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**WALKAWAY WIND POWER PTY LTD
GENERATION LICENCE EGL 2
PERFORMANCE AUDIT
ASSET MANAGEMENT REVIEW REPORT**

**Prepared by Kevan McGill
Date 20 March 2017**



John McDonald
Walkaway Wind Power Pty Ltd
Infigen Energy
Level 22, 56 Pitt Street, Sydney NSW 2000

Dear Mr McDonald

Performance Audit & Asset Management Review Electricity Licence

The fieldwork on the performance audit of Generation Licence EGL 2 for the audit period (1 February 2013 to 31 October 2016) is complete and I am pleased to submit the report to you. The report reflects my findings and opinions.

In my opinion, the Licensee has maintained a good level of compliance with the Licence conditions and integrity with the Licensee's reporting obligations. There is one non-compliance noted.

In my opinion, the Licensee maintained, in all material aspects, control procedures in relation to the Generation licence (EGL 2) for the audit period on the relevant clauses referred to within the scope section of this report.

In my opinion, the Licensee maintained, in all material aspects, effective control procedures and an effective asset management system in relation to the Generation licence (EGL 2) for the review period on the relevant clauses referred to within the scope section of this report. There are some improvements necessary.

Yours sincerely

Kevan McGill
Director

Date 20 March 2017

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1 Executive Summary

This performance audit and asset management system review was conducted in accordance with the guidelines issued by the Economic Regulation Authority (ERA) for the audit period (1 February 2013 to 31 October 2016).

1.1 OVERALL CONCLUSION

In my opinion, the Licensee has maintained a good level of compliance with the licence conditions. There were no non-compliances requiring corrective actions. There are no issues with the integrity of reporting to the *ERA* or other statutory organisations.

In my opinion, the Licensee maintained, in all material aspects, effective control procedures in relation to the Generation Licence (EGL 2) for the audit period based on the relevant clauses referred to within the scope section of this report.

In my opinion, the Licensee maintained, in all material aspects, effective control procedures and an effective asset management system in relation to the Generation licence (EGL 2) for the review period on the relevant clauses referred to within the scope section of this report. There are some improvements necessary.

1.2 SUMMARY OF SIGNIFICANT RESULTS

1.2.1 AUDIT

There is one non-compliance.

1.2.2 ASSET MANAGEMENT SYSTEM REVIEW

There are no issues that are required to improve the effectiveness of the asset management system.

1.3 AUDIT PERIOD

This audit covers the period 1 February 2013 to 31 October 2016. The previous audit/review period was 1 February 2010 to 31 January 2013.

1.4 THE LICENSEE

Walkaway Wind Power (WWP) holds an Electricity Generation Licence (EGL 2) issued by the Economic Regulation Authority under the Electricity Industry Act 2004. This performance audit was conducted in accordance with the guidelines issued by the Economic Regulation Authority (ERA) to assess WWP's level of compliance with the licence conditions.

Walkaway Wind Farm (WWF) is located at Walkaway, near Geraldton, in Western Australia. The plant is owned by Walkaway Wind Power P/L (Infigen Energy Ltd (Infigen) and operated by Vestas Australian Wind Technology Pty Ltd (Vestas) which has been contracted to provide the operation and maintenance services.

The records and areas covered by the Licence were inspected and interviews were also held with key personnel at the Walkaway licence area.

1.5 PREVIOUS AUDIT NON-COMPLIANCES AND RECOMMENDATIONS

There are no issues from previous audit.

Table of Previous Non-Compliances and Audit Recommendations				
A. Resolved before end of previous audit period				
Reference (no./year)	(Compliance rating/ Legislative Obligation/ details of the issue)	Auditors' Recommendation	Date Resolved	Further action required (Yes/No/Not Applicable) Details of further action required including current recommendation reference if applicable
B. Resolved during current Audit period				
Reference (no./year)	(Compliance rating/ Legislative Obligation/ details of the issue)	Auditors' Recommendation	Date Resolved	Further action required (Yes/No/Not Applicable) Details of further action required including current recommendation reference if applicable
Unresolved at end of current Audit period				
Reference (no./year)	(Compliance rating/ Legislative Obligation/ details of the issue)	Auditors' Recommendation	Date Resolved	Further action required (Yes/No/Not Applicable) Details of further action required including current recommendation reference if applicable

