



FINAL REPORT
2014 Performance Audit
Landfill Gas & Power Pty Ltd
Retail Licence ERL11

Audit Report	Authorisation	Name	Position	Date
Prepared By		Nicole Davies	Principal Consultant (Geographe Environmental Services Pty Ltd)	28 Sept 2014
Agreed By (licensee)		Tony Leahy	General Manager Retail & Corporate	

Geographe Environmental Services Pty Ltd
PO Box 572 DUNSBOROUGH WA 6281
Tel: 0438 938 394

Audit Report No: R0914LGP_ERL11_1
September 2014

Contents

1. Executive Summary.....	3
1.1 Performance Audit Compliance Summary _____	5
2. Performance Audit.....	35
2.1 Performance Audit Scope _____	35
2.2 Performance Audit Objective _____	35
2.3 Performance Audit Methodology _____	36
2.4 Performance Audit Finding & Recommendations _____	37
3. Follow up Audit Process.....	41

LIST OF APPENDICES

1. LGP Performance Audit September 2014

Glossary of Terms

CA – Corrective Action
CTR – Customer Transfer Request
CFO – Chief Financial Officer
ERA – Economic Regulation Authority
ERL11 – Electricity Retail Licence 11
ESA – Electricity Supply Agreement
ETAC – Electricity Transfer Access Contract
GES - Geographe Environmental Services Pty Ltd
LGP – Landfill Gas & Power
MRIM - Manually Read Interval Meter
NMI – National Metering Identifier
OFI – Opportunity for Improvement
REC – Renewable Energy Credit
RQM – Retail Quality Manual
RRN – Retailer Reference Number
VC – Verifiable Consent
WPC – Western Power Corporation
WPN – Western Power Networks

This report is prepared by representatives of Geographe Environmental Services Pty Ltd in relation to the above named client's conformance to the nominated audit standard(s). Audits are undertaken using a sampling process and the report and its recommendations are reflective only of activities and records sighted during this audit process. Geographe Environmental Services Pty Ltd shall not be liable for loss or damage caused to or actions taken by third parties as a consequence of reliance on the information contained within this report or its accompanying documentation.

1. EXECUTIVE SUMMARY

Landfill Gas & Power (LGP) engaged Geographe Environmental Services Pty Ltd to undertake the third Performance Audit as required by the Economic Regulation Authority (ERA) under Retail Licence ERL11. This report contains the audit findings for the performance audit.

Sections 13 of the *Electricity Industry Act 2004* requires as a condition of every licence that the licensee must, not less than once in every period of 24 months (or any longer period that the Authority allows) calculated from the grant of the licence, provide the Authority with a Performance Audit conducted by an independent expert acceptable to the Authority.

The Performance Audit has been conducted in order to assess the licensee's level of compliance with the conditions of its licence.

The Authority approved the appointment of Geographe Environmental Services Pty Ltd on the 18th July 2014 and subsequently required the development of an audit plan for ERA approval. An audit plan was prepared for the Retail Licence and approval of the audit plan was provided on 9th September 2014 (Ref D128076)

The Audit has been executed as planned in accordance with the process flowchart for performance/operational audits as detailed in the Audit & Review Guidelines – Electricity, Gas and Water Licences (April 2014).

The period for the audit is, 1st July 2011 to 30th June 2014 and the submission of this report as determined with the Authority is evidence of compliance.

BUSINESS BACKGROUND

Landfill Gas & Power Pty Ltd (LGP) is a privately owned West Australian subsidiary company of ACE Holdings. LGP has established a market in the development and management of efficient landfill gas-to-energy technologies. The company extracts landfill gas and converts it into a reliable renewable energy source.

Currently, LGP manages the gas emissions from six landfill sites within the Perth metropolitan area and three landfill gas-to-energy power stations, which are located adjacent to these landfill sites, and in total generate approximately 75GWh (75,000,000kWh) per annum. The electricity produced is sold to private customers, specifically local government councils and small to medium enterprises who consume more than 160,000 kWh per annum, and transported to customers through Western Power's network in the state's electricity grid, the South West Interconnected System (SWIS).

AUDIT CONCLUSION

The Performance Audit has been conducted in order to assess the effectiveness of the LGP's level of compliance with the conditions of its Retail Licence ERL11. Through the execution of the Audit Plan and assessment and testing of the control environment, the information system, control procedures and compliance attitude, the audit team members have gained reasonable assurance that LGP has complied with its Retail Licence as it applies to its operations and activities during the audit period. The control environment operated by the licensee is well established and is regulated by government organisations, shareholders and corporate requirements which effectively filter through to the organisations operations. The organisation operates a certified Quality Management System and has developed a large number of procedures required for this certification process. During the audit period 1 July 2011 to 30 June 2014, the Licensee has complied with its Retail Licence, with the exception of Retail Licence condition 16.1 (Ref 124) which relates to the late submission of the annual compliance report. Details of this non-compliance and correction action plans are included in Table 4. This audit report is an accurate representation of the audit teams findings and opinions.

1.1 Performance Audit Compliance Summary

The Audit Teams findings for the Performance Audit against the clauses of the Retail Licence are summarised in the following table. A comprehensive report of the audit findings as applicable to the Electricity Compliance Reporting Manual (May 2011, June 2013 & May 2014) is included in Appendix 1.

There are a number of obligations that are either excluded or their references have changed with versions of the Electricity Compliance Reporting Manual. As there were 3 versions of the Electricity Compliance Manual which applied to the Audit Period the information below defines clearly which obligation relates for the relevant part of the audit period, this further detailed in Appendix 1;

- Where the Reference Number has a number without a bracket it is referring to both the Electricity Compliance Reporting Manual May 2014 & June 2013. Additionally if there are no other Reference Numbers beneath it then all versions of the Electricity Compliance Reporting Manual can be considered to be the same reference.
- Where the Reference is in {XX} brackets it is referring to Electricity Compliance Reporting Manual May 2011
- Where the Reference is in [XX] brackets it is referring to Electricity Compliance Reporting Manual July 2010 [Note: Although outside the audit it scope reference to 2010 numbers assists with reviewing previous audit findings]

The review was undertaken by examination of documents, interviews with key persons and observations and was not to be a detailed inspection of physical items. Table 1 below details audit compliance and controls rating for each relevant licence condition to the audit scope. Audit obligations that were determined to be “not applicable” during the audit planning stage have not been included in the audit report. However, any obligations identified as “not applicable” during the course of the audit have been rated NR i.e Not Rated and as required by the Audit and Review Guidelines – Electricity & Gas Licences April 2014 an explanation has been provided.

Table 1: Compliance Summary Table

Compliance Obligation Reference No.	Licence Reference	Audit Priority	Adequacy of Controls Rating					Compliance Rating				
			A	B	C	D	NP	1	2	3	4	NR
			SECTION 9: ELECTRICITY INDUSTRY CUSTOMER TRANSFER CODE - PART 3 - CUSTOMER/ CONNECTION INFORMATION/DATA									
6	Electricity Industry Customer Transfer Code clause 3.2(2)	4	A					1				
7	Electricity Industry Customer Transfer Code clause 3.4(1)	4	A					1				
8	Electricity Industry Customer Transfer Code clause 3.5(3)	4	A									NR
9	Electricity Industry Customer Transfer Code clause 3.6(2)	4	A									NR
16	Electricity Industry Customer Transfer Code clause 3.9(1)	4	A					1				
17	Electricity Industry Customer Transfer Code clause 3.9(2)	4	A									NR
18	Electricity Industry Customer Transfer Code clause 3.9(3)	4		B				1				
19	Electricity Industry Customer Transfer Code clause 3.9(4)	4	A					1				
23	Electricity Industry Customer Transfer Code clause 4.2(2)	4	A					1				
24	Electricity Industry Customer Transfer Code clause 4.3	4	A					1				
25	Electricity Industry Customer Transfer Code clause 4.4(1)	4	A					1				

