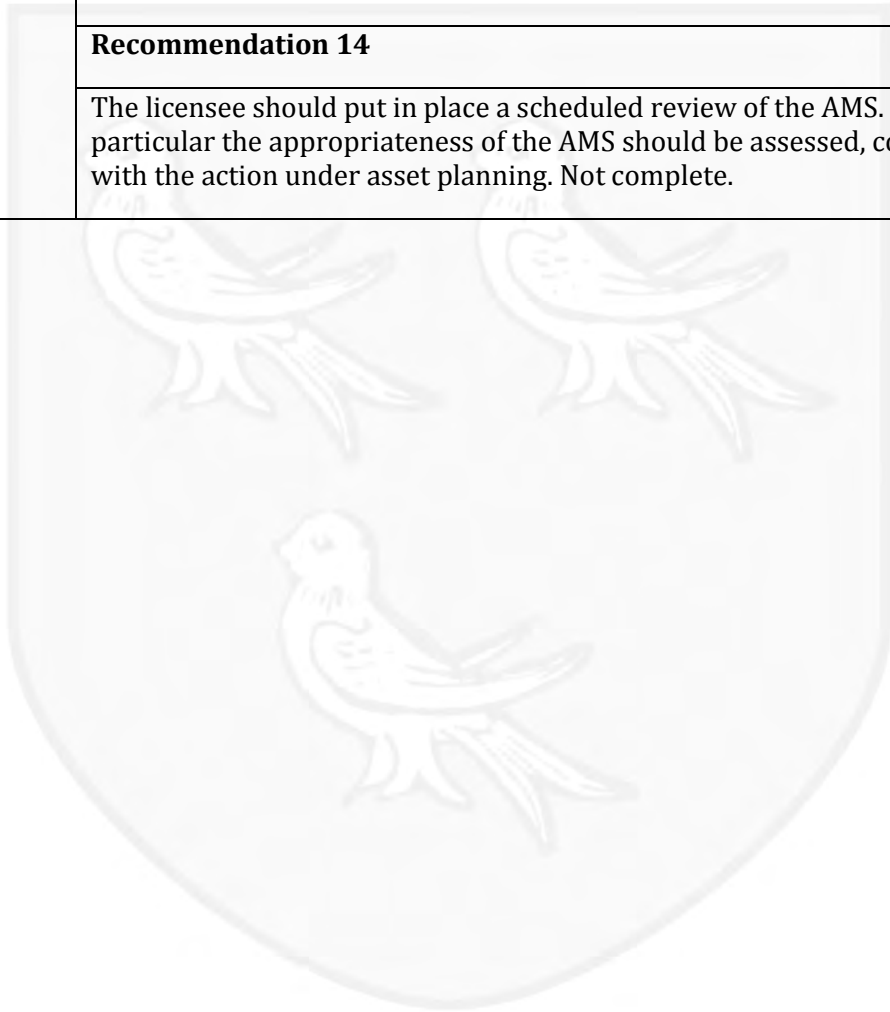
The following summarises the key results and recommendations

Asset Management Item	Recommendation
Asset Planning	Issue 1
	The activities on the system are taking place not because of good process, rather in a reactive way to issues arising. Although the system is small and not complex, the assurance of outcomes would be improved by the establishment of a basic asset management plan that responds to the key risks that the systems face. Not completed action to put basic system in place.
	Recommendation 1
	That the Licensee puts in place a basic asset management plan that responds to the key risks the system faces. The system will be well documented including procedures and the asset registers.
Asset Disposal	Issue 2

	Regular reviews of the usefulness of the assets are not in place as the systems other than Leinster are relatively new.
	Recommendation 2
	That the Licensee puts in place a process of reviewing the usefulness of assets.
Environmental Analysis	Issue 3
	There is only an informal approach to environmental issue and no strategic examination of the environment in a planning sense.
	Recommendation 3
	That the Licensee puts in place a basic asset management plan that responds to the key environmental issues the system faces.
Asset Operations	Issue 4
	The process is currently operating effectively but is growing to a point where remote alarming and regular monitoring of pressures and flows should be undertaken to guarantee service standards. Remote monitoring at Hopetoun should be commissioned as soon as possible subject to a licence being required.
	Recommendation 4
	Remote monitoring should be commissioned at Hopetoun, subject to a licence being required.
	Issue 5
	Monitoring of pressures and flows at strategic points of the networks at peak load periods would provide confidence that the systems have the capacity to provide the service quality required.
	Recommendation 5
	Regular, planned and scheduled monitoring of pressures and flows at strategic points in all systems should take place each peak load season.
	Issue 6
	The systems have emergency plan but these need to be exercised to ensure that the plans are adequate and up to date.
	Recommendation 6
	Regular and scheduled exercises of the emergency plans takes place and consequent updates are actioned.
	Issue 7
	Further research should take place to ensure an accurate leak detection process for the heavier than air LPG is in place and used.
Recommendation 7	
An accurate leak detection process will be used by the Licensee to confirm that the heavier than air LPG is properly detected.	

	Issue 8
	The site (emergency) plans at Leinster and Margaret River need updating to include the new tanks.
	Recommendation 8
	Update site plan at Leinster and Margaret River.
Asset Maintenance	Issue 9
	The maintenance manual (including the refurbishment process) needs to be more up to date.
	The new tank at Leinster has been relocated from elsewhere and while it has been inspected but externally has rust spots which do not give confidence of refurbishment procedures.
	Recommendation 9
	The maintenance procedures manual (including the refurbishment process) has scheduled reviews and consequent upgrades. Replaced tank at Leinster needs painting.
Risk management	Issue 10
	Risk management of physical assets takes place as well as workplace safety risk management but no risk management occurs for commercial issues.
	Recommendation 10
	A risk management process is implemented for commercial matters.
Contingency Planning	Issue 11
	As a consequence of Varanus Island gas emergency, gas was imported by ships and the licensee would import gas from other states where required. These gas shortage strategies are informal rather than planned contingencies. The contingencies for the consequences of the cyclic nature of mining such as at Hopetoun have not been developed.
	Recommendation 11
	A contingency planning process is implemented.
Financial Planning	Issue 12
	The system is small and not complex and is performing financially so the need for a financial management plan is not high. However, a financial plan should be developed. The budget cycle is typically annual and for the scale of systems is not unreasonable but income and cost projection for the out years (5) would improve the system.
	Recommendation 12
	A financial plan should be developed.
Capital expenditure	Issue 13
	The licensee has such a small system relative to the resources of the owner

planning	hence the need for a capital expenditure plan is currently low. However, a capital expenditure plan should be developed, even if the planning horizon is short.
	Recommendation 13
	A capital expenditure plan should be developed, even if the planning horizon is short.
AMS review	Issue 14
	While the asset management system is small it should be periodically reviewed.
	Recommendation 14
	The licensee should put in place a scheduled review of the AMS. In particular the appropriateness of the AMS should be assessed, consistent with the action under asset planning. Not complete.



Post Review implementation Plan

Item	Action	Responsible	When
1	The Licensee will implement a basic asset management plan. The system will be well documented including procedures and the asset registers.	Technical Services Manager	December 2009
2	A process of reviewing the usefulness of assets is put in place.	Technical Services Manager	December 2009
3	That the Licensee puts in place a basic asset management plan that responds to the key environmental issues the system faces.	Technical Services Manager	December 2009
4	The licensee will commission remote monitoring at Hopetoun, subject to a licence being required.	Technical Services Manager	October 2009
5	The licensee will implement regular (annual), planned and scheduled monitoring of pressures and flows at strategic points in all systems each peak load season.	Technical Services Manager	October 2009
6	The licensee will conduct regular (at least annual) and scheduled exercises of the emergency plans and consequent updates are actioned.	Technical Services Manager	November 2009
7	An accurate leak detection process will be used by the Licensee to confirm that heavier than air LPG is being properly detected	Technical Services Manager	December 2009
8	Site plans at Margaret River and Leinster are updated	Technical Services Manager	August 2009
9	The Licensee will conduct scheduled reviews of the maintenance procedures manual and make consequent	Technical Services Manager	December 2009

	upgrades. Tank at Leinster is to be painted.		
10	A risk management process is implemented for commercial matters.	Technical Services Manager	November 2009
11	A contingency planning process is implemented.	Technical Services Manager	November 2009
12	A financial plan should be developed.	Technical Services Manager	November 2009
13	A capital expenditure plan should be developed, even if the planning horizon is short.	Technical Services Manager	November 2009
14	The licensee should put in place a scheduled review of the AMS.	Technical Services Manager	December 2009

Audit Evidence

The following evidence was gathered for the audit.

1. Legislation and standards
 - *Energy Coordination Act 1994*
 - *Gas Standards Act 1972*
 - *Gas Standards (Gas Supply and System Safety) Regulations 2000*
 - *AG 755 1998 Natural Gas Customer Service Code*
 - Auditing and Assurance handbook
 - Gas Trading Licence GTL 9
 - Gas Distribution Licence GDL10
 - Licence maps

2. Licensee's documents
 - Annual report for balance sheets and financial indicators
 - Gas quality samples
 - Prospective customers package
 - Maintenance procedures
 - Emergency response plans

- Customer safety awareness program
- Customer service charter
- Standard form contract
- Complaints handling system
- Annual information returns
- Plans of coastal region reticulation
- Customer Bills

Audit Time

The audit was undertaken by Kevan McGill and took approximately 170 hours.



