

EMU DOWNS WIND FARM ELECTRICITY LICENCE (EGL1) PERFORMANCE AUDIT AND ASSET MANAGEMENT  
SYSTEM REVIEW 2012

**Licensee Post Audit/Review Implementation Plan 2012**

Issue 1



## 1 POST AUDIT/REVIEW IMPLEMENTATION PLAN 2012

The Post Audit/Review Implementation Plan 2012 has been prepared following the 2012 audit of Emu Downs Wind Farm and the review of its asset management system. For simplification reference to the audit/ review will be addressed with the term "audit".

The auditor has prepared the template of the plan and has recorded the audit recommendations.

In accordance with the Economic Regulation Authority's "Audit Guidelines: Electricity, Gas and Water Licences", August 2010 (the guidelines) the licensee is responsible to develop the plan further. In the plan the licensee records the actions that will be taken by the licensee to address the recommendations and opportunities for improvement highlighted by the auditor in the audit report, together with responsibilities and timing.

The post-audit implementation plan identifies, for each of the recommendations made by the auditor:

- the action(s) to be taken to address the auditor's recommendations;
- the position(s) or business function(s) in the licensee's organisation that will be responsible for undertaking the nominated action(s); and
- the date by which the nominated action(s) will be completed.

Notes:

- [OFI] are Opportunities for Improvement.

Table 1: Post Audit Implementation Plan

OPERATIONAL PERFORMANCE AUDIT						
No	CI	Licence Requirement	Recommendations	Actions	By Whom	Date
446	5.1	<b>Electricity Industry Metering Code</b> clause 6.1(2)  A user must, in relation to a network on which it has an access contract, comply with the rules, procedures, agreements and criteria prescribed.	<ol style="list-style-type: none"> <li>Review of compliance with all obligations should be carried out yearly to ensure that all requirements are up to date and that they are not overlooked. This could take place through an annual check of the Compliance Manual.</li> </ol>	<ul style="list-style-type: none"> <li>Review compliance with the requirements of the Compliance Manual annually.</li> </ul>	EDWF Manager and Management Committee	31/12/ 2012
448	CI 5.1	<b>Generation Licence condition 5.1</b> Code participants must use reasonable endeavours to ensure that they can send and receive a notice by post, facsimile and electronic communication and must notify the network operator of a telephone number for voice communication in connection with the Code.	<p>Western Power has provided contact details in its "Emu Downs Wind Farm - Operating Protocol", last issued on 2 Aug 2006.</p> <ol style="list-style-type: none"> <li>Western Power and EDWF communication details should be updated to reflect current contact arrangements. Some of the telephone contact numbers are not in use and should be updated. <b>(OFI)</b></li> <li>The protocol could be updated to include a scope describing the function of the protocol. <b>(OFI)</b></li> </ol>	<ul style="list-style-type: none"> <li>Review the Emu Downs Wind Farm Operating Protocol for currency, update the contact details and add a section describing the scope and function of the protocol.</li> </ul>	EDWF Manager and Western Power	31/12/ 2012
449	CI 5.1	<b>Electricity Industry Metering Code clause 7.2(2)</b> A network operator must notify each Code participant of its initial contact details and of any change to its contact details at least 3 business days before the change takes effect.	<ul style="list-style-type: none"> <li>Recommendation as at item 448.</li> </ul>	<ul style="list-style-type: none"> <li>Action as per item 448.</li> </ul>		
451	CI 5.1	<b>Electricity Industry Metering Code clause 7.2(5)</b> A Code participant must notify any affected network operator of any change to the contact details it notified to the network operator at	<ul style="list-style-type: none"> <li>Recommendation as at item 448.</li> </ul>	<ul style="list-style-type: none"> <li>Action as per item 448.</li> </ul>		



OPERATIONAL PERFORMANCE AUDIT						
No	CI	Licence Requirement	Recommendations	Actions	By Whom	Date
		least 3 business days before the change takes effect.				
<b>Actions from Previous Post Audit Implementation Plan</b>						
		All previous actions have been combined with current actions.				