Compliance Obligation Reference No.	Licence Reference	Audit Priority	Adequacy of Controls Rating					Compliance Rating				
			A	B	C	D	NP	1	2	3	4	NR
			26	Electricity Industry Customer Transfer Code clause 4.4(2)	4	A						
27	Electricity Industry Customer4 Transfer Code clause 4.5(1)	4	A					1				
28	Electricity Industry Customer Transfer Code clause 4.6(3)	4	A									NR
29	Electricity Industry Customer Transfer Code clause 4.7	4	A					1				
30	Electricity Industry Customer Transfer Code clause 4.8(2)	4	A									NR
34	Electricity Industry Customer Transfer Code clause 4.9(6)	4	A					1				
39	Electricity Industry Customer Transfer Code clause 4.11(3)	4	A					1				
40	Electricity Industry Customer Transfer Code clause 4.12(3)	5	A									NR
43	Electricity Industry Customer Transfer Code clause 4.15	5	A									NR
44	Electricity Industry Customer Transfer Code clause 4.16	4	A					1				
45	Electricity Industry Customer Transfer Code clause 4.17	4	A									NR
48	Electricity Industry Customer Transfer Code clause 5.1(4)	4	A					1				
49	Electricity Industry Customer Transfer Code clause 6.2	4	A					1				
52	Electricity Industry Customer Transfer Code clause 6.4(1)	4	A									NR

Compliance Obligation Reference No.	Licence Reference	Audit Priority	Adequacy of Controls Rating					Compliance Rating				
			A	B	C	D	NP	1	2	3	4	NR
			53	Electricity Industry Customer Transfer Code clause 6.4(2)	4	A						
54	Electricity Industry Customer Transfer Code clause 6.6	4	A					1				
55	Electricity Industry Customer Transfer Code clause 7.1(1)	5	A									NR
56	Electricity Industry Customer Transfer Code clause 7.1(2)	5	A									NR
57	Electricity Industry Customer Transfer Code clause 7.1(3)	4	A									NR
58	Electricity Industry Customer Transfer Code clause 7.2(4)	5	A									NR
59	Electricity Industry Customer Transfer Code clause 7.3(2)	5	A									NR
68	Electricity Industry Customer Transfer Code Annex 6 clause A6.2(a)	5	A					1				
69	Electricity Industry Customer Transfer Code Annex 6 clause A6.2(b)	4	A					1				
70	Electricity Industry Customer Transfer Code Annex 6 clause A6.6	5	A					1				
71	Electricity Industry Customer Transfer Code Annex 6 clause A6.7	5	A					1				
SECTION 12: ELECTRICITY INDUSTRY ACT - LICENCE CONDITIONS AND OBLIGATIONS												
101 [81]	Electricity Industry Act section 13(1)	5	A					1				

Compliance Obligation Reference No.	Licence Reference	Audit Priority	Adequacy of Controls Rating					Compliance Rating					
			A	B	C	D	NP	1	2	3	4	NR	
			105 [85]	Electricity Industry Act section 17(1)	1		B					1	
106 [86]	Electricity Industry Act section 31(3)	1	A										NR
107 [87]	Electricity Industry Act section 41(6)	4	A					NP					NR
113 [96]	Electricity Industry Act section 115(2)	4	A						1				
SECTION 13: ELECTRICITY LICENCES - LICENCE CONDITIONS AND OBLIGATIONS													
119 [105]	Electricity Industry Act section 11 Retail Licence condition 12.1	4	A						1				
121 [107]	Electricity Industry Act section 11 Retail Licence condition 14.2	4	A						1				
123 [109]	Electricity Industry Act section 11 Retail Licence condition 15.1	4	A										NR
124 [110]	Electricity Industry Act section 11 Retail Licence condition 16.1	4		B						2			
125 [111]	Electricity Industry Act section 11 Retail Licence condition 17.1 & 17.2	4	A										NR
126 [112]	Electricity Industry Act section 11 Retail Licence condition 18.1	4	A						1				

Compliance Obligation Reference No.	Licence Reference	Audit Priority	Adequacy of Controls Rating					Compliance Rating				
			A	B	C	D	NP	1	2	3	4	NR
			SECTION 15: ELECTRICITY INDUSTRY METERING CODE - LICENCE CONDITIONS AND OBLIGATIONS									
345	Electricity Industry Metering Code clause 3.3B	4		B					1			
360 {349} [336]	Electricity Industry Metering Code clause 3.11(3)	4	A									NR
{361} [348]	Electricity Industry Metering Code clause 3.16(5)	4	A									NR
385 {372} [359]	Electricity Industry Metering Code clause 3.27	4					NP					NR
392 {379} [366]	Electricity Industry Metering Code clause 4.4(1)	5	A									NR
393 {380} [367]	Electricity Industry Metering Code clause 4.5(1)	5	A									NR
394 {381} [368]	Electricity Industry Metering Code clause 4.5(2)	4	A					1				
409 {393} [380]	Electricity Industry Metering Code clause 5.4(2)	5	A									NR
{395} [382]	Electricity Industry Metering Code clause 5.5(3)	4	A									NR

Compliance Obligation Reference No.	Licence Reference	Audit Priority	Adequacy of Controls Rating					Compliance Rating				
			A	B	C	D	NP	1	2	3	4	NR
423 {407} [394]	Electricity Industry Metering Code clause 5.17(1)	4	A									NR
426 {408} [395]	Electricity Industry Metering Code clause 5.18	4	A									NR
427 {409} [396]	Electricity Industry Metering Code clause 5.19(1)	5	A									NR
428 {410} [397]	Electricity Industry Metering Code clause 5.19(2)	5	A					1				
429 {411} [398]	Electricity Industry Metering Code clause 5.19(3)	4	A									NR
{412} [399] **	Electricity Industry Metering Code clause 5.19(4)	4	A									NR
431 {414} [401]	Electricity Industry Metering Code clause 5.19(6)	5	A					1				
437 {420} [407]	Electricity Industry Metering Code clause 5.21(5)	4	A					1				
438 {421} [408]	Electricity Industry Metering Code clause 5.21(6)	4	A					1				

Compliance Obligation Reference No.	Licence Reference	Audit Priority	Adequacy of Controls Rating					Compliance Rating					
			A	B	C	D	NP	1	2	3	4	NR	
456 {439} [426]	Electricity Industry Metering Code clause 5.27	4	A										NR
469 {446} [433]	Electricity Industry Metering Code clause 6.1(2)	4	A						1				
472 {448} [435]	Electricity Industry Metering Code clause 7.2(1)	5	A						1				
474 {450} [437]	Electricity Industry Metering Code clause 7.2(4)	4	A										NR
475 {451} [438]	Electricity Industry Metering Code clause 7.2(5)	4	A										NR
476 {452} [439]	Electricity Industry Metering Code clause 7.5	4	A						1				
477 {453} [440]	Electricity Industry Metering Code clause 7.6(1)	4	A										NR
478 {454} [441]	Electricity Industry Metering Code clause 8.1(1)	5	A										NR
479 {455} [442]	Electricity Industry Metering Code clause 8.1(2)	5	A										NR

Compliance Obligation Reference No.	Licence Reference	Audit Priority	Adequacy of Controls Rating					Compliance Rating				
			A	B	C	D	NP	1	2	3	4	NR
			480 {456} [443]	Electricity Industry Metering Code clause 8.1(3)	5	A						
481 {457} [444]	Electricity Industry Metering Code clause 8.1(4)	4	A									NR
482 {458} [445]	Electricity Industry Metering Code clause 8.3(2)	5	A									NR

TABLE: 2 Audit Compliant and Controls Rating Scales

Performance Audit Compliance & Controls Rating Scales			
Adequacy of Controls Rating		Compliance Rating	
Rating	Description	Rating	Description
A	Adequate controls – no improvement needed	1	Compliant
B	Generally adequate controls – improvement needed	2	Non-Compliant – minor impact on customers or third parties
C	Inadequate controls – significant improvement needed	3	Non-Compliant – moderate impact on customers or third parties
D	No controls evident	4	Non-Compliant – major impact on customers or third parties
NP	Not Performed	NR	Not rated – Determined Not Applicable during the audit period

2. PERFORMANCE AUDIT

2.1 Performance Audit Scope

This is the third audit of LGP's compliance with obligations relating to Retail Licence ERL11. As such, the scope of the audit is to:

- assess the license holders internal compliance systems
- assess the license holders compliance with its license

for the period 1st July 2011 to 30th June 2014.