APPENDIX 1 PERFORMANCE AUDIT DETAIL RESULTS AND RECOMMENDATIONS

Licence Conditions Type 1 Trading & Distribution

Item 25		Trading & Distribution Licence Clauses 5.1						Compliance rating Compliant 5	
<i>Energy Coordination Act section 11Z</i> The requirement is that a Licensee must comply with the standards of the <i>Gas Standards Act 1972</i> .									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The standards in the <i>Gas Standards Act 1972</i> are contained in regulations, principally the <i>Gas Standards (Gas Supply And System Safety) Regulations 2000</i> .									
Issues									
The <i>Gas Standards (Gas Supply And System Safety) Regulations 2000</i> are managed by EnergySafety and there are no reported non compliances from EnergySafety. EnergySafety have not reported any deviations from the required gas quality specifications. A sample of the internal quality control has also not revealed any deviations from gas quality requirements. The licensee has amended the quality control processes to ensure that ethane content stays within regulated requirements.									
Recommendations									
None									
Management Actions									
Not applicable									

Licence Conditions Type 1 Distribution

Item 26		Distribution Licence Clause 5.1						Compliance rating Compliant - 4	
<i>Energy Coordination Act section 11Z</i> The requirement is that a Licensee must not supply gas at less than the relevant approved minimum heating value.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The specification of gas (including chemical mix) is regulated by EnergySafety. Gas out of specification may be less / more efficient (lower/higher calorific value) and provide different gas quality from that required. Gas far from specification can lead to incorrect combustion and may be unsafe. As a safety measure the gas is required to have an odorant									

<p>added.</p> <p>EnergySafety monitors the standards of gas supplied. EnergySafety have not identified any deviations from standards. A sample of internal quality controls documents indicated that the gas met the required standards. As there were no deviations from quality of gas standards, the correction process could not be tested.</p> <p>The response plans for emergencies have not been tested despite being an action from the last audit.</p>
<p>Issues</p>
<p>The licensee has amended the quality control processes to ensure that ethane content stays within regulated requirements.</p> <p>The emergency plans should be tested.</p>
<p>Recommendations</p>
<p>Tests of emergency plan to be scheduled.</p>
<p>Management Actions</p>
<p>Testing of emergency plans to be tested.</p>

<p>Item 27 Distribution Licence Clause 5.1</p>	<p>Compliance rating Compliant - 5</p>
<p><i>Energy Coordination Act section 11Z</i> The requirement is that the Licensee shall not cause or permit any alteration to be made in the specific gravity, flame speed or other prescribed characteristic of gas supplied by him unless he has first applied for, and obtained, the written approval of the Minister.</p>	
<p>Observations</p>	
<p>Process</p>	<p><input checked="" type="checkbox"/></p>
<p>Outcome</p>	<p><input checked="" type="checkbox"/></p>
<p>Output</p>	<p><input checked="" type="checkbox"/></p>
<p>Reporting</p>	<p><input checked="" type="checkbox"/></p>
<p>Compliance</p>	<p><input checked="" type="checkbox"/></p>
<p>No deviations from the prescribed characteristics of gas have been reported from EnergySafety. A sample of gas quality certificates has indicated no deviations from the standard.</p>	
<p>Issues</p>	
<p>None.</p>	
<p>Recommendations</p>	
<p>None.</p>	
<p>Management Actions</p>	
<p>Not applicable.</p>	

Item 28 Distribution Licence Clause 5.1								Compliance rating Compliant - 5	
<i>Energy Coordination Act section 11Z</i> The requirement is that the Licensee shall not commence to supply gas to a consumer's gas installation unless that installation meets the requirements prescribed in respect of that installation.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
<p>The <i>Gas Standards Act 1972</i> requires that a gas supplier not commence supply unless the installation meets prescribed requirements which are prescribed in regulations. The Licensee has an inspection plan and inspects 5% of all work prior to connection to gas supply. The current inspection plan requires an inspection of 5% of all new customer connections prior to gas supply and 10% of all altered or additions to gas installations on the distribution system.</p> <p>EnergySafety regulates the inspection plans. EnergySafety have indicated that they are reviewing the performance of the inspection plan but this action will be completed outside the audit period. There have not been any prosecutions for breaches of obligations.</p>									
Issues									
None.									
Recommendations									
None.									
Management Actions									
Not applicable.									

Item 92 Distribution Licence Clause 12								Compliance rating Compliant - 4	
<i>Energy Coordination Act section 11M</i> The requirement is that the Licensee must continuously operate those parts of the distribution system required to meet its obligations to supply gas, except to the extent necessary for compliance with the <i>Gas Standards (Gas Supply and System Safety) Regulations 2000</i> .									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
<p>This requires that the gas supplier has sufficient supply to match demand, sufficient capacity in the distribution system to maintain the required flow at the designated pressure, processes to maintain the system to deliver the required supply and processes to manage emergency situations. The Licensee must have sufficient storage for the distribution system to handle reasonable contingencies. Leinster can be subject to flooding that could delay refilling the tanks.</p>									

Issues
The Licensee has installed a second bulk tank at Leinster which improves the diversity/ security of supply. The emergency plans at Leinster need to be modified to show the second tank. The second tank at Leinster has been tested but not externally refurbished, which does not give confidence of refurbishment processes. There are 2 tanks at Hopetoun and Margaret River tank numbers have been doubled to 6. The emergency plans at Margaret River need to be modified to show the extra tanks.
Recommendations
Update the emergency plans at Leinster and Margaret River. Paint tank at Leinster.
Management Actions
Emergency plans at Margaret River and Leinster to be upgraded. Paint tank at Leinster.

Licence Conditions Type 2 Energy Coordination Act

Item 1	Trading Licence Clause 5.1 / Distribution Licence Clause 5.1	Compliance rating Compliant - 4							
<i>Energy Coordination Act section 11Q(1-2)</i> The requirement is that a Licensee must pay the applicable fees in accordance with the Regulations. (Energy Coordination (Licensing Fees) Regulations Clause 4 & 5).									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The fees have been paid but not on time. The licence requires at clause 4 that the fees be paid according to the regulations which set the values but not the payment time. Clause 5 of the licence requires compliance with applicable legislation including the Act, which requires payment within a month.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 2	Trading Licence Clause 12.1	Compliance rating Compliant - 5
<i>Energy Coordination Act section 11WG(1)</i> The requirement is that a Licensee must, subject to the regulations, not supply gas to a customer other than under a standard form or non-standard contract.		

Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There are no small use customers that are not on a standard or a non standard contract.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 3	Trading Licence Clause 13.1	Compliance rating Not Rated							
<i>Energy Coordination Act section 11WG(2)</i> The requirement is that a Licensee must comply with a direction given to the Licensee under section 11WI.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
The <i>Authority</i> has not required any amendments to the standard form contract and compliance with a direction could not be tested.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 8	Distribution Licence Clauses 14.1 & 14.2	Compliance rating Compliant - 5							
<i>Energy Coordination Act section 11Y(1)(b)</i> The requirement is that a Licensee must notify details of the asset management system and any substantial changes to it to the <i>Authority</i> .									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The Licensee notified the <i>Authority</i> of details of the asset management system in the last									

audit and is still working on changes so the need to advise the <i>Authority</i> has not yet risen.
Issues
None
Recommendations
None
Management Actions
Not applicable

Item 10	Trading Licence Clause 18.1 / Distribution Licence Clause 15.1	Compliance rating Complaint - 5							
<i>Energy Coordination Act section 11ZA(1)</i> The requirement is that a Licensee must provide the <i>Authority</i> with a performance audit by an independent expert acceptable to the <i>Authority</i> within 24 months of commencement and every 24 months thereafter (or longer if the <i>Authority</i> allows).									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
This audit satisfies the requirement.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 13	Trading Licence Clause 16.1	Compliance rating Not Rated							
<i>Energy Coordination Act section 11ZAF(c)</i> The requirement is that a Licensee must carry out the arrangements and other provisions in the approved last resort supply plan if it comes into operation.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There has been no plan submitted but none has been requested by the <i>Authority</i> .									

Issues
None
Recommendations
None
Management Actions
Not applicable

Item 23	Distribution Licence Clause 5.1	Compliance rating Not Rated							
<i>Energy Coordination Act Schedule section 2(1)</i> The requirement is that a Licensee, as the operator of a supply system, must notify the Minister if a state of emergency exists in relation to a supply system as soon as practicable after becoming aware of it.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
No state of emergency has occurred and therefore responses cannot be tested.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 24	Trading Licence Clause 20/ Distribution Licence Clause 17	Compliance rating Compliant 5							
<i>Energy Coordination Act section 11ZQH</i> The requirement is that the Licensee must not supply gas to customers unless the Licensee is a member of an approved Gas Industry Ombudsman Scheme and is bound by any decision or direction of the ombudsman under the Scheme.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The Licensee is a member of an approved Gas Industry Ombudsman Scheme and there are no complaints about not meeting by any decision or direction of the ombudsman under the Scheme.									

Issues
None
Recommendations
None
Management Actions
Not applicable

Item 93	Distribution Licence Clause 13	Compliance rating Compliant 5							
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must give the <i>Authority</i> written notice where it proposes to permanently cease or substantially decrease its activities under the licence 6 months before the cessation or decrease or, if this is not practicable, as soon as possible.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The audit will examine if the Licensee has proposed to permanently cease or substantially decrease its activities under the licence and if so has the <i>Authority</i> been advised in the required time frames. While no cessations have occurred in the audit period such action may be needed at Hopetoun.									
Issues									
The requirements are based on consumer protection such that the gas supplier does not desert the customers. In this case the planned customers have not arrived due to actions of others therefore the soon as practicable notice options should be exercised if a decision is taken to cease to distribute gas. Decisions will be outside audit period.									
Recommendations									
None									
Management Actions									
Not applicable									

Item 94	Distribution Licence Clause 14.4	Compliance rating Compliant - 5							
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must comply and require its expert to comply with the <i>Authority's</i> standard guidelines dealing with the asset management review.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>

This audit satisfies the requirement.
Issues
None
Recommendations
None
Management Actions
Not applicable

Item 96	Trading Licence Clause 18.2 / Distribution Licence Clause 15.1	Compliance rating Compliant - 5							
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must comply and require its expert to comply with the Authority's standard guidelines dealing with the performance audit.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The review meets the requirements.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 100	Trading Licence Clause 23.1 / Distribution Licence Clause 19.1	Compliance rating Compliant - 5							
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee and any related body corporate must maintain accounting records that comply with the Australian Accounting Standards Board or equivalent International Accounting Standards.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The financial auditor's statements in the annual reports confirm compliance with the required accounting standards.									