**Table 1: Post Review Implementation Plan**

ASSET MANAGEMENT REVIEW					
No	AMS Element / Effectiveness Criteria Finding	Recommendations	Actions	By Whom	Date
2	<b>Asset Planning</b>				
<b>EC 1.4</b>	Lifecycle costs of owning and operating assets are assessed.				
1.1	The Whole of Lifecycle Model was updated on 2 June 2010 and brought up to date up to the FY 2008-09. The Whole of Lifecycle Model needs to be updated to include actual figures for FYs 2009-10 and 2010-11.	<ol style="list-style-type: none"> <li>Update Whole of Lifecycle Model to include actual figures for FYs 2009-10 and 2010-11. Regular updates of Whole of Lifecycle model should be prompted by the review of the Compliance Manual. (Refer to recommendation for item 446 above in Performance Audit section)</li> </ol>	<ul style="list-style-type: none"> <li>Update Whole of Lifecycle Model to include actual figures for FYs 2009-10 and 2010-11 and annually thereafter.</li> </ul>	APA Group Accountant	31/12/2012
2	<b>Asset Creation and acquisition</b>				
2.1	Due to the small expenditure the purchase of a storage shed was made from an approved supplier, however there should be a more rigorous process for project justification for larger levels of expenditure. Documents such as purchasing specifications should be in use.	<ol style="list-style-type: none"> <li>There should be a more rigorous process for project justification for larger levels of expenditure.</li> <li>Purchasing of assets should require the preparation of appropriate purchasing documentation such as specifications.</li> </ol>	<ul style="list-style-type: none"> <li>Develop a Project Development and Execution procedure.</li> </ul>	EDWF Manager and Management Committee	31/12/2012
<b>EC 2.4</b>	Commissioning tests are documented and completed.				
2.2	There is a procedure in the original EPC Contract, however no procedure is in place for future works.	<ol style="list-style-type: none"> <li>Prepare a procedure to address commissioning and plant acceptance to define performance criteria for new or refurbished</li> </ol>	<ul style="list-style-type: none"> <li>Review EPC Contract for plant commissioning and acceptance requirements, amend as appropriate and include details in the above Project Development and</li> </ul>	EDWF Manager and Management Committee	31/12/2012

ASSET MANAGEMENT REVIEW					
No	AMS Element / Effectiveness Criteria Finding	Recommendations	Actions	By Whom	Date
	No formal procedure is in place to address commissioning tests.	assets and record commissioning/acceptance data.	Execution procedure.		
<b>7</b>	<b>Asset Management Information System</b>				
<b>EC 7.7</b>	Management reports appear adequate for the licensee to monitor licence obligations.				
	Compliance Manual was reviewed and updated last in 2009.	<b>5.</b> A recommendation has been made in the Operational Performance Audit, item 446.	▶ Action as per recommendation given in the Operational Performance Audit, item 446.		
<b>9</b>	<b>Contingency Planning</b>				
<b>EC 9.1</b>	Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks.				
9.1	A "Crisis Management Plan (including Emergency Response)" (CMP) is available. The CMP last issue was June 2006 and has not been updated since. The CMP was prepared for the construction project and should be reviewed and, if required, updated to suit current operation.	<b>6.</b> The Crisis Management Plan was prepared for the construction project and should be reviewed and, if required, updated to suit current operation. The CMP should be implemented through dissemination and testing.	▶ Review the Crisis Management Plan for relevance and currency and amend as appropriate.	EDWF Manager and Management Committee	31/12/2012
<b>12</b>	<b>Review of AMS</b>				
<b>EC 12.1</b>	A review process is in place to ensure that the asset management plan and the asset management system described therein are kept current.				
12.1	The AMP is reviewed at five year intervals.	<b>7.</b> (OFI) A methodology should be adopted for an annual check of the Asset management Plan to ensure that strategies and plans are still current. Results could be included in the Yearly Plans.	▶ Review compliance with and currency of the Asset Management Plan annually.	EDWF Manager	31/12/2012
<b>Actions from Previous Post Asset Management Review Implementation</b>					



<b>ASSET MANAGEMENT REVIEW</b>					
<b>No</b>	<b>AMS Element / Effectiveness Criteria Finding</b>	<b>Recommendations</b>	<b>Actions</b>	<b>By Whom</b>	<b>Date</b>
	<b>Plan</b>				
	All previous actions have been combined with current actions.				