As there were no performance standards defined within the Retail Licence the Authority's Electricity Compliance Reporting Manual (May 2011, June 2013 & May 2014) were used as the performance criteria for the compliance elements.

The following personnel were interviewed during the Performance Audit;

- Chief Financial Officer
- Retail Consultant
- Senior Business Analyst
- Project Administrator (Billing)

2.2 Performance Audit Objective

The objective of the performance audit, as defined by the Audit & Review Guidelines, is to assess the effectiveness of measures taken by the licensee to meet obligations of the performance and quality standards referred to in the licence.

In addition to compliance requirements, a specific focus is to be taken on the systems and effectiveness of processes used to ensure compliance with the standards, outputs and outcomes required by the licence. The audit outcome is to identify areas of non-compliance and areas of compliance where improvement is required and recommend corrective action as necessary.

The Audit was conducted in three phases as defined by the Audit & Review Guidelines. The phases and the appropriate audit guide/tool are detailed in Table 3 below;

Table 3: Performance Audit Methodology and Allocated Hours

Phase	Auditor	Hours	Relevant Auditing Standard
1. Risk & Materiality Assessment Outcome - Operational/ Performance Audit Plan	Nicole Davies	16	ASAE 3000: Assurance Engagements Other than Audits or Reviews of Historical Financial Information (9 July 2007) ASAE 3100 :Compliance Engagements (9 Sept 2008) ASA 315: Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment (27 June 2011) AS/NZS ISO 31000:2009 Risk Management Principles & Guidelines
2. System Analysis	Nicole Davies	16	AS 3806-2006: Compliance Programs
3. Fieldwork & Report Preparation Assessment and testing of; <ul style="list-style-type: none"> ▪ The control environment ▪ Information system ▪ Compliance procedures ▪ Compliance attitude 	Nicole Davies	48	ASA 500: Audit Evidence (27 June 2011) ASA 530: Audit Sampling (27 Oct 2009)

2.3 Performance Audit Methodology

A risk assessment, assessment of control environment and allocation of audit priority was undertaken in accordance with the Audit and Review Guidelines – Electricity, Gas and Water Licences (April 2014) on each element relating to Retail licensee’s of the Electricity Compliance Reporting Manual (May 2011, June 2013 & May 2014) issued by the Authority. It was the opinion of the audit team that this approach would provide an effective assessment of compliance due to each licence condition being incorporated into document.

The Electricity Compliance Reporting Manual as published on the ERA website specifically classifies each licence condition according to a non-compliance rating. The Type 1 obligations are not applicable to LGP as they do not have any residential customers and as indicated in the Audit & Review Guidelines these obligations and as detailed in the Audit Plan these have been omitted from the Audit Report.

In order to focus the audit effort and identify areas for testing and analysis a preliminary assessment of the

risk and materiality of non-compliance with the Retail Licence was undertaken in accordance with the requirements of AS/NZS 31000 Risk Management Section 5.3 and Appendix 1 of the Audit & Review Guidelines. This assessment rating was reviewed during the audit process subject to the verification of control environment. And changes made to the pre-assessment ratings during the audit process are explained in the corrective action section in Appendix 1.

2.4 Performance Audit Finding & Recommendations

2.4.1 Previous Audit Findings and Recommendations

The Audit Report is required to provide details of recommendations from the previous audit, however, there were no audit non compliances or recommendations arising from the previous audit. As such this requirement has not been addressed in the audit report.

2.4.2 Performance Audit Summary of Current Audit Non-Compliances and Recommendations

Table 4 below details the Summary Current Audit Non-Compliances and Recommendations as required by the Authority (Section 11.6 of Audit & Review Guidelines).

Table 4: Current Audit Non-Compliances and Recommendations

TABLE OF CURRENT AUDIT NON COMPLIANCES/RECOMMENDATIONS			
A. RESOLVED DURING CURRENT AUDIT PERIOD			
MANUAL REF.	Non Compliance/Controls Improvement (Rating/ Legislative Obligation/ Details of Non Compliance or Inadequacy of Controls)	Date Resolved (& Management Action Taken)	Auditors Comments
124	<p>NON- COMPLIANCE - B 2 Retail Licence condition 16.1</p> <p>Late submission of the Annual Compliance Report for the reporting year 2011. It is noted all subsequent reports were submitted on time.</p> <p>NOTE: B – Generally adequate controls – improvement needed 2 – Non-Compliant – minor impact on customers or third parties</p>	<p>DATE: 9th September 2011</p> <p>ACTION: Compliance Report Submitted and requirement diarised by the CFO</p> <p>REPRESENTATIVE: Chief Financial Officer</p>	<p>CA 1 – The non compliance was addressed and subsequently the Compliance Report was submitted by the 9th September once the organisation became aware of its requirement. Additionally the CFO diarised the requirement. All future Compliance Reports have been submitted timely.</p>

B. UNRESOLVED AT END OF CURRENT AUDIT PERIOD			
MANUAL REF.	Non Compliance/Controls Improvement (Rating/ Legislative Obligation/ Details of Non Compliance or Inadequacy of Controls)	Management Action Taken by end of Audit Period	Auditors Recommendations
18	<p>RECOMMENDATION - B1</p> <p>Electricity Industry Customer Transfer Code clause 3.9(3)</p> <p>NOTE:</p> <p>B – Generally adequate controls – improvement needed</p> <p>1 - Compliant</p>	<p>DATE: 30 October 2014</p> <p>ACTION: Utilise the Business Control Spreadsheet</p> <p>REPRESENTATIVE: Senior Business Analyst/Project Administrator</p>	<p>OFI 1 - Implement the VC form through the Senior Business Analyst/Project Administrator business controls (i.e. Create as field on excel spreadsheets used).</p>
105	<p>RECOMMENDATION - B1</p> <p>Electricity Industry Act section 17(1)</p> <p>Retail Licence condition 4.1</p> <p>NOTE:</p> <p>B – Generally adequate controls – improvement needed</p> <p>1 - Compliant</p>	<p>DATE: 30 October 2014</p> <p>ACTION: Include the payment of fees as a line item in the budget allocation prior to July 30 each year and as a standing agenda item in Management Meetings</p> <p>REPRESENTATIVE: Chief Financial Officer</p>	<p>OFI 2 - An alternative trigger to payment could be established to ensure ongoing compliance. Consideration could be given to inclusion in budget allocation to ensure funds dispensed prior to 30 July each year, standing agenda item in monthly meeting or other such means that would provide a proactive trigger for payment.</p>

<p>124</p>	<p>NON- COMPLIANCE - B 2 Retail Licence condition 16.1</p> <p>Late submission of the Annual Compliance Report for the reporting year 2011. It is noted all subsequent reports were submitted on time.</p> <p>NOTE: B – Generally adequate controls – improvement needed 2 – Non-Compliant – minor impact on customers or third parties</p>	<p>DATE: 30 October 2014</p> <p>ACTION: Include as standing agenda item in the management meetings</p> <p>REPRESENTATIVE: Chief Financial Officer</p>	<p>OFI 3: Although the non-compliance has been addressed, consideration could be given to imbedding this requirement into business processes to ensure not reliant on a specific individual. Such as creating as item of standing business agenda and including in the organisations internal audit processes.</p>
<p>345</p>	<p>RECOMMENDATION - B1 Electricity Industry Metering Code clause 3.3B</p> <p>Develop processes to ensure that when a user who is aware of bi-directional flows at a metering point which was not previously subject to a bi-directional electricity flows or any changes in a customer’s or user’s circumstances in a metering point which will result in bi-directional electricity flows can notify the network operator within 2 business days</p> <p>NOTE: B – Generally adequate controls – improvement needed 1 - Compliant.</p>	<p>DATE: 30 October 2014</p> <p>ACTION: Add all bi-directional meters to Contract Tracker and develop a work instruction for management bi-directional customers</p> <p>REPRESENTATIVE: Project Administrator</p>	<p>OFI 4 - Whilst compliance is noted a clear understanding of the obligation could be better demonstrated to ensure ongoing compliance and as such inclusion of the requirement in the Contract Tracker spreadsheet and development of a work instruction/procedure could be considered.</p>

2.4.2 Post Audit Implementation Plan

As stipulated in section 11.8 of the Audit & Review Guidelines (April 2014), the Audit Team notes that the Performance Audit Post Implementation Plan does not form part of the Audit Opinion. It is the responsibility of the licensee to ensure actions are undertaken. A post audit implementation will be submitted separately to this audit report by the Licensee if required.