Issues
None
Recommendations
None
Management Actions
Not applicable

Item 101	Trading Licence Clause 24 /Distribution Licence Clause 20	Compliance rating Compliant - 5							
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must report to the <i>Authority</i> if the Licensee is under external administration or experiences a significant change in its corporate, financial or technical circumstances.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The administration status of the Licensee and in its corporate, financial or technical circumstances has not had any significant change.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 102	Trading Licence Clause 21.1 /Distribution Licence Clause 25.1	Compliance rating Compliant - 5							
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must provide to the <i>Authority</i> any information that the <i>Authority</i> may require in connection with its functions under the Energy Coordination Act 1994 in the time, manner and form specified by the <i>Authority</i> .									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The Licensee has provided the information returns required by the <i>Authority</i> .									

Issues
None
Recommendations
None
Management Actions
Not applicable

Item 103 Retail Licence Clause 5.1	Compliance rating Not Rated								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must publish any information it is directed by the <i>Authority</i> to publish, within the timeframes specified.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
The <i>Authority</i> has not required any information to be published.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 105 Trading Licence Schedule 3 Clause 3 Distribution Licence Schedule 2 Clause 2	Compliance rating Compliant 5								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must develop and lodge with the <i>Authority</i> , and thereafter be in a position to implement, a complaints handling process that complies with clause 2.5 of the customer service code.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
Complaints handling requirements have been satisfied.									
Issues									
None									

Recommendations
None
Management Actions
Not applicable

Item 113 Distribution Licence Clause 5.1	Compliance rating Compliant - 5								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must provide the <i>Authority</i> with the information under Schedule 2 for each financial year by no later than the 31 August immediately following the financial year to which the information relates.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The reporting requirements have been satisfied.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 114 Distribution Licence Clause 5.1	Compliance rating Compliant - 5								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must offer to connect residential premises located within the licence area to the distribution system if requested by a trader, subject to certain defined conditions.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
No complaints have been received by the licensee about connection requirements.									
Issues									
None									
Recommendations									
None									

Management Actions
Not applicable

Item 117 Trading Licence Clause 13.1	Compliance rating Not Rated								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must only amend the standard form contract in accordance with the Energy Coordination Act 1994 and Regulations.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
The standard form contract has not been amended. Will be amended in next audit period.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 118 Trading Licence Clause 14.1	Compliance rating Compliant - 5								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must prepare a customer service charter.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The customer service charter requirements have been satisfied.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 119 Trading Licence Clause 14.2							Compliance rating Not compliant 2		
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must, unless otherwise notified in writing by the <i>Authority</i> , review the customer service charter at least once every 36 months and submit the results of that review to the <i>Authority</i> within 5 days after it is completed.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The customer service charter been reviewed and submitted results to the <i>Authority</i> and loaded on <i>Authority</i> web site Jan 2009. Reviewed December 2008 dated September 2008.									
Issues									
The customer charter has been reviewed but there is no robust process to ensure it is reviewed in the required time. The licence was substituted in February 2008 and the charter reviewed late in 2008. The original licence was issued in January 2001 and the required 36 months would mean a renewal early in the year.									
Recommendations									
To ensure that regular reviews occur, the Licensee should establish a time table for regular 36 month reviews of the customer charter.									
Management Actions									
Establish a program to review the customer charter every 36 months.									

Item 120 Trading Licence Clause 17.1 & 17.2							Compliance rating Compliant - 5		
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must maintain supply to a customer if it supplies, or within the last 12 months supplied, gas to that customer's premises unless another supplier starts supplying the customer.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints of not maintaining (continuing) supply. Maintenance reviewed in Asset Management System review. Supply available has been available (maintained) even if some service interruptions due to damage to service.									
Issues									
None									
Recommendations									
None									

Management Actions
Not applicable

Item 121 Trading Licence Schedule 3 Clause 1.5	Compliance rating Not Rated								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must provide the <i>Authority</i> within 3 business days of a request by the <i>Authority</i> with reasons for refusing to commence supply to a customer if requested by the <i>Authority</i> .									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
The <i>Authority</i> has not requested reasons for refusal to commence supply to a customer.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 122 Trading Licence Schedule 3 Clause 1.7	Compliance rating Not Rated								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must comply with a direction from the <i>Authority</i> to supply a customer, subject to specified conditions.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
The <i>Authority</i> has not directed to commence supply to a customer.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 124 Trading Licence Schedule 3 Clause 2.3								Compliance rating Compliant - 5	
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must make available to the <i>Authority</i> a copy of its customer service charter which must at least include a statement of the general principles upon which it will provide services to its customers.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There have been no complaints about customer service charter requirements. The customer charter is on the <i>Authority</i> web site.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 125 Trading Licence Schedule 3 Clause 2.5								Compliance rating Compliant - 5	
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must make certain information available to its customers whether under its customer service charter or otherwise.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There have been no complaints about customer service charter requirements. Safety awareness and general information in new customer bundle. Customer Charter is available from Licensee's web site.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 126 Trading Licence Schedule 3 Clause 2.6							Compliance rating Compliant - 5		
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must make the information referred to in Schedule 3, clause 2.5, or a list of that information, available to each customer either on, or before, the date of the first gas invoice.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about customer information requirements. The customer information is in the new customer bundle, bill and on web site.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 127 Trading Licence Schedule 3 Clause 2.7							Compliance rating Compliant - 5		
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must make available at its own expense a copy of the terms of the standard form contract to any customer or prospective customer who requests them.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about standard form contract requirements. The standard form contract is on the web site.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 128 Trading Licence Schedule 3 Clauses 2.8 & 2.9								Compliance rating Not Rated	
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must provide a copy of any changed terms of its standard form contract to each affected customer.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There have been no amendments to the standard form contract.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 129 Trading Licence Schedule 3 Clause 4.1								Compliance rating Not Compliant - 2	
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must lodge a customer safety awareness program with the <i>Authority</i> within 3 months of the commencement date.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The safety awareness program meets the <i>Authority</i> requirements. The plan was handled by the Office of Energy (2002) under the old licences. A new safety awareness program was approved in late 2008. But if a new licence was issued rather than a substituted licence, a new approval would have been required by March 2008 to meet the licence obligations. However, as the licence was not a new licence but a substitution, the existing safety awareness program could be regarded as deemed to be approved. The process does raise concerns about controls that would have generated a process to seek new approval.									
Issues									
There is no robust process to ensure that plans are submitted for approval as required.									
Recommendations									
Establish a program for submitting required documents for approval.									
Management Actions									
A program for submitting required documents for approval is to be developed.									

Item 131 Trading Licence Schedule 3 Clause 4.3								Compliance rating Compliant - 5	
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must address, at a minimum, the information specified in Schedule 3, clause 4.3 in its customer safety awareness program.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
The safety awareness program approved by the <i>Authority</i> .									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 133 Trading Licence Schedule 3 Clause 4.3								Compliance rating Compliant - 5	
<i>Energy Coordination Act section 11M</i> A Licensee must notify the Minister at least one month before a change to any price, price structure, fee or interest rate under the standard form contract is to come into effect.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Advice given.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Licence conditions Type 2 Gas marketing standard

Item 134 Trading Licence Clauses 21.1 & 21.2 Item 134								Compliance rating Compliant - 5	
<i>Energy Coordination Act section 11Y(1)(b)</i>									

The requirement is that a Licensee must comply with the Gas Marketing Standard.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints received about gas marketing.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 135	Trading Licence Clause 2.1	Compliance rating Compliant - 5							
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must ensure all agents and employees comply with the Gas Marketing Standard.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints received about gas marketing.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 136	Trading Licence Schedule 2 Clauses 2.1 & 2.2	Compliance rating Compliant - 5
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must comply with, and must ensure compliance by all agents and employees with, all applicable State and Commonwealth legislative requirements in relation to marketing, including the National Privacy Principles as set out in the Privacy Act 1988.		
Observations		

Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints received about gas marketing.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 137	Trading Licence Schedule 2 Clauses 3							Compliance rating Compliant - 5	
<i>Energy Coordination Act section 11M</i> The requirement is that a marketer must not coerce, insult or harass a customer while marketing.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints received about gas marketing. There are no marketers.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 138	Trading Licence Schedule 2 Clauses 4.1							Compliance rating Not Rated	
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must keep records of any complaint made by a customer about the marketing carried out on behalf of the Licensee.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There are no complaints to verify compliance.									

Issues
None
Recommendations
None
Management Actions
Not applicable

Item 140 Trading Licence Schedule 2 Clauses 4.3	Compliance rating Not Rated								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must keep records or other information that it is required to keep under the Gas Marketing Standard for at least 2 years after the last time the person to whom the information relates was contacted by the Licensee.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There are no complaints about marketing and therefore no records to keep.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 141 Trading Licence Schedule 2 Clause 5.1	Compliance rating Compliant - 5								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must advise customers of their right to choose a standard customer contract, how the terms of the contract will be given and any rights the customer may have to rescind the contract in a cooling off period including any charges that may apply.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints received about gas contracts.									

