Economic Regulation Authority

Notice

16 November 2026

Ord Hydro

2026 performance audit

The Economic Regulation Authority has published the 2026 performance audit report for Ord Hydro's electricity integrated regional licence EIRL4.

Ord Hydro operates a 30 megawatt hydroelectric power station at the base of the Ord River dam in the Kimberley and supplies electricity to one customer, Horizon Power, under a Power Purchase Agreement (PPA). Horizon on-sells this electricity to the towns of Kununurra and Wyndham, Kimberley Cotton Gin and the Lake Argyle Tourist Village.

The ERA's decision

The ERA considers that Ord Hydro has achieved a high level of compliance with its licence and has decided to increase the audit period to 60 months. The next audit will cover the period 1 July 2026 to 30 June 2031.

Audit findings

The audit of the 143 licence obligations applicable to Ord Hydro found 3 non-compliances and no control deficiencies. Ord Hydro was found non-compliant with the *Electricity Industry (Metering) Code 2012* because:

- Ord Hydro did not have an ERA-approved metrology procedure, model service level agreement or mandatory link criteria.
- Ord Hydro's metering database registry did not include some standing data items for its meters. Ord Hydro addressed this non-compliance in September 2026.

The remaining non-compliance was for late submission of annual compliance reports and standing charge data to the ERA. Ord Hydro improved its process for timely submission of reports in August 2026.

The ERA's assessment of the audit findings

Ord Hydro continues to be non-compliant with the Metering Code, as it was found non-compliant with the same obligations in its 2022 audit. Instead, Ord Hydro uses the PPA with Horizon, which includes similar obligations and controls as those in the Metering Code, in addition to the contractual obligations between the parties.

The Metering Code is designed for large networks with many users, like the South West Interconnected System. Some parts of the Metering Code are challenging for small network operators to comply with and not always necessary for the nature and size of their operations.

The auditor found that Ord Hydro's metering installations and contractual arrangements with Horizon meet the intent of the Metering Code.

While the auditor made a recommendation to resolve the outstanding non-compliance for not having ERA-approved metering documents, the ERA has not required Ord Hydro to submit a post-audit implementation plan, as the Metering Code requirements are addressed through the PPA.

Further information

General enquiries

Alex Kroon
Ph: 08 6557 7989
info@erawa.com.au

Media enquiries

Ph: +61 428 859 826
media@erawa.com.au