3. FOLLOW UP AUDIT PROCESS

This is the third Performance Audit conducted since the issue of the licence and all previous audit report findings have been reviewed as part of the content of this report (Refer to Table 5).

As there were no previous audit recommendation review as required by section 11.3 of the Audit & Review Guidelines an assessment cannot be made by the audit team..

Review of actions taken in response to corrective actions and recommendations will form part of subsequent audit plans.

APPENDIX 1

LGP PERFORMANCE AUDIT SEPTEMBER 2014

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
SECTION 9: ELECTRICITY INDUSTRY CUSTOMER TRANSFER CODE - PART 3 - CUSTOMER/ CONNECTION INFORMATION/DATA							
6	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 3.2(2)	A retailer must submit a separate data request for each exit point unless otherwise agreed	4	Compliance is inherent in the Web Portal system design. The system only allows separate data requests. ▪ Web Portal system ▪ Compliance Policy - Metering Services Portal ▪ Discussion with Senior Business Analyst ▪	A	1
7	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 3.4(1)	Unless otherwise agreed with a <i>network operator, a retailer—</i> (a) must submit a <i>data request</i> to the <i>network operator electronically</i> ; and (b) must not submit to a <i>network operator</i> in a <i>business day—</i>	4	Generally, the system control is the web portal only allows 20 requests for standing data and 20 requests for historical consumption data. An exception message will come back if greater than 20 requests (or the agreed amount) are made. The Web Portal acts as the only access for data. LGP	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
			(i) more than 20 requests for standing data; and (ii) more than 20 requests for historical consumption data.		have applied for an increase for requests for standing data and as such their threshold has been increased. Email evidence and a review of the process was undertaken during the audit. ▪ Web Portal ▪ Compliance Policy - Metering Services Portal ▪ Discussion with Senior Business Analyst		
8	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 3.5(3) -	A retailer must withdraw a request for historical consumption data if the contestable customer's verifiable consent ceases to apply before the network operator provides the historical consumption data.	4	During the audit period the withdrawal of the request for historical consumption did not occur. ▪ Discussion with Senior Business Analyst ▪ Compliance Policy - Customer Data & Verifiable Consent ▪ Compliance Policy - Retail Licence Obligations And Compliance	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					<ul style="list-style-type: none"> ▪ Review Customer Files 		
9	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 3.6(2)	A retailer must pay any reasonable costs incurred by the network operator for work performed in relation to a withdrawn request for historical consumption data.	4	<p>There have been no occurrences of costs incurred during the audit period. As such assessment of compliance with this requirement cannot be made</p> <ul style="list-style-type: none"> ▪ Western Power Portal ▪ ETAC ▪ Retail Quality Manual (RQM) ▪ Compliance Policy - Retail Licence Obligations And Compliance ▪ Discussion with Senior Business Analyst 	A	NR
16	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 3.9(1)	A retailer may only use data relating to a contestable customer to provide a contestable customer with a quotation for the supply of electricity by the retailer to the contestable customer or to initiate a transfer in relation to the contestable customer.	4	Quotations reviewed during the audit included data only from the relevant Contestable Customer. All CTR were initiated with relevant customer data. Customer files are maintained electronically and in hard copy.	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					<ul style="list-style-type: none"> ▪ Discussion with Senior Business Analyst ▪ Customer Files (electronic and hardcopy) ▪ Compliance Policy - Customer Data & Verifiable Consent ▪ Compliance Policy - Retail Licence Obligations And Compliance Policies 		
17	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 3.9(2)	A retailer must not aggregate a contestable customer's historical consumption data with that of other contestable customers for the purposes of internal business development, if requested not to do so by the customer.	4	<p>During the audit period there had been no requests to not aggregate a contestable customer's historical consumption data. Data is aggregated as part of normal business procedures for the purpose of checking IMO invoices. As such this requirement has not been rated.</p> <ul style="list-style-type: none"> ▪ Discussion with Senior Business Analyst ▪ Compliance Policy - Customer Data & Verifiable Consent 	A	NR
18	Electricity Industry (Licence Conditions)	Electricity Industry Customer Transfer Code clause 3.9(3)	A retailer must not disclose a contestable customer's data to any other person without the verifiable consent of the contestable	4	The organisation maintains copies of verifiable consent (VC) on the Customer Files (electronically and in hardcopy). The	B	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
	<i>Regulations r 5(2)</i>		customer, except in the circumstances defined		<p>organisation has a number of controls for managing the obtaining of verifiable consent and these have been implemented from the sample of files reviewed. Evidence of a query as to whether VC was required for existing customers obtaining a new NMI was reviewed and compliance confirmed. However, the process could be better imbedded into the business operations, for example including the requirement for VC as a field in Business Control Spreadsheet.</p> <ul style="list-style-type: none"> ▪ Compliance Policy - Customer Data & Verifiable Consent ▪ Business Control s Spreadsheet <p>Opportunity for Improvement 1 -> Implement the VC form through the Senior Business Analyst/Project Administrator business controls (i.e. Spreadsheets – Business Control Spreadsheet).</p>		