Issues
None
Recommendations
None
Management Actions
Not applicable

Item 142 Trading Licence Schedule 2 Clauses 5.2 & 5.3	Compliance rating Compliant - 5								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must ensure the terms and conditions of the customer contract are provided to the customer no later than the first bill.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The introductory package identifies where the terms and conditions are available and no complaints have been received about information provided.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 143 Trading Licence Schedule 2 Clause 6.1	Compliance rating Not Rated								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must ensure a marketer(s) provide their name, telephone number, name of Licensee and purpose of the contact/call.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There are no marketers and no complaints about marketing have been received.									
Issues									
None									

Recommendations
None
Management Actions
Not applicable

Item 144 Trading Licence Schedule 2 Clauses 6.2	Compliance rating Not Rated								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must ensure a marketer(s) shows its photo ID when visiting a person or meeting with a person for the purposes of marketing.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There are no marketers and no complaints about marketing have been received.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 145 Trading Licence Schedule 2 Clause 7.1	Compliance rating Not Rated								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must ensure that when a person indicates they wish to end a marketing call/contact, they are not approached again within the next 30 days without their expressed consent.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There are no marketers and no complaints about marketing have been received.									
Issues									
None									
Recommendations									
None									

Management Actions
Not applicable

Item 146 Trading Licence Schedule 2 Clauses 7.1b, 7.2 & 7.3	Compliance rating Not Rated								
<i>Energy Coordination Act section 11M</i> The requirement is that a Licensee must ensure that when a person indicates they do not want further marketing calls/contacts, they are not approached again within the next 2 years for marketing purposes.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There are no marketers and no complaints about marketing have been received.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 147 Trading Licence Schedule 2 Clause 7.2	Compliance rating Not Rated								
<i>Energy Coordination Act section 11M</i> A Licensee must keep a record of each person who has indicated that he or she does not wish to be contacted, that includes the name and address of the person at the time that the person made that indication.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There are no requests to not be contacted and no complaints about marketing have been received.									
Issues									
None									
Recommendations									
None									
Management Actions									

Not applicable

Item 148 Trading Licence Schedule 2 Clause 7.2							Compliance rating Not Rated		
<i>Energy Coordination Act section 11M</i> A Licensee must give a copy of the record referred to in Schedule 2, clause 7.2 to the Economic Regulation Authority or the Energy Ombudsman Western Australia on request.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
No requests for the required records have been made.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Licence conditions Type NR Energy Coordination Act

Item 4 Trading Licence Clause 5.1							Compliance rating Compliant - 5		
<i>Energy Coordination Act section 11WK(1-2)</i> Gas is deemed to be supplied under the standard form contract if a customer commences to take a supply of gas at premises without entering into a contract with the holder of a trading licence.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
No complaints have been received about gas contracts.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 5	Trading Licence Clause 5.1								Compliance rating Compliant - 5	
<i>Energy Coordination Act section 11WK(3)</i> A standard form contract continues in force until it is terminated or supply becomes subject to a non-standard contract with the supplier.										
Observations										
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>	
No complaints have been received about gas contracts. No small use customers with a non standard contract.										
Issues										
None										
Recommendations										
None										
Management Actions										
Not applicable										

Item 6	Distribution & Trading Licence Clause 5.1								Compliance rating Compliant - 5	
<i>Energy Coordination Act section 11X (3)</i> A licensee must take reasonable steps to minimise the extent of the duration of any interruption, suspension or restriction of the supply of gas due to an accident, emergency, potential danger or other unavoidable cause.										
Observations										
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>	
No complaints have been received about gas interruptions.										
Issues										
None										
Recommendations										
None										
Management Actions										
Not applicable										

Item 7	Distribution Licence Clause 14.1								Compliance rating Compliant - 3	
<i>Energy Coordination Act section 11Y(1) (a)</i>										

A licensee must provide for an asset management system in respect of its assets.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
An asset management system has been provided and its effectiveness assessed in this review. There are a number of improvements required which are covered in the asset management review. The licence obligation reflects 11Y(1) of the Act which requires the provision of an asset management system, but not the quality and effectiveness of the asset management system which is required by 11Y(2) of the Act and that is what is covered by the asset management system review.									
Issues									
This licence obligation requires the provision of an asset management system in respect of its assets. A system has been provided but does require the improvements detailed in the asset management system review. As a system has been provided the minimum requirements of this obligation have been met. A non-compliance rating would require the absence of an asset management system. The licence clause 5 requires compliance with the Act s. 11Y(2).									
Recommendations									
None									
Management Actions									
Not applicable									

Item 9	Distribution Licence Clause 14.3						Compliance rating Compliant - 5		
<i>Energy Coordination Act section 11Y(1) (c)</i> A licensee must provide the Authority with a report by an independent expert acceptable to the Authority within 24 months of commencement and every 24 months thereafter (or longer if the Authority allows) as to the effectiveness of the asset management system.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
This review satisfies this requirement.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 17	Distribution & Trading Licence Clause 5.1								Compliance rating Compliant - 5	
<i>Energy Coordination Act section 11ZK (3)</i> A licensee must pay the costs and expenses incurred in the taking of an interest or easement in respect of land held by a public authority.										
Observations										
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>	
Lease entered into with shire at Margaret River. Remaining installations on private land or mining leases not public authority land.										
Issues										
None										
Recommendations										
None										
Management Actions										
Not applicable										

Item 95	Trading Licence Clause 18.2 & Distribution Licence Clause 15.2								Compliance rating Compliant - 5	
<i>Energy Coordination Act section 11M</i> A licensee's independent expert must be approved by the Authority prior to reviewing the effectiveness of the asset management system.										
Observations										
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>	
This review meets the requirements.										
Issues										
None										
Recommendations										
None										
Management Actions										
Not applicable										

Item 97	Trading Licence Clause 18.4 & Distribution Licence Clause 15.4								Compliance rating Not Rated	
<i>Energy Coordination Act section 11M</i> A licensee's independent auditor must be approved by the Authority prior to the audit.										

Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
This audit meets the requirements.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 98	Trading Licence Clause 19 & Distribution Licence Clause 16	Compliance rating Not Rated							
<i>Energy Coordination Act section 11M</i> A licensee may be subject to individual performance standards.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There are no individual performance standards.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 99	Trading Licence Clause 22 & Distribution Licence Clause 18	Compliance rating Compliant - 5							
<i>Energy Coordination Act section 11M</i> Unless otherwise specified, all notices must be in writing and will be regarded as having been sent and received in accordance with defined parameters.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
All notices are in writing.									

Issues
None
Recommendations
None
Management Actions
Not applicable

Item 104 Distribution Licence Schedule 2 Clause 1.1	Compliance rating Compliant - 5								
<i>Energy Coordination Act section 11M</i> A licensee must use its best endeavours to maintain a level of customer service at least consistent with the customer service code, except where the Authority permits otherwise.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about customer service.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 106 Trading Licence Schedule 3 Clause 3 Distribution Licence Schedule 2 Clause 2	Compliance rating Compliant - 5								
<i>Energy Coordination Act section 11M</i> AGA Code clause 2.5.1(a) A licensee must ensure that its complaints handling process provides for the licensee to manage a complaint made to it by a customer in accordance with the Australian Standard on Complaints Handling (AS 4269) 1995.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The complaints process is compliant. Compliant to ISO 10002:2006 which supersedes AS 4269.1995.									
Issues									
None									

Recommendations
None
Management Actions
Not applicable

Item 107 Trading Licence Schedule 3 Clause 3.2 Distribution Licence Schedule 2 Clause 2.2	Compliance rating Compliant - 5								
<i>Energy Coordination Act section 11M</i> AGA Code clause 2.5.1(b) A licensee must ensure that it publishes information which will assist its customers in utilising its complaints handling process.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The complaints process is in initial documentation and on Licensee's web site.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 108 Trading Licence Schedule 3 Clause 3.2 Distribution Licence Schedule 2 Clause 2.2	Compliance rating Compliant - 5								
<i>Energy Coordination Act section 11M</i> AGA Code clause 2.5.1(c) A licensee must ensure that, when requested by a customer, the licensee provides the customer with information about the licensee's complaints handling process and external dispute resolution bodies.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The complaints process is compliant. There have been no complaints about complaints handling process.									
Issues									
None									
Recommendations									
None									

Management Actions
Not applicable

Item 109	Trading Licence Schedule 3 Clause 3.2 Distribution Licence Schedule 2 Clause 2.2	Compliance rating Compliant - 5							
<i>Energy Coordination Act section 11M</i> AGA Code clause 2.5.2(a) A licensee must ensure that its complaints handling process provides for the customer to make a complaint to the licensee about the licensee's acts or omissions.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The complaints process is compliant. There have been no complaints about complaints handling process.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 110	Trading Licence Schedule 3 Clause 3.2 Distribution Licence Schedule 2 Clause 2.2	Compliance rating Compliant - 5							
<i>Energy Coordination Act section 11M</i> AGA Code clause 2.5.2(b) A licensee must ensure that its complaints handling process provides that, where the customer is not satisfied with the licensee's response to the complaint, the customer may raise the complaint to a higher level with the licensee's management structure.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The complaints process is compliant. There have been no complaints about complaints handling process.									
Issues									
None									
Recommendations									
None									
Management Actions									

Not applicable

Item 111 Trading Licence Schedule 3 Clause 3.2 Distribution Licence Schedule 2 Clause 2.2		Compliance rating Compliant - 5	
<i>Energy Coordination Act section 11M</i> AGA Code clause 2.5.2(c) A licensee must ensure that its complaints handling process provides that, where, after raising the complaint to a higher level, the customer is not satisfied with the licensee's response, the customer may refer the complaint to an external dispute resolution body, as appropriate.			
Observations			
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>
Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>
Compliance	<input checked="" type="checkbox"/>		
The complaints process is compliant. There have been no complaints about complaints handling process.			
Issues			
None			
Recommendations			
None			
Management Actions			
Not applicable			

Item 115 Trading Licence Clause 12.2		Compliance rating Not Rated	
<i>Energy Coordination Act section 11M</i> A licensee must, if directed by the Authority, review the standard form contract and submit to the Authority the results of that review within the time specified by the Authority.			
Observations			
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>
Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>
Compliance	<input type="checkbox"/>		
There has been no direction to amend the standard form contract.			
Issues			
None			
Recommendations			
None			
Management Actions			
Not applicable			

Item 116 Trading Licence Clause 12.3							Compliance Rating Not Rated		
<i>Energy Coordination Act section 11M</i> A licensee must comply with any direction given by the Authority in relation to the scope, process and methodology of the standard form contract review.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There has been no direction to amend the standard form contract.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 123 Trading Licence Schedule 3 Clause 2.1							Compliance rating Compliant - 5		
<i>Energy Coordination Act section 11M</i> Subject to specified conditions, a licensee must use its best endeavours to maintain a level of customer service at least consistent with the customer service code.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about customer service.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 130 Trading Licence Schedule 3 Clause 4.2							Compliance rating Complaint - 5		
<i>Energy Coordination Act section 11M</i> A licensee must consult with the Authority when preparing the customer safety awareness program.									

Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The <i>Authority</i> was consulted when the safety awareness program was prepared.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 139	Trading Licence Schedule 2 Clause 4.2	Compliance rating Not Rated							
<i>Energy Coordination Act section 11M</i> A licensee must provide any information it is required to keep under the Gas Marketing Standard to the Economic Regulation Authority or the Energy Ombudsman Western Australia on request.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There have been no such requests.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 149	Trading Licence Schedule 2 Clause 7.4	Compliance rating Not Rated							
<i>Energy Coordination Act section 11M</i> A licensee must ensure to the extent practicable that marketers comply with notices at premises that indicate the persons concerned do not want unsolicited mail or other marketing information.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>

There are no marketers.
Issues
None
Recommendations
None
Management Actions
Not applicable

Licence Condition Type NR Energy Coordination (Customer Contracts) regulations 2004

Item 32	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<p><i>Energy Coordination (Customer Contracts) Regulation 12.1.2</i> Except in prescribed circumstances, a licensee must not disconnect or cause disconnection to occur if — (a) a customer has provided to the licensee a written statement from a medical practitioner to the effect that supply is necessary in order to protect the health of a person who lives at the customer’s supply address; and (b) the customer has entered into arrangements acceptable to the licensee in relation to payment for gas supplied.</p>									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no disconnections outside the requirements.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 33	Trading Licence Clause 5.1	Compliance rating Compliant - 5
<p><i>Energy Coordination (Customer Contracts) Regulation 12.1.4(a)</i> Before disconnecting supply for non-payment of a bill, a licensee must give a written reminder notice to a customer not less than 14 business days after the day on which a bill was issued advising the customer that payment is overdue and requiring payment to be made on or before the day specified in the reminder notice (being a day not less than 20</p>		

business days after the billing day).									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no disconnections outside the requirements.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 34	Trading Licence Clause 5.1							Compliance rating Compliant - 5	
<i>Energy Coordination (Customer Contracts)Regulation 12.1.4(b)</i> Before disconnecting supply for non-payment of a bill, a licensee must give a disconnection warning to a customer not less than 22 business days after the billing day advising the customer that disconnection will occur unless payment is made on or before the day specified in the disconnection warning (being a day not less than 10 business days after the day on which the disconnection warning is given).									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no disconnections outside the requirements.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 35	Trading Licence Clause 5.1							Compliance rating Not Rated	
<i>Energy Coordination (Customer Contracts)Regulation 12.1.5(a)</i> A licensee must reconnect supply to a customer within 10 business days after disconnection for non-payment of a bill if the customer pays the overdue amount or makes an arrangement for its payment and the customer has paid any applicable reconnection fee.									

Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
No Reconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 36	Trading Licence Clause 5.1							Compliance Rating Not Rated	
<i>Energy Coordination (Customer Contracts) Regulation 12.1.5(b)</i> A licensee must reconnect supply to a customer within 10 business days after disconnection for denial of access to a meter, if the customer provides access to the meter and the customer has paid any applicable reconnection fee.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
No Reconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 37	Trading Licence Clause 5.1							Compliance rating Not Rated	
<i>Energy Coordination (Customer Contracts) Regulation 12.1.5(c)</i> A licensee must reconnect supply to a customer within 10 business days after disconnection for unlawful consumption of gas, if the customer pays for the gas consumed and the customer has paid any applicable reconnection fee.									

Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
No Reconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 38	Trading Licence Clause 5.1							Compliance rating Not Rated	
<i>Energy Coordination (Customer Contracts) Regulation 12.1.5(d)</i> A licensee must reconnect supply to a customer within 10 business days after disconnection for refusal to pay a refundable advance, if the customer pays the refundable advance and the customer has paid any applicable reconnection fee.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
No Reconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 39	Trading Licence Clause 5.1							Compliance rating Not Rated	
<i>Energy Coordination (Customer Contracts) Regulation 12.1.5(e)</i> A licensee must reconnect supply to a customer within 20 business days after disconnection in an emergency situation or for health, safety or maintenance reasons, if the situation or problem giving rise to the need for disconnection has been rectified, and if the customer has paid any applicable reconnection fee.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>

No Reconnections.
Issues
None
Recommendations
None
Management Actions
Not applicable

Item 40	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<p><i>Energy Coordination (Customer Contracts) Regulation 12.1.6 AGA Code Clause 5.1.1.2</i> A licensee must not disconnect supply to a customer who is unable to pay until: alternative payment options have been offered to the customer; the customer is given information on government funded concessions; it has used its best endeavours to contact the customer; and it has provided the customer a written notice of its intention to disconnect at least 5 business days prior to the disconnection date, and the customer has refused to accept the alternative payment option or failed to make payments under it.</p>									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about disconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 41	Trading Licence Clause 5.1	Compliance rating Compliant - 5
<p><i>Energy Coordination (Customer Contracts) Regulation 12.1.6 AGA Code Clause 5.1.1.3</i> A licensee must not disconnect supply to a business customer until: it has used its best endeavours to contact the customer; it has offered the customer an extension of time to pay the bill; and it has provided the customer a written notice of its intention to disconnect at least 5 business days notice prior to the disconnection date, and the customer has refused to accept the alternative payment option or failed to make payments under it.</p>		

Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about disconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 42	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 12.1.6 AGA Code Clause 5.1.2.1 & 5.1.2.2</i> A licensee must not disconnect supply to a customer who denies access to a meter until: the customer has refused access on at least 3 concurrent billing cycles, the customer is given the option to offer alternative access arrangements; the customer is provided written advice on each occasion access was denied; it has used its best endeavours to contact the customer; and it has provided the customer a written notice of its intention to disconnect at least 5 business days prior to the disconnection date.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about disconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 43	Trading Licence Clause 5.1	Compliance rating Compliant - 5
<i>Energy Coordination (Customer Contracts) Regulation 12.1.6 AGA Code Clause 5.1.3.1 & 5.1.3.2</i> A licensee who disconnects in the event of an emergency must provide a 24 hour information service, estimate the time when gas supply will be restored and use best		

endeavours to restore supply when the emergency is over.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about disconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 44	Trading Licence Clause 5.1							Compliance rating Compliant - 5	
<p><i>Energy Coordination (Customer Contracts) Regulation 12.1.6 AGA Code Clause 5.1.4.1 & 5.1.4.2</i> A licensee who disconnects supply for health and safety reasons must provide the customer written notice of the reason; allow the customer 5 business days to remove the reason where the customer is able to; and after the 5 business days issued a notice to the customer of its intention to disconnect supply at least 5 business days notice prior to the disconnection date.</p>									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about disconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 45	Trading Licence Clause 5.1							Compliance rating Compliant - 5	
<p><i>Energy Coordination (Customer Contracts) Regulation 12.1.6 AGA Code Clause 5.1.5.1 & 5.1.5.2</i> A licensee who disconnects supply for planned maintenance must provide the customer 4</p>									

days written notice; and used best endeavours to minimise disruption and restore supply.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about disconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 46	Trading Licence Clause 5.1							Compliance rating Compliant - 5	
<i>Energy Coordination (Customer Contracts) Regulation 12.1.6 AGA Code Clause 5.1.7.2</i> A licensee must not disconnect supply for failure by a customer to pay a refundable advance without giving a written notice to the customer of its intention to disconnect at least 5 business days prior to the disconnection date.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about disconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 47	Trading Licence Clause 5.1							Compliance rating Compliant - 5	
<i>Energy Coordination (Customer Contracts) Regulation 12.1.6 AGA Code Clause 5.1.8.1(a)</i> A licensee must not disconnect supply where the bill owing is less than the average bill over the past 12 months and the customer has agreed to pay.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>

There have been no complaints about disconnections.
Issues
None
Recommendations
None
Management Actions
Not applicable

Item 48	Trading Licence Clause 5.1	Compliance rating Compliant 5							
<i>Energy Coordination (Customer Contracts) Regulation 12.1.6 AGA Code Clause 5.1.8.1(b)</i> A licensee must not disconnect supply where the issue is the subject of complaint by the customer and is being reviewed externally and is not resolved.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about disconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 49	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 12.1.6 AGA Code Clause 5.1.8.1(c)</i> A licensee must not disconnect supply where an application for a government concession has not been decided.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about disconnections.									
Issues									
None									

Recommendations
None
Management Actions
Not applicable

Item 50	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 12.1.6 AGA Code Clause 5.1.8.1(d)</i> A licensee must not disconnect supply where a customer has failed to pay a debt that is not a direct service charge.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about disconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 51	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 12.1.6 AGA Code Clause 5.1.8.1(e)&(f)</i> A licensee must not disconnect supply after 3pm on any day; and not on a Friday, weekend or public holiday or on a day before a public holiday unless it is a planned interruption.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about disconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 52 Trading Licence Clause 5.1								Compliance rating Compliant - 5	
<i>Energy Coordination (Customer Contracts)Regulation 12.1.6</i> AGA Code Clause 5.2.2.2 If a licensee is under an obligation to reconnect supply and the customer makes a request for reconnection after 3pm on a business day, the licensee use best endeavours to reconnect the customer as soon as possible on the next business day.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about reconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 53 Trading Licence Clause 5.1								Compliance rating Compliant - 5	
<i>Energy Coordination (Customer Contracts)Regulation 13(1)</i> AGA Code Clause 4.3.5.2 If a licensee uses a refundable advance to offset an amount owed, it must provide to the customer an account of its use and pay any balance within 10 business days to the customer.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about refundable advances.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 54 Trading Licence Clause 5.1								Compliance rating Compliant - 5	
<i>Energy Coordination (Customer Contracts)Regulation 13(3)</i> A licensee must place refundable advances in separate trust accounts and separately									

identify the amounts in its accounting records.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about refundable advances.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 55	Trading Licence Clause 5.1							Compliance rating Complaint - 5	
<i>Energy Coordination (Customer Contracts) Regulation 13(4)</i> A licensee must return interest earned on refundable advances accounts to customers.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about refundable advances.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 56	Trading Licence Clause 5.1							Compliance rating Compliant - 5	
<i>Energy Coordination (Customer Contracts) Regulation 14(2)</i> A licensee must inform customers that the supply charge is either for residential or non residential supply; includes a specified fixed component and specified usage component; and describes the circumstances a customer needs to meet to qualify for residential tariffs.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about supply charges.									