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
19	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 3.9(4)	A retailer must keep a copy of the verifiable consent received from a contestable customer for two years.	4	<p>Copies of verifiable consent are maintained in the customer files. It is noted that the organisation retains records for greater than the 2 year period. Archive systems are established for those over 5 years.</p> <ul style="list-style-type: none"> ▪ Compliance Policy - Customer Data & Verifiable Consent 	A	1
23	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 4.2(2)	A retailer must submit a separate customer transfer request for each exit point unless otherwise agreed.	4	<p>Web portal only allows for singular submissions, compliance is inherent in system design.</p> <ul style="list-style-type: none"> ▪ Web Portal ▪ Compliance Policy - Metering Services Portal ▪ Customer Files ▪ Discussion with Senior Business Analyst 	A	1
24	Electricity Industry (Licence Conditions)	Electricity Industry Customer Transfer Code clause 4.3	A retailer's reason for a transfer must be specified in the customer transfer request form as either to transfer a contestable customer to	4	<p>Sample of transfers sighted on Web Portal. There were no erroneous transfers observed during the audit period under</p>	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
	<i>Regulations r 5(2)</i>		the retailer which submitted the customer transfer request or to reverse an erroneous transfer.		"Transfer Type". System Control as description of transfer is mandatory field i.e. drop down list <ul style="list-style-type: none"> ▪ Web Portal i.e. system controls ▪ Compliance Policy - Metering Portal Services ▪ Discussion with Senior Business Analyst 		
25	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 4.4(1)	A retailer may only submit a customer transfer request if it has an access contract for the network, unless it is to reverse an erroneous transfer.	4	All transfers conducted on Web Portal. Confirmed LGP has a valid ETAC. Without an access contract LGP would not be able to submit customer transfer request forms through network operator's web portal. Billing must be specified and dated in the Web portal. The CTR details are part of the CTR section of the Web Portal. If the access contract is not specified then Metering will not authorise and will contact the WP Account Manager to liaise for resolution.	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					<ul style="list-style-type: none"> ▪ Compliance Policy - Customer Transfers 		
26	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 4.4(2)	A retailer that submits a customer transfer request to reverse an erroneous transfer must ensure the transfer was made in error and, if it is an incoming retailer, confirm the identity of the previous retailer.	4	<p>All transfers conducted on Web Portal. There were no erroneous transfers observed during the audit period under "Transfer Type". Report provided by the Senior Business Analyst. As such this requirement cannot be rated.</p> <ul style="list-style-type: none"> ▪ Web Portal i.e. system controls ▪ Compliance Policy - Customer Transfers 	A	NR
27	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 4.5(1)	A retailer, unless otherwise agreed, must submit a customer transfer request electronically and must not submit more than a prescribed number of customer transfer requests in a business day or with the same nominated transfer date	4	<p>All transfers are undertaken on Web Portal. Generally, the number of customer transfer requests is inherent in the system design. The web portal only allows 20 transfers per day.</p> <p>As previously mentioned, there were agreements deviating from these requirements made for CTR during the audit period. In both instances records of communications relating to agreed</p>	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					arrangements were reviewed. <ul style="list-style-type: none"> ▪ Web Portal ▪ Compliance Policy - Metering Services Portal ▪ Compliance Policy - Customer Transfers ▪ Discussion with Senior Business Analyst 		
28	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 4.6(3)	A retailer must withdraw a customer transfer request if the contestable customer's verifiable consent ceases to apply before the transfer occurs.	4	There were no instances where a customer transfer request was withdrawn due to expirations of verifiable consent. <ul style="list-style-type: none"> ▪ Customer Files ▪ Compliance Policy - Customer Data & Verifiable Consent ▪ Discussion with Senior Business Analyst 	A	NR
29	Electricity Industry (Licence Conditions)	Electricity Industry Customer Transfer	A retailer must nominate a transfer date in a customer transfer request in accordance with specified timeframes, except if the customer	4	Compliance is inherent in system design, date of transfer must be nominated to successfully submit transfer. Further, the	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
	Regulations r 5(2)	Code clause 4.7	transfer request is to reverse an erroneous transfer.		web portal would automatically reject any nominated transfer dates that exceed the specified timeframes. There have been no erroneous transfers during the audit period. ▪ Web Portal ▪ Metering Services Portal Policy ▪ Customer Transfers Policy		
30	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 4.8(2)	A retailer must pay any reasonable costs incurred by a network operator for providing and/or installing a meter if a customer transfer request is withdrawn.	4	During the audit period there were no instances where costs were incurred by the Network Operator as a result of the CTR being withdrawn. ▪ Discussion with Senior Business Analyst.	A	NR
34	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 4.9(6)	A network operator and retailer must agree to a revised nominated transfer date in certain circumstances.	4	Web portal used for communicating revised transfer dates. Discussion with the Senior Business Analyst and Project Administrator demonstrated knowledge of the requirement to schedule transfers on a business day. During the audit period 2 instances were noted where a non business	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					<p>day was selected and the status of “Rejected” was shown on the web portal resulted in rescheduling. On both occasions the rescheduling (i.e. “Completed” status) occurred prior to the next business day nominated transfer date and did not result in any delay to the customer. It is noted on some occasions an error message alerts the user to it not being a business day</p> <ul style="list-style-type: none"> ▪ Web Portal ▪ Compliance Policy – Customer Transfers ▪ Review communication with WP 		
39	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 4.11(3)	A network operator and the retailer must take certain action if the contestable customer’s meter is not read on the nominated transfer date.	4	<p>Once the CTR is completed with nominated transfer date, meter readings from the network operator are provided in half hour intervals on the nominated transfer date.</p> <p>If there are any issues with the interval meter readings, it may be due to the inability of the network operator gaining access to the customer’s meter to change or reprogram it to an interval meter. The network operator would have to liaise with</p>	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					<p>LGP in regards to the situation and subsequently inform the customer of the situation. As a result, the nominated transfer date would have to be revised. This is managed through the web portal. The 2 days during the audit period where the meter was required to be read on a different nominated date were done through the web portal and were in relation to it not being a business day not an access issue.</p> <ul style="list-style-type: none"> ▪ Web Portal ▪ Compliance Policy – Customer Transfers 		
40	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 4.12(3)	The parties to an access contract must negotiate in good faith any necessary amendments to the access contract arising from certain circumstances.	5	<p>LGP is currently operating under an ETAC that is valid until 2029. During the audit period there have no instances where amendments to the ETAC were required.</p> <ul style="list-style-type: none"> ▪ Compliance Policy – Disputes and Good Faith ▪ Discussion Retail Consultant 	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
43	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 4.15	In the case of a transfer to reverse an erroneous transfer, a network operator and all affected retailers (and the independent market operator if applicable) must act in good faith to ensure that the rights and obligations of the affected contestable customer are as they would have been had the erroneous transfer not occurred.	5	During the audit period there were no erroneous transfers. Review web portal. ▪ Web Portal ▪ Compliance Policy – Disputes and Good Faith ▪ Discussion with Senior Business Analyst	A	NR
44	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 4.16	An incoming retailer must retain a copy of a verifiable consent given by a contestable customer in relation to the lodgement of a customer transfer request for two years, except in the case of a customer transfer request to reverse an erroneous transfer.	4	The organisation maintains copies of verifiable consent on the customer files and in electronic form. Documents are archived on site and systems backed up. No documents have been destroyed since commencement. ▪ Compliance Policy – Customer Data & Verifiable Consent	A	1
45	Electricity Industry (Licence Conditions)	Electricity Industry Customer Transfer Code clause 4.17	A previous retailer must not bill a contestable customer for charges incurred after the transfer time, except in the case of an	4	Confirmed through discussion with the Project Administrator that billing procedures do not allow the billing of a	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
	<i>Regulations r 5(2)</i>		erroneous transfer.		<p>customer once they transfer to another retailer, primarily because the data is unavailable and customer base is small therefore the licensee has good knowledge regarding billing status.. There were no erroneous transfers during the audit period. As such, assessment of compliance cannot be made.</p> <p>In addition, Web Portal System Control. WP will not send data to LGP after the transfer date.</p> <ul style="list-style-type: none"> ▪ Discussion with Project Administrator ▪ Compliance Policy – Customer Data & Verifiable Consent 		
48	<i>Electricity Industry (Licence Conditions) Regulations r 5(2)</i>	Electricity Industry Customer Transfer Code clause 5.1(4)	A network operator and a retailer must comply with approved communication rules.	4	<p>All transfers and data transactions are undertaken electronically through the web Portal and/or via email communication with WP Account Manager. No issues were identified.</p> <ul style="list-style-type: none"> ▪ Compliance Policy – Metering Services 	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					Portal <ul style="list-style-type: none"> ▪ Compliance Policy – Customer Transfers ▪ Discussion with Senior Business Analyst 		
49	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 6.2	A licensee’s notice in relation to a data request or customer transfer request must identify the exit point to which it relates.	4	Compliance is inherent in system design, specification of the NMI is a mandatory field. Additionally the NMI is recorded in the Turnaround Control Chart Spreadsheet . <ul style="list-style-type: none"> ▪ Compliance Policy – Metering Services Portal ▪ Compliance Policy – Metering Services Portal 	A	1
52	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 6.4(1)	A retailer must notify its contact details to a network operator within three business days of a request	4	Evidence of communication processes throughout the audit period. There has been no specific request for contact details. Assessment of compliance with this requirement could not be made.	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					<ul style="list-style-type: none"> ▪ Compliance Policy – Contact Details 		
53	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 6.4(2)	A retailer must notify any change in its contact details to a network operator at least three business days before the change takes effect.	4	<p>The licensee contact details have not changed during the audit period. As such assessment of compliance with this requirement cannot be made.</p> <ul style="list-style-type: none"> ▪ Compliance Policy – Contact Details 	A	NR