Issues
None
Recommendations
None
Management Actions
Not applicable

Item 57	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 14(3)</i> AGA Code Clause 4.1.2.1 & 4.1.2.2 A licensee must give notice of the tariffs charged and provide these notices to customers without charge upon request.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Notices of tariffs charged have been given.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 58	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 14</i> AGA Code Clause 4.1.3.1 & 4.1.3.2 A licensee must give notice of a variation in tariffs charged and provide these notices to customers affected by the change no later than the next bill.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Notice of changes has been given.									
Issues									
None									

Recommendations
None
Management Actions
Not applicable

Item 59	Trading Licence Clause 5.1	Compliance rating Complaint - 5							
<i>Energy Coordination (Customer Contracts) Regulation 15(1) AGA Code Clause 4.2.1</i> A licensee must issue a bill to a customer at least once every 3 months, unless agreed otherwise									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Bills are issued every month or 2 monthly.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 60	Trading Licence Clause 5.1	Compliance rating Not Compliant - 2							
<i>Energy Coordination (Customer Contracts) Regulation 15(1) AGA Code (AG 755:1998) Clause 4.2.3.1, 4.2.3.2 & 4.2.3.3</i> A licensee must prepare a bill in accordance with the terms specified in the AGA code, including the inclusion of any refundable advance.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Bill contents are compliant except do not meet 4.2.3.3 (p) in Code but do not charge for meter reads. There are no refundable advances. The availability of interpreter service (4.2.3.3 (q)) is not on bill but in other customer documents such as customer charter.									
Issues									
Bill contents do not meet requirements.									
Recommendations									
Amend bill format to include required information required by the ERA Gas Customer Code									

by the operational date of 1 July 2009.
Management Actions
Bill format to be amended to include required information required by the ERA Gas Customer .Code by the operational date of 1 July 2009.

Item 61	Trading Licence Clause 5.1	Compliance rating Not Rated							
<i>Energy Coordination (Customer Contracts)Regulation 15(1)</i> AGA Code Clause 4.2.3.2 A licensee must apply payments received from a customer as directed by the customers (if the bill includes charges for other goods and services).									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There are no charges for goods and services on bill.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 62	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts)Regulation 15(1) & 15(2)</i> If a customer does not direct how a payment is to be allocated, a licensee must apply the payment — (i) to charges for the supply of gas before applying any portion of it to such goods or services; or (ii) if such goods or services include electricity, to the charges for gas and the charges for electricity in equal proportion before applying any portion of it to any other such goods or services.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There are no charges for goods and services on bill.									
Issues									
None									
Recommendations									

None
Management Actions
Not applicable

Item 63	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 15(1), 47(2) & (4)</i> AGA Code Clause 4.2.3.4 A licensee must provide available bill data to customers upon request free of charge subject to clause 47 (2) and (4) of the Energy Coordination (Customer Contracts) Regulations 2004.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Bill data provided free of charge.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 64	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 15(1)</i> AGA Code Clause 4.2.4.1 A licensee must base a customer's bill on a meter reading and meters must be read at least once per year.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Meters are read monthly or bi monthly.									
Issues									
None									
Recommendations									
None									

Management Actions
Not applicable

Item 65	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 15(1) AGA Code Clause 4.2.4.2</i> A licensee, who accepts a customer reading of the meter, must not adjust the bill in favour of the licensee if the licensee subsequently discovers the reading was incorrect in favour of the customer.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Leave reply paid card requesting customer read if access cannot be obtained. Providing reading is in excess of next reading the customer is billed for difference. If the customer read high (in favour of licensee) the customer is not billed for consumption until reading is exceeded.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 66	Trading Licence Clause 5.1	Compliance rating Not Rated							
<i>Energy Coordination (Customer Contracts) Regulation 15(1) AGA Code Clause 4.2.4.4</i> A licensee, who provides a customer with an estimated bill and is subsequently able to read the meter, must adjust the estimated bill in accordance with the meter reading.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There are no estimated readings.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 67 Trading Licence Clause 5.1								Compliance rating Compliant - 5	
<i>Energy Coordination (Customer Contracts) Regulation 15(1) AGA Code Clause 4.2.4.5</i> A licensee must read a customer's meter upon request and may impose a fee for doing so.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There are no charges for extra meter reads.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 68 Trading Licence Clause 5.1								Compliance rating Compliant - 5	
<i>Energy Coordination (Customer Contracts) Regulation 15(1) AGA Code Clause 4.3.2.1</i> A licensee must offer payment in person and payment by mail.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Compliant - options on bill.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 69 Trading Licence Clause 5.1								Compliance rating Complaint - 5	
<i>Energy Coordination (Customer Contracts) Regulation 15(1) AGA Code Clause 4.3.2.2</i> A licensee must offer customers who are absent for a long period, payment in advance facilities and the option of redirecting the bill.									
Observations									

Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Payment in advance or redirection is offered.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 70	Trading Licence Clause 5.1							Compliance rating No Rated	
<p><i>Energy Coordination (Customer Contracts)Regulation 16(3)</i> A licensee must not terminate a contract if a customer commits a breach of the contract (other than a substantial breach) unless — (a) the licensee has a right to disconnect supply under the contract, a written law or a relevant code; and (b) the licensee has disconnected supply at all supply addresses of the customer covered by the contract.</p>									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
No contracts have been terminated.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 71	Trading Licence Clause 5.1							Compliance rating Compliant - 5	
<p><i>Energy Coordination (Customer Contracts)Regulation 19</i> A licensee must provide a customer (a) a copy of their customer service charter; (b) copies of regulations or any relevant code; (c) information about fees and charges payable under the contract; (d) with information on energy efficiency; (e) billing data; and (f) with information on Government Assistance Programs and Financial Counselling</p>									

Services if requested by the customer.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The required information is provided on request.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 72	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 20(2)</i> AGA Code Clause 4.3.5.1 A licensee must offer a customer who is experiencing payment difficulties: instalment plan options; right to have bill redirected to third person; information or referral on government assistance programs; and information on independent financial counselling services.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Payment options are offered for those with payment difficulties.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 73	Trading Licence Clause 5.1	Compliance rating Not Rated							
<i>Energy Coordination (Customer Contracts) Regulation 27(4) & 40(3)</i> A licensee must not supply gas to the customer under a door to door contract during the cooling-off period unless the customer requests supply.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There have been no door to door contracts.									

Issues
None
Recommendations
None
Management Actions
Not applicable

Item 74	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 20(3) & 48</i> A licensee must not commence legal action in relation to a customer debt if the customer has entered into arrangements to pay and is maintaining this arrangement.									
Observations									
	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Legal action has not been commenced.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 75	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 22 & 49(2)</i> A licensee must only provide a credit reporting agency with default information relevant to one of their bills.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about credit agency information.									
Issues									
None									
Recommendations									
None									

Management Actions
Not applicable

Item 76	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 49(3)</i> A licensee must notify a credit reporting agency immediately if a customer has cleared their debt.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about credit agency information.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 77	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 49(4)</i> If a customer remedies a default and demonstrates extenuating circumstances, a licensee must request the credit reporting agency to remove the default record.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about credit agency information.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 78 Trading Licence Clause 5.1		Compliance rating Compliant - 5	
<i>Energy Coordination (Customer Contracts)Regulation 49(5)</i> A licensee must not refer a default to a credit reporting agency that is the subject of a complaint or matter of review.			
Observations			
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>
Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>
Compliance	<input checked="" type="checkbox"/>		
There have been no complaints about credit agency information.			
Issues			
None			
Recommendations			
None			
Management Actions			
Not applicable			

Item 79 Trading Licence Clause 5.1		Compliance rating Compliant - 5	
<i>Energy Coordination (Customer Contracts)Regulation 50</i> A licensee must include information about its complaint handling process and contact details of the energy ombudsman on any disconnection warning given to a customer.			
Observations			
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>
Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>
Compliance	<input checked="" type="checkbox"/>		
Information is provided.			
Issues			
None			
Recommendations			
None			
Management Actions			
Not applicable			

Item 80 Trading Licence Clause 5.1		Compliance rating Compliant - 5	
<i>Energy Coordination (Customer Contracts)Regulation 44</i> When a non-standard contract is due to expire a licensee must issue a notice in writing to a customer at least 2 months prior to the expiry date (or at the commencement of the contract if the contract is less than 1 month) with information about: the expiry date; alternative supply options, and the terms and conditions for continued supply post contract expiry.			

Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There are no non standard contracts for small use customers.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 81	Trading Licence Clause 14.1							Compliance rating Compliant - 5	
<i>Energy Coordination Act section 11M Energy Coordination (Customer Contracts)Regulation 45(1)</i>									
Upon request, a licensee must provide a customer free of charge with a copy of its customer service charter within 2 business days of the request.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Provided as requested.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 82	Trading Licence Clause 14.1							Compliance rating Not Compliant - 2	
<i>Energy Coordination Act section 11M Energy Coordination (Customer Contracts)Regulation 45(2)</i>									
A licensee must from time to time provide the customer with advice with their bill that a customer service charter is available free of charge.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Advice is not on bill but on web site.									

Issues
Bill contents do not meet requirements.
Recommendations
Amend bill format to include required information required by the ERA Gas Customer .Code by the operational date of 1 July 2009.
Management Actions
Amend bill format to include required information required by the ERA Gas Customer .Code by the operational date of 1 July 2009.

Item 83	Trading Licence Clause 5.1	Compliance rating Not Rated							
<i>Energy Coordination (Customer Contracts)Regulation 46(1)& (2)</i> Upon request, a licensee must provide a customer with a copy of the <i>Gas Industry (Customer Contract) Regulations 2004</i> or a relevant code.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
No requests for codes or regulations have been received.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 84	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts)Regulation 46(4)</i> A licensee must ensure that a copy of the <i>Energy⁵ Coordination (Customer Contract) Regulations 2004</i> or a relevant code is available for inspection at its offices at no charge.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Available at Perth office. Available at branches on intra net.									

⁵ The reporting manual refers to *Electricity* in lieu of *Energy* in the regulation title.

Issues
None
Recommendations
None
Management Actions
Not applicable

Item 85	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 28 AGA Code 3.1.1(a)</i> A licensee must provide, install and maintain equipment for the supply of gas up to the point of supply.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There has been no interruption or reports from EnergySafety of defects.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 86	Trading Licence Clause 5.1	Compliance rating Compliant - 3							
<i>Energy Coordination (Customer Contracts) Regulation 28 AGA Code 3.1.1(b)</i> A licensee must provide, install and maintain metering and necessary equipment at the supply address.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There has been no interruption or reports from EnergySafety of defects. The replacement of out of date meters at Leinster has not occurred. If the proposed bulk supply agreement is implemented the installations will not be metered and consequently the meters will not need to be upgraded. However if the alternative agency agreement is implemented the meters will required upgrading.									
Issues									
None									

Recommendations
None
Management Actions
Not applicable

Item 87	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 28 AGA Code 3.1.2</i>									
The licensee must re-connect to a supply address (subject to supply, available gas installations, adherence to regulatory requirements and a meter) within 1 business day or period agreed with the customer from the date of the application and subject to the customer meeting the requirements in clause 3.1.2.2 of the AGA Code.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about reconnections.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

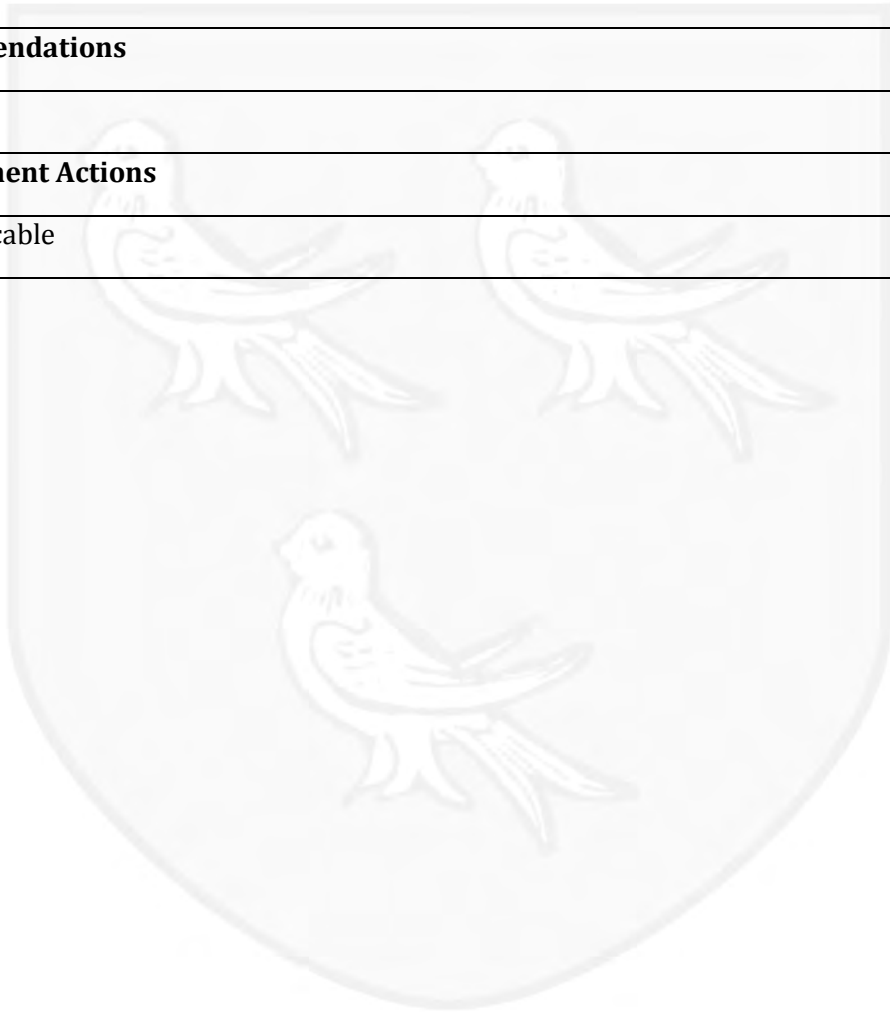
Item 88	Trading Licence Schedule 2 Clause 4	Compliance rating Compliant - 5							
<i>Energy Coordination Act section 11M Energy Coordination (Customer Contracts) Regulation 28 AGA Code 3.1.3.1</i>									
A licensee must connect a new supply address (subject to supply, available gas installations, adherence to regulatory requirements and a meter) within 20 business days from the date of the application.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about connections.									
Issues									
None									
Recommendations									
None									

Management Actions
Not applicable

Item 89	Trading Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 33(3) AGA Code 3.5.2.1</i> A licensee must give at least four days notice to a customer of its intentions to undertake inspections, repairs, testing or maintenance at the customer's supply address.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about failing to give notice. Advice is not required for EnergySafety inspections. There has been no work on the distribution system at a supply address.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 90	Trading & Distribution Licence Clause 5.1	Compliance rating Compliant - 5							
<i>Energy Coordination (Customer Contracts) Regulation 33(3) AGA Code 3.5.2.2</i> A licensee must ensure that any representatives seeking access to the supply address on its behalf wear, carry and show official identification.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no complaints about failing to show identification requirements.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									

Item 91 Trading Licence Clause 5.1								Compliance rating Not Rated	
<i>Energy Coordination (Customer Contracts) Regulation 42</i> A licensee must notify a customer of any amendment to a non-standard contract.									
Observations									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input type="checkbox"/>
There are no non standard contracts.									
Issues									
None									
Recommendations									
None									
Management Actions									
Not applicable									



APPENDIX II ASSET MANAGEMENT SYSTEM REVIEW RESULTS AND RECOMMENDATIONS

Review Results and Recommendations

Asset Planning							Effectiveness rating Not performed - 0
1. Asset planning Asset planning strategies are focused on meeting customer needs in the most effective and efficient manner (delivering the right service at the right price).							
Observations							
Process	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	<input checked="" type="checkbox"/> NO ⁶
<p>The licensee has four small distribution networks with a very simple asset register for an asset management system. Expansion of the distribution network at Leinster is dependent on decisions of the mining operator. The Margaret River and Albany systems are being expanded on a case by case basis. The system at Hopetoun has been affected by the decision of BHP Billiton to close the Ravensthorpe mine, meaning that the planned customers will not eventuate unless the mine is reopened. Without the planned use the town distribution system is very small and of doubtful effectiveness. The out of town village system has the appearance of a caravan park and exemption should be sought from the Office of Energy from the appropriate licence requirements. However, should the village be strata titled licences may be required.</p> <p>Approval within financial limits is given by the General Manager Kleenheat Gas, and then by Wesfarmers Management</p> <p>The existing systems are appropriately planned for their size using appropriate materials such as PE piping for the coastal region and uPVC for Leinster. Most of the mains are 40 & 63mm PE for the Margaret River region and 50mm uPVC & 40mm PE for Leinster. Hopetoun Wave Crest (out of town village) is uPVC and Eco Village (Hopetoun town)and Albany is PE.</p>							
Issues							
<p>The Leinster distribution system is in place and distribution mains are not currently being extended, so there is no planning taking place to form an opinion about the processes.</p> <p>For Margaret River/ Albany /Hopetoun no systemic planning is occurring and system expansions being considered on a case by case basis for each sub-development. When expansion has been considered the capacity requirements have been addressed and provision made to provide additional supply points and interconnect these supplies.</p> <p>Customers are being connected in accordance with the licence requirements.</p> <p>The distribution pressures are low at 35 kPa and allow additional capacity by raising the distribution pressures. The Margaret River region piping is tested in accordance with</p>							

⁶ No opinion able to be formed

<p>regulatory requirements to allow it to operate at 200 kPa but the regulators are 70 kPa rated so that would be the practical limit. Leinster has mainly uPVC mains installed and would thus be limited to 70kPa anyway.</p> <p>The Licensee has upgraded storage capacity at both Leinster and Margaret River sites and this will not only increase then allowable time between deliveries but the vaporisation rates available and improved security of supply.</p> <p>The activities on the system are taking place not because of good process, rather in a reactive way to issues arising. Although the system is small and not complex, the assurance of outcomes would be improved by the establishment of a basic asset management plan that responds to the key risks that the systems face. Not completed action to put basic system in place. The Licensee has established what required and is developing the systems but has not completed and requires 6 months from now to complete.</p>
<p>Recommendation</p>
<p>That the Licensee puts in place a basic asset management plan that responds to the key risks the system faces. The system will be well documented including procedures and the asset registers.</p>
<p>Rating</p>
<p>Asset planning in the context of an asset management system is not performed - rating 0</p>

Asset Creation							Effectiveness rating Performed informally - 1
Asset creation and acquisition Asset creation/acquisition means the provision or improvement of an asset where the outlay can be expected to provide benefits beyond the year of outlay.							
Observations							
Process	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	NO
<p>The licensee has a very basic asset management system. Asset creation is on a case by case basis.</p> <p>For the Margaret River and Albany system expansions being considered on a case by case basis for each sub-development. When considered the capacity requirements have been addressed and provision made to provide additional supply points and interconnect these supplies.</p> <p>There is a commercial evaluation of each case.</p>							
Issues							
<p>The Leinster distribution system is in place and distribution mains are not currently being extended, so there is no asset creation taking place to form an opinion about complying with the documented processes. For the other regions, management approval is required for capital extensions with the General Manager Kleenheat Gas, and then the Managing Director Wesfarmers Energy having delegated approval to a limit and above that Wesfarmers Board approval is required.</p>							

Customers are being connected in accordance with the licence requirements.
Rating
The system is performed informally - 1