54	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 6.6	A network operator or a retailer must send required electronic communications to the applicable electronic communication address, in accordance with Annex 6.	4	<p>Web Portal design parameters ensure compliance with this requirement. Email and fax evidence also sighted to verify compliance with this requirement.</p> <ul style="list-style-type: none"> ▪ Compliance Policy – Metering Services Portal 	A	1
55	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 7.1(1)	For a dispute in respect of a matter under or in connection with the Electricity Industry Customer Transfer Code, any disputing party must meet within five business days of a request from another disputing party and attempt to resolve the dispute by negotiations in good faith.	5	<p>There have been no disputes in respect to a matter under or in connection with this requirement during the audit period. As such assessment of compliance with respect to meeting within 5 business days cannot be made.</p> <ul style="list-style-type: none"> ▪ Compliance Policy – Disputes and Good 	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					Faith		
56	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 7.1(2)	If the negotiations in 7.1(1) of the Electricity Industry Customer Transfer Code do not resolve the dispute within 10 days after the first meeting, the dispute must be referred to the senior executive officer of each disputing party who must attempt to resolve the dispute by negotiations in good faith	5	<p>There have been no disputes during the audit period that have been elevated for management in accordance with this requirement. As such assessment of compliance with the Dispute Resolution requirement cannot be made.</p> <ul style="list-style-type: none"> ▪ Compliance Policy – Disputes and Good Faith 	A	NR
57	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 7.1(3)	If the dispute is resolved, the disputing parties must prepare a written and signed record of the resolution and adhere to the resolution.	4	<p>There have been no disputes during the audit period that have been elevated for management in accordance with this requirement. As such assessment of compliance with the Dispute Resolution requirement cannot be made.</p> <ul style="list-style-type: none"> ▪ Compliance Policy – Disputes and Good Faith 	A	NR
58	Electricity Industry (Licence Conditions)	Electricity Industry Customer Transfer	A disputing party that refers a dispute to the Authority must give notice to the Authority of the nature of the dispute, including specified	5	<p>There have been no disputes during the audit period that have been elevated for management in accordance with this</p>	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
	<i>Regulations r 5(2)</i>	Code clause 7.2(4)	details		<p>requirement. As such assessment of compliance with the Dispute Resolution requirement cannot be made.</p> <ul style="list-style-type: none"> ▪ Compliance Policy – Disputes and Good Faith 		
59	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code clause 7.3(2)	A disputing party must at all times conduct itself in a manner which is directed towards achieving the objectives in clause 7.3(1) of the Electricity Industry Customer Transfer Code	5	<p>There have been no disputes during the audit period that have been elevated for management in accordance with this requirement. As such assessment of compliance with the Dispute Resolution requirement cannot be made.</p> <ul style="list-style-type: none"> ▪ Compliance Policy – Disputes and Good Faith 	A	NR
68	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code Annex 6 clause A6.2(a)	A network operator and a retailer must use reasonable endeavours to ensure that its information system on which electronic communications are made is operational 24 hours a day and 7 days a week.	5	<p>The organisation has established security controls to ensure that the computer systems are backed up and available. There were no instances during the audit period where the LGP computers were unavailable for any time.</p>	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					<ul style="list-style-type: none"> ▪ Compliance Policy - Metering Services Portal ▪ Discussion Retail Consultant 		
69	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code Annex 6 clause A6.2(b)	A network operator and a retailer must establish a mechanism to generate an automated response message for each electronic communication (other than an automated response message) received at the electronic communication address.	4	<p>Correspondence between WP and LGP is maintained in the Web Portal. Historical messages can be seen through the “view messages” function. Correspondence is tagged as either pending, completed or rejected, i.e. market transaction list</p> <p>In addition, the web portal enables the issue of email alerts to confirm transactions.</p> <ul style="list-style-type: none"> ▪ Compliance Policy - Metering Services Portal 	A	1
70	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code Annex 6 clause A6.6	The originator of an electronic communication must identify itself in the communication.	5	The web portal has an automated process to ensure this is undertaken. A review of automated response messages confirmed that the electronic communication identified the originator (i.e. dependent on LGP user, as each has own login profile) and	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					templates are used to submit requests through the web portal. Standard email signatures and letter templates used for communication. ▪ Compliance Policy - Metering Services Portal ▪ Discussion with Senior Business Analyst		
71	Electricity Industry (Licence Conditions) Regulations r 5(2)	Electricity Industry Customer Transfer Code Annex 6 clause A6.7	The originator of an electronic communication must use reasonable endeavours to adopt a consistent data format for information over time, to facilitate any automated processing of the information by the addressee.	5	The Web Portal is used as a primary means of communication between WP and LGP. The system application allows automatic transfer of data. ▪ Compliance Policy - Metering Services Portal	A	1
SECTION 12: ELECTRICITY INDUSTRY ACT - LICENCE CONDITIONS AND OBLIGATIONS							
101 {81}	Retail Licence condition 14.1	Electricity Industry Act section 13(1)	A licensee must, not less than once every 24 months, provide the Authority with a	5	The requirement for the audit is monitored by the Chief Financial Officer in his Online	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
			performance audit conducted by an independent expert acceptable to the Authority.		Diary. Additionally it is raised in email communications, monthly meetings and correspondence with the Secretariat. <ul style="list-style-type: none"> ▪ Monthly Business Meetings ▪ Compliance Schedule in Outlook ▪ ERA correspondence ▪ Development of Audit Plan and Audit Process 		
105 {85}	Retail Licence condition 4.1	Electricity Industry Act section 17 (1)	A licensee must pay to the Authority the prescribed licence fee within one month after the day of grant or renewal of the licence and within one month after each anniversary of that day during the term of the licence i.e. 30 July each year	1	Licence fees were paid in accordance with requirements as follows; <ul style="list-style-type: none"> - ERA Invoice ERA302 (Issued on 14 June 2012) and Paid 18/6/12. - ERA Invoice ERA10057 (issued on 19 June 2013) and Paid 26/6/13. - ERA Invoice ERA100174 (issued on 13 June 2014) and Paid 17/6/14. ▪ Invoice issued by the Authority ▪ Record of Payment in accounts system 	B	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					→ OFI 2 - An alternative trigger to payment could be established to ensure ongoing compliance. Consideration could be given to inclusion in budget allocation to ensure funds dispensed prior to 30 July each year, standing agenda item in monthly meeting or other such means that would provide a proactive trigger for payment.		
106 {86}	Retail Licence condition 5.1	Electricity Industry Act section 31 (3)	A licensee must take reasonable steps to minimise the extent or duration of any interruption, suspension or restriction of the supply of electricity due to an accident, emergency, potential danger or other unavoidable cause.	1	In general, the supply of electricity is managed by WPN and is essentially outside the control LGP. Electricity Supply is managed by WPN. Discussions with the Retail Consultant confirmed timely payments to IMO and WPN ensured ongoing supply of electricity to customers. As such the licensee has not caused a delay, interruption, suspension or restriction of the supply of electricity within their control. ▪ Discussion with Retail Consultant	A	NR
107 {87}	Retail Licence condition 5.1	Electricity Industry Act section 41 (6)	A licensee must pay the costs of taking an interest in land or an easement over land.	4	Landfill Gas and Power does not have any interest in land or an easement over land. This requirement could be omitted from	NP	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					future audit plans.		
113 [96]	Retail Licence condition 5.1	Electricity Industry Act section 115(2)	A licensee that has, or is an associate of a person that has, access to services under an access agreement must not engage in conduct for the purpose of hindering or prohibiting access	4	The Chief Financial Officer confirmed that access agreements in place and compliance with this requirement. No communication sighted to indicate otherwise. ▪ ETAC	A	1
SECTION 13: ELECTRICITY LICENCES - LICENCE CONDITIONS AND OBLIGATIONS							
119 [105]	Retail Licence condition 12.1	Electricity Industry Act section 11	A licensee and any related body corporate must maintain accounting records that comply with the Australian Accounting Standards Board Standards or equivalent International Accounting Standards.	4	The LGP Special Purpose Financial Reports sampled during the audit period contain a Statement of Compliance which noted that the financial report was prepared in accordance with the basis of accounting specified by all Accounting Standards. The Annual Report for the year ending June 30 2014 was not available for review at the time of the audit. ▪ Annual Financial Reports ▪ Discussion with Chief Financial Officer	A	1
121	Retail Licence	Electricity Industry	A licensee must comply, and require its auditor to comply, with the Authority's standard audit	4	Direct instructions from Licensee to Auditor	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
[107]	condition 14.2	Act section 11	guidelines dealing with the performance audit.		to comply with the ERA guidelines. Copies of communications received from ERA relating to audit requirements sent by LGP through to Auditor to convey requirements specifically the undertaking of audits in compliance with the Audit & Review Guidelines: Electricity, Gas and Water Licences. <ul style="list-style-type: none"> ▪ Ref D128076 ERA Approval of Audit Plan ▪ Ref D121157 ERA 2014 Electricity Performance Audit 		
123 [109]	Retail Licence condition 15.1	Electricity Industry Act section 11	A licensee must report to the Authority, in the manner prescribed, if a licensee is under external administration or there is a significant change in the circumstances upon which the licence was granted which may affect a licensee's ability to meet its obligations.	4	During the Audit Period LGP was not under external administration and had not undergone any significant change in circumstances upon which the licence was granted, which may affect its ability to meet its licence obligations. As such there was no assessment with this requirement to report to the Authority was made. <ul style="list-style-type: none"> ▪ Discussion with CFO ▪ Compliancy Policy - ERA 	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
124 [110]	Retail Licence condition 16.1	Electricity Industry Act section 11	A licensee must provide the Authority, in the manner prescribed, any information the Authority requires in connection with its functions under the Electricity Industry Act.	4	<p>The Licensee has provided the Authority information it required in connection with its functions under the Electricity Industry Act, with the exception of the 2011 Compliance Report.</p> <p>Every licensee is required to submit a compliance report to the Authority covering all of its type 1 and type 2 licence obligations for each financial year (1 July to 30 June inclusive) by 31 August immediately following the year that is the subject of the report. During the audit period the reports were submitted;</p> <ul style="list-style-type: none"> - 2011 Report on the 9 September - 2012 Report on the 2 August - 2013 Report on the 22 July <p>As detailed above the 2011 Compliance Report was submitted after the due date this was due to a personnel oversight and several measures were put in place to ensure future reports would be submitted on time. Compliance past this date is noted.</p> <ul style="list-style-type: none"> ▪ Compliance Scheduling Outlook 	B	2

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					<ul style="list-style-type: none"> ▪ Discussion with CFO ▪ Compliance Reporting returns sighted → CA 1: The Compliance Report was submitted on the 9th September 2011 as soon as the licensee became aware of the oversight. The CFO has diarised the requirement in his online calendar. → OFI 3: Consideration could be given to imbedding this requirement into business processes to ensure not reliant on a specific individual. Such as creating as item of standing business agenda and including in the organisations internal audit processes. 		
125 [111]	Retail Licence condition 17.1 & 17.2	Electricity Industry Act section 11	A licensee must publish any information it is directed by the Authority to publish, within the timeframes specified	4	<p>The Authority has not directed any information to be published during the audit period, as such, assessment of compliance with this requirement cannot be made.</p> <ul style="list-style-type: none"> ▪ Discussion with Retail Consultant ▪ Review ERA website 	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
126 [112]	Retail Licence condition 18.1	Electricity Industry Act section 11	Unless otherwise specified, all notices must be in writing.	4	LGP maintains formal records of correspondence (email and hardcopy). No notices have been required by the Authority. <ul style="list-style-type: none"> ▪ Discussion with Retail Consultant ▪ Review ERA website 	A	1
SECTION 15: ELECTRICITY INDUSTRY METERING CODE - LICENCE CONDITIONS AND OBLIGATIONS							
345	Retail Licence condition 5.1	Electricity Industry Metering Code clause 3.3B	A user who is aware of bi-directional flows at a metering point which was not previously subject to a bi-directional electricity flows or any changes in a customer's or user's circumstances in a metering point which will result in bi-directional electricity flows must notify the network operator within 2 business days.	4	LGP confirmed it does have customers with bi-directional flows at a metering point. It is understood that customers are required to have a RRN prior to the bi-directional flow meter installation. As such, processes have been established and a review of the web portal and billing information was undertaken to verify process. With regards to an existing customer who installs a bi-directional flow meter a miscellaneous service order is completed and a retailer reference number (RRN) provided. A meter reconfiguration service order is then raised. The billing process provides and additional check on whether or not a bi-directional	B	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					flow meter is installed. <ul style="list-style-type: none"> ▪ Discussion with Project Administrator ▪ Web Portal ▪ Review of Western Power Fact Sheet ▪ NEM 12 files (E1 i.e. usage and B1 i.e. overspill) ▪ Billing triple check process → OFI 4: Whilst compliance is noted a clear understanding of the obligation could be better demonstrated to ensure ongoing compliance and as such inclusion of the requirement in the Contract Tracker spreadsheet and development of a work instruction/procedure could be considered.		
360 {349} [336]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 3.11(3)	A Code participant who becomes aware of an outage or malfunction of a metering installation must advise the network operator as soon as practicable.	4	WPN has primary responsibility for the management and monitoring of meters. Generally, customer queries or a review of billing data prior to issue will identify these anomalies. There have been no such	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					<p>occurrences during the audit period. The process for a customer query with regard to billing was reviewed during the audit.</p> <ul style="list-style-type: none"> ▪ Discussion with Project Administrator ▪ Review of communication with WPN 		
{361} {348}	Retail Licence condition 5.1	Electricity Industry Metering Code clause 3.16(5)	A network operator or a user may require the other to negotiate and enter into a written service level agreement in respect of the matters in the metrology procedure dealt with under clause 3.16(4) of the Code.	4	<p>Tariff Metering requirements are covered in contracts. The Network Operator manages metering requirements for LGP.</p> <p>This requirement relates to the conversion of non interval metering to interval metering. There is no need for conversion as the potential customers would be billed on aggregated data in accordance with the contract. As such assessment of compliance with clause cannot be undertaken.</p> <ul style="list-style-type: none"> ▪ Discussion with Senior Business Analyst 	A	NR
385 {372} {359}	Retail Licence condition 5.1	Electricity Industry Metering Code clause 3.27	A person must not install a metering installation on a network unless the person is the network operator or a registered metering installation provider for the network operator doing the type of work authorised by its registration.	4	<p>LGP does not undertake the installation of meters. The licensee utilises WPN for meter installations.</p> <ul style="list-style-type: none"> ▪ Discussion with Senior Business Analyst 	NP	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
392 {379} [366]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 4.4(1)	A network operator and affected Code participants must liaise together to determine the most appropriate way to resolve a discrepancy between energy data held in a metering installation and data held in the metering database.	5	There have been no identified discrepancies relating to energy data held within a metering installation during the audit period. Any customer query was reviewed and confirmed by both WPN and the related customer. <ul style="list-style-type: none"> ▪ Discussion with Retail Consultant 	A	NR
393 {380} [367]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 4.5(1)	A Code participant must not knowingly permit the registry to be materially inaccurate.	5	This is primarily the responsibility of WPN. However, LGP may identify errors through internal review systems, customer enquiries, etc. No such circumstances were identified during the audit. <ul style="list-style-type: none"> ▪ Discussion with Senior Business Analyst 	A	NR
394 {381} [368]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 4.5(2)	If a Code participant (other than a network operator) becomes aware of a change to or an inaccuracy in an item of standing data in the registry, then it must notify the network operator and provide details of the change or inaccuracy within the timeframes prescribed.	4	Regular discussions are held with WP account manager. Any queries into discrepancies are followed up in a timely manner. Not discrepancies/inaccuracies were identified during the audit period. Review of Web Portal confirmed the function to submit queries to WP and monitor their progress (timelines of actioning). In addition, email communication was reviewed.	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					<ul style="list-style-type: none"> ▪ Discussion with Project Administrator ▪ Review of communication with WPN 		
409 {393} [380]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 5.4(2)	A user must, when reasonably requested by a network operator, use reasonable endeavours to assist the network operator to comply with the network operator's obligation under clause 5.4(1).	5	WPN is responsible for the reading of the meters and they are primarily read remotely. LGP work with WP in identifying data discrepancies and meter faults. As such this requirement has not been rated. <ul style="list-style-type: none"> ▪ Requests from Network Operator ▪ Remote Reading of Meters 	A	NR
{395} [382]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 5.5(3)	A user must not impose any charge for the provision of the data under this Code unless it is permitted to do so under another enactment.	4	Western Power read all meters. No charges are imposed for provision of data. <ul style="list-style-type: none"> ▪ Discussion with Senior Business Analyst 	A	NR
423 {407} [394]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 5.17(1)	A user must provide standing data and validated (and where necessary substituted or estimated) energy data to the user's customer, to which that information relates, where the user is required by an enactment or an agreement to do so for billing purposes or for the purpose of providing metering services to the customer.	4	The network operator is responsible for tariff metering <ul style="list-style-type: none"> ▪ Discussion with Senior Business Analyst 	A	NR
426	Retail Licence	Electricity Industry	A user that collects or receives information	4	LGP does not collect or receive information	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING <ul style="list-style-type: none"> ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT 	ADEQUACY OF CONTROLS	COMPLIANCE RATING
{408} [395]	condition 5.1	Metering Code clause 5.18	regarding a change in the energisation status of a metering point must provide the network operator with the prescribed information, including the stated attributes, within the timeframes prescribed.		regarding a change in the energisation status of a metering point. Western Power manages the status of metering points. As such assessment of compliance with this requirement cannot be made. <ul style="list-style-type: none"> ▪ Discussion with Senior Business Analyst 		
427 {409} [396]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 5.19(1)	A user must, when requested by the network operator acting in accordance with good electricity industry practice, use reasonable endeavours to collect information from customers, if any, that assists the network operator in meeting its obligations described in the Code and elsewhere, and provide that information to the network operator.	5	There have been no requests to collect information. As such assessment of compliance with this requirement cannot be made. <ul style="list-style-type: none"> ▪ Discussion with Senior Business Analyst 	A	NR
428 {410} [397]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 5.19(2)	A user must, to the extent that it is able, collect and maintain a record of the address, site and customer attributes, prescribed in relation to the site of each connection point, with which the user is associated.	5	A review of Web Portal noted that all site and customer attributes are captured via predetermined fields and drop down menus. <ul style="list-style-type: none"> ▪ Web portal ▪ Discussion with Senior Business Analyst 	A	1
429 {411}	Retail Licence condition 5.1	Electricity Industry Metering Code	Subject to subclauses 5.19(3A) and 5.19(6), the user must, within 1 business day after becoming aware of any change in an attribute	4	There have been no changes to site attributes. There has been no advice from users. The licensee uses Western Power's	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
[398]		clause 5.19(3)	described in subclause 5.19(2), notify the network operator of the change.		service request form for new customers. LGP Management confirmed compliance with the 1 business day rule. ▪ Discussion with Retail Consultant		
{412} [399]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 5.19(4)	A user that becomes aware that there is a sensitive load at a customer's site must immediately notify the network operator's Network Operations Control Centre of the fact.	4	There were no customers during the audit period for which this requirements applied who were classed as sensitive load. As such compliance with this requirement cannot be assessed. ▪ Discussion with Senior Business Analyst	A	NR
431 {414} [401]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 5.19(6)	A user must use reasonable endeavours to ensure that it does not notify the network operator of a change in an attribute that results from the provision of standing data by the network operator to the user.	5	Upon receiving such information from the customer the information is logged into Web Portal into the Customer & Site details information section. The Project Administrator confirmed that LGP did not make any change to customer attribute information during the audit period. ▪ Discussion with Project Administrator ▪ Review web portal	A	1