Asset Disposal							Effectiveness rating Performed informally - 1
3. Asset disposal Effective asset disposal frameworks incorporate consideration of alternatives for the disposal of surplus, obsolete, under-performing or unserviceable assets. Alternatives are evaluated in cost-benefit terms.							
Observations							
Process	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	NO
The licensee has a very basic asset management system. The systems other than Leinster are relatively new there are no items that are obsolete or under-performing required disposal, to demonstrate the behaviour for disposal. For the Leinster system the meters have reached their tested life (18 years) and were planned for replacement by tested meters which are also larger. The replacement of out of date meters at Leinster has not occurred. If the proposed bulk supply agreement is implemented the installations will not be metered and consequently the meters will not need to be upgraded. However if the alternative agency agreement is implemented the meters will required upgrading. There is no documented asset disposal process. Hopetoun Wave Crest (out of town village) system is owned by park owner.							
Issues							
The systems other than Leinster are new, so there is no asset disposal taking place to form an opinion about the processes. Regular reviews of the usefulness of the assets are not in place as the systems other than Leinster are relatively new. For the Leinster system an asset maintenance process is taking place but no asset disposal to form an opinion.							
Recommendation							
That the Licensee puts in place a process of reviewing the usefulness of assets.							
Rating							
The system is - performed informally 1							

Environmental analysis							Effectiveness rating Not performed - 0
4. Environmental analysis Environmental analysis examines the asset system environment and assesses all external factors affecting the asset system.							
Observations							
Process	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	NO

<p>The licensee is carrying out an environmental analysis process only to the extent required for the regulation of bulk storage sites.</p> <p>There is no evidence that strategic planning including environmental scanning is occurring and the systems could benefit from a basic strategic management approach.</p>
<p>Issues</p>
<p>The Leinster system is static with no activities requiring environmental analysis taking place to form an opinion about complying with the documented processes. No environmental processes were observed for the other regions. React to development proposals and market share issues.</p> <p>While the situation at Hopetoun may not have benefited by such an approach, the future options could benefit from a systematic approach to the threats that the system is facing.</p> <p>There is only an informal approach to environmental issue and no strategic examination of the environment in a planning sense.</p>
<p>Recommendation</p>
<p>That the Licensee puts in place a basic asset management plan that responds to the key environmental issues the system faces.</p>
<p>Rating</p>
<p>The system is not performed - rating 0</p>

Asset operations						Effectiveness rating Performed informally - 1
5. Asset operations Operations functions relate to the day-to-day running of assets and directly affect service levels and costs.						
Observations						
Process	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use
<p>The licensee has a very basic asset operation system. Failures at the source cause total system failures and therefore needs monitoring. Remote monitoring is installed at Leinster, Albany and Margaret River have been developed and is installed at Hopetoun but not implemented due to Mobile phone service problems.</p> <p>System pressure and flows are not monitored to see if they are kept in acceptable ranges. Gas quality and odorant levels are monitored regularly at source and locally to confirm odorant is reaching the consumer.</p> <p>A leakage survey has been carried out and no leaks were detected but as the unaccounted for gas is relatively high this could either be undetected leaks or better monitoring of input levels. Further examination of the testing process is needed to confirm that heavier than air LPG is being properly detected.</p> <p>Emergency plans exist but do not have regular scheduled reviews.</p> <p>The Licensee uses licensed gas fitters for system operation (and maintenance) which gives a</p>						

<p>good base skill set for operatives. Training is provided for employed and contracted resources. EnergySafety has reviewed the training manual but any outcomes will be in the next review period.</p> <p>The Licensee uses spreadsheets for the asset registers but these are not otherwise documented.</p>
<p>Issues</p>
<p>The process is currently operating effectively but is growing to a point where remote alarming and regular monitoring of pressures and flows should be undertaken to guarantee service standards. Remote monitoring at Hopetoun should be commissioned as soon as possible.</p> <p>Monitoring of pressures and flows at strategic points of the networks at peak load periods would provide confidence that the systems have the capacity to provide the service quality required.</p> <p>The systems have emergency plan but these need to be exercised to ensure that the plans are adequate and up to date.</p> <p>The site plans at Leinster and Margaret River need updating to include the new tanks.</p> <p>When the asset management system is put in place the documentation should include the documentation of the asset registers.</p>
<p>Recommendation</p>
<p>Remote monitoring should be commissioned at Hopetoun, subject to a licence being required.</p> <p>Regular, planned and scheduled monitoring of pressures and flows at strategic points in all systems should take place each peak load season.</p> <p>Further research should take place to ensure an accurate leak detection process for the heavier than air LPG is in place and used.</p> <p>Regular and scheduled exercises of the emergency plans takes place and consequent updates are actioned.</p> <p>Update site plan at Leinster and Margaret River.</p>
<p>Rating</p>
<p>The system is Performed informally - rating 1</p>

Asset Maintenance							Effectiveness rating Performed informally - 1
6. Asset maintenance Maintenance functions relate to the upkeep of assets and directly affect service levels and costs.							
Observations							
Process	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	<input checked="" type="checkbox"/>

<p>The licensee has documentation of its asset maintenance system, with a substantial maintenance procedures manual. Maintenance of the system is contracted to local gas fitters.</p> <p>The maintenance manual needs to be made more current. Not complete as distribution code changed and some update still required including that arising from AS 4645 (which is required by EnergySafety regulations).</p>
<p>Issues</p>
<p>The maintenance manual (including refurbishment process) needs to be more up to date.</p> <p>The new tank at Leinster has been relocated from elsewhere and while the Licensee has it inspected but is externally has a rust spot which does not give confidence of refurbishment procedures.</p>
<p>Recommendation</p>
<p>The maintenance procedures manual (including refurbishment process) has scheduled reviews and consequent upgrades. New tank at Leinster needs painting. The refurbishment process should be included in the maintenance manual to ensure that comprehensive refurbishment takes place routinely.</p>
<p>Rating</p>
<p>The system is Performed informally - rating 1</p>

Asset Management Information System							Effectiveness rating Planned and tracked- 2
7. Asset Management Information System (MIS)							
An asset management information system is a combination of processes, data and software that support the asset management functions.							
Observations							
Process	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	<input checked="" type="checkbox"/>
The licensee uses a spreadsheet for his asset register which is backed up during regular backups of the server. Graphical information is used to manage the customer data base.							
Issues							
The system has been developed to an adequate level of sophistication appropriate for a network of this scale and complexity. Service standards are collected and reported to the <i>Authority</i> .							
Rating							
The system is Planned and tracked - rating 2							

Risk management							Effectiveness rating Planned and tracked - 2
8. Risk management							

Risk management involves the identification of risks and their management within an acceptable level of risk.							
Observations							
Process	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	NO
There are procedures for employees and for contractors but there is no system risk management taking place other than that for regulation of bulk storage sites.							
Issues							
There is very little risk management taking place to form an opinion of the appropriateness of risk management for an asset management system. It is anticipated that the proposed basic asset management plan (Item 1) would incorporate some basic system risk management.							
Risk management of physical assets takes place as well as workplace safety risk management but no risk management occurs for commercial issues.							
Recommendation							
A risk management process is implemented for commercial matters.							
Rating							
The system is Planned and tracked- rating 2							

Contingency planning							Effectiveness rating Performed informally - 1
9. Contingency planning							
Contingency plans document the steps to deal with the unexpected failure of an asset.							
Observations							
Process	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	<input checked="" type="checkbox"/>
There is no contingency planning taking place.							
Issues							
The licensee has such a small system relative to the resources of the owner and as no system risk management processes are taking place, there is no risk identified that requires contingency planning hence no contingency plan.							
As a consequence of Varanus Island gas emergency, gas was imported by ships and the licensee would import gas from other states where required. These gas shortage strategies are informal rather than planned contingencies. The contingencies for the consequences of the cyclic nature of mining such as at Hopetoun have not been developed.							
Recommendation							
A contingency planning process is implemented.							

Rating
The system is performed informally- rating 1

Financial planning	Effectiveness rating Performed informally - rating 1
10. Financial planning	
The financial planning component of the asset management plan brings together the financial elements of the service delivery to ensure its financial viability over the long term.	
Observations	
Process	<input checked="" type="checkbox"/> Documentation
	<input checked="" type="checkbox"/> Availability
	<input checked="" type="checkbox"/> Use
No systematic financial planning is taking place. Extensions are judged on an as needs basis.	
Issues	
The system is small and not complex and is performing financially so the need for a financial management plan is not high. However, a financial plan should be developed. The budget cycle is typically annual and for the scale of systems is not unreasonable but income and cost projection for the out years (5) would improve the system.	
Recommendation	
A financial plan should be developed.	
Rating	
The system is Performed informally - rating 1	

Capital expenditure planning	Effectiveness rating Performed informally- 1
11. Capital expenditure planning	
The capital expenditure plan provides a schedule of new works, rehabilitation and replacement works, together with estimated annual expenditure on each over the next five or more years.	
Since capital investments tend to be large and lumpy, projections would normally be expected to cover at least 10 years, preferably longer. Projections over the next five years would usually be based on firm estimates.	
Observations	
Process	<input checked="" type="checkbox"/> Documentation
	<input checked="" type="checkbox"/> Availability
	<input checked="" type="checkbox"/> Use
Extensions are assessed on an as needs basis and no systematic capital expenditure planning is taking place.	
Issues	
The licensee has such a small system relative to the resources of the owner hence the need for a capital expenditure plan is currently low. However, a capital expenditure plan should	

be developed, even if the planning horizon is short.
Recommendation
A capital expenditure plan should be developed, even if the planning horizon is short.
Rating
The system is Performed informally - rating 1

Review of AMS	Effectiveness rating Not performed - rating 0						
12. Review of AMS							
The asset management system is regularly reviewed and updated.							
Observations							
Process	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	<input checked="" type="checkbox"/>
The AMS is simple straightforward but there are no explicit reviews planned.							
Issues							
The licensee has such a small system and the AMS is basic but should be periodically reviewed. While the asset management system is small it should be periodically reviewed.							
Recommendation							
The licensee should put in place a scheduled review of the AMS. In particular the appropriateness of the AMS should be assessed, consistent with the action under asset planning. Not complete.							
Rating							
The system is Not performed - rating 0							