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
437 {420} [407]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 5.21(5)	A Code participant must not request a test or audit unless the Code participant is a user and the test or audit relates to a time or times at which the user was the current user or the Code participant is the IMO.	4	The licensee has made 1 requests for tests of the metering system during the audit period on behalf of a customer. Compliance with this requirement is noted. ▪ Discussion with Senior Business Analyst/Project Administrator	A	1
438 {421} [408]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 5.21(6)	A Code participant must not make a test or audit request that is inconsistent with any access arrangement or agreement.	4	Confirmed that during the audit period, LGP did not make any requests for audit or tests that were inconsistent with its access agreement. ▪ Discussion with Senior Business Analyst/Project Administrator	A	1
456 {439} [426]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 5.27	Upon request, a current user must provide the network operator with customer attribute information that it reasonably believes are missing or incorrect within the timeframes prescribed.	4	All compliance is performed via the Web Portal. Any requests received from WP would be actioned via Web Portal in a timely manner. Review of the Web Portal correspondence did not identify any requests for customer	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
					attribute information from WP. ▪ Discussion with Project Administrator ▪ Review web portal		
469 {446} [433]	Retail Licence condition 5.1	Electricity Industry Metering Code 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.	4	Documentation, systems and external audit reports reviewed during the audit indicated compliance with this requirement. In addition, the licensee uses the Web Portal to make all metering transactions and as such complies with WPN rules, procedures, agreements and criteria prescribed. ▪ Discussion with Senior Business Analyst	A	1
472 {448} [435]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 7.2(1)	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.	5	WP has been notified of all communication details. Evidence of dialogue between the parties has been noted. ▪ Discussion with Project Administrator/Senior Business Analyst ▪ Review web portal	A	1
474 {450}	Retail Licence condition 5.1	Electricity Industry Metering Code	A Code participant must notify its contact details to a network operator with whom it has	4	WPN has made no requests for contact details during the audit period.	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
[437]		clause 7.2(4)	entered into an access contract within 3 business days after the network operator's request.		▪ Discussion with Retail Consultant		
475 {451} [438]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 7.2(5)	A Code participant must notify any affected network operator of any change to the contact details it notified to the network operator at least 3 business days before the change takes effect.	4	There have been no changes to contact details during the audit period. ▪ Discussion with Retail Consultant	A	NR
476 {452} [439]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 7.5	A Code participant must not disclose, or permit the disclosure of, confidential information provided to it under or in connection with the Code and may only use or reproduce confidential information for the purpose for which it was disclosed or another purpose contemplated by the Code.	4	There have been no instances of non compliance identified in relation to this requirement. The licensee has quality management procedures for retaining confidential information. ▪ Discussion with Retail Consultant	A	1
477 {453} [440]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 7.6(1)	A Code participant must disclose or permit the disclosure of confidential information that is required to be disclosed by the Code.	4	There is no information required to be disclosed during the audit period. ▪ Discussion with Retail Consultant	A	NR
478 {454}	Retail Licence condition 5.1	Electricity Industry Metering Code clause 8.1(1)	Representatives of disputing parties must meet within 5 business days after a notice given by a disputing party to the other disputing parties	5	There have been no disputes during the audit period. As such assessment of compliance with this requirement cannot be	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
[441]			and attempt to resolve the dispute under or in connection with the Electricity Industry Metering Code by negotiations in good faith.		made. ▪ Discussion with Chief Financial Officer		
479 {455} [442]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 8.1(2)	If a dispute is not resolved within 10 business days after the dispute is referred to representative negotiations, the disputing parties must refer the dispute to a senior management officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.	5	There have been no disputes during the audit period. As such assessment of compliance with this requirement cannot be made. ▪ Discussion with Chief Financial Officer	A	NR
480 {456} [443]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 8.1(3)	If the dispute is not resolved within 10 business days after the dispute is referred to senior management negotiations, the disputing parties must refer the dispute to the senior executive officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.	5	There have been no disputes during the audit period. As such assessment of compliance with this requirement cannot be made. ▪ Discussion with Chief Financial Officer	A	NR
481 {457} [444]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 8.1(4)	If the dispute is resolved by representative negotiations, senior management negotiations or CEO negotiations, the disputing parties must prepare a written and signed record of the	4	There have been no disputes during the audit period. As such assessment of compliance with this requirement cannot be made.	A	NR

REF*	LICENCE CONDITION	RELATED LEGISLATION	LEGISLATIVE/LICENCE REQUIREMENT	AUDIT PRIORITY	AUDITING FINDING ▪ RELATED DOCUMENTATION &/OR CONTROL SYSTEMS/AUDIT EVIDENCE → CORRECTIVE ACTION (CA) OPPORTUNITY FOR IMPROVEMENT	ADEQUACY OF CONTROLS	COMPLIANCE RATING
			resolution and adhere to the resolution.		▪ Discussion with Chief Financial Officer		
482 {458} [445]	Retail Licence condition 5.1	Electricity Industry Metering Code clause 8.3(2)	The disputing parties must at all times conduct themselves in a manner which is directed towards achieving the objective of dispute resolution with as little formality and technicality and with as much expedition as the requirements of Part 8 of the Code and a proper hearing and determination of the dispute, permit.	5	There have been no disputes during the audit period. As such assessment of compliance with this requirement cannot be made. ▪ Discussion with Chief Financial Officer	A	NR

This page has been left blank intentionally