Opportunities for Improvement (2013)

Table of Previous Non-Compliances and Audit Recommendations				
Resolved before end of previous audit period				
Reference (no./year)	(Compliance rating/ Legislative Obligation/ details of the issue)	Auditors' Recommendation	Date Resolved	Further action required (Yes/No/Not Applicable) Details of further action required including current recommendation reference if applicable
Unresolved at end of current Audit period				
Reference (no./year)	(Compliance rating/ Legislative Obligation/ details of the issue)	Auditors' Recommendation	Date Resolved	Further action required (Yes/No/Not Applicable) Details of further action required including current

				recommendation reference if applicable

1.6 ISSUES FROM CURRENT AUDIT

There is one issue from current audit.

1.6.1 COMPLIANCE ELEMENTS REQUIRING CORRECTIVE MEASURES

The actions requiring corrective measures are:

Table of Current Audit Non-Compliances/Recommendations			
Resolved during current Audit period			
Reference (no./year)	Non-Compliance/Controls improvement (Rating / Legislative Obligation / Details of Non Compliance or inadequacy of controls)	Date Resolved (& management action taken)	Auditors comments
Unresolved at end of current Audit period			
Reference (no./year)	Non-Compliance/Controls improvement (Rating / Legislative Obligation / Details of Non Compliance or inadequacy of controls)	Auditors' Recommendation	Management action taken by end of Audit period
1/2016 105	B2 <i>Electricity Industry Act section 17(1)</i> Licensing Fees must be paid on time	Implement controls process to prevent non-compliance	To be completed by mid 2017

1.6.2 OPPORTUNITIES FOR IMPROVEMENT

Table of Current Audit Non-Compliances/Recommendations			
Unresolved at end of current Audit period			
Reference (no./year)	Non-Compliance/Controls improvement (Rating / Legislative Obligation / Details of Non Compliance or inadequacy of controls)	Auditors' Recommendation	Management action taken by end of Audit period

1.7 PREVIOUS REVIEW RECOMMENDATIONS

Recommendations from last review (2013):

Previous review ineffective components recommendations

Table of Previous Review Ineffective Components Recommendations				
A. Resolved before end of previous review period				
Reference (no./year)	(Asset management effectiveness rating/ Asset Management System Component & Criteria / details of the issue)	Auditors' Recommendation or action taken	Date Resolved	Further action required (Yes/No/Not Applicable) & Details of further action required including current recommendation reference if applicable

B. Resolved during current Review period				
Reference (no./year)	(Asset management effectiveness rating/ Asset Management System Component & Criteria / details of the issue)	Auditors' Recommendation	Date Resolved	Further action required (Yes/No/Not Applicable) & Details of further action required including current recommendation reference if applicable

C. Unresolved at end of current Review period			
Reference (no./year)	(Asset management effectiveness rating/ Asset Management System Component & Criteria / details of the issue)	Auditors' Recommendation	Further action required (Yes/No/Not Applicable) & Details of further action required

1.8 TABLE OF CURRENT REVIEW ASSET SYSTEM DEFICIENCIES/ RECOMMENDATIONS

Table of Current Review Asset System Deficiencies/Recommendations			
Resolved during current Review period			
Reference (no./year)	Asset System Deficiency (Rating/ Asset Management System Component & Effectiveness Criteria / Details of Asset System Deficiency)	Date Resolved (& management action taken)	Auditors comments
Unresolved at end of current Review period			
Reference (no./year)	Asset System Deficiency (Rating/ Asset Management System Component & Effectiveness Criteria / Details of Asset System Deficiency)	Auditors Recommendation	Management action taken by end of audit period

2 PERFORMANCE AUDIT & ASSET MANAGEMENT SYSTEM REVIEW PERFORMANCE AUDIT OBJECTIVES

2.1 PERFORMANCE AUDIT OBJECTIVES

Under section 13 of the *Electricity Industry Act 2004* (the Act), it is a requirement that every licensee provide the Economic Regulation Authority (ERA) not less than once in every period of 2 years or longer as the ERA allows with a performance audit conducted by an independent expert acceptable to the ERA.

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

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

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

The audit and review are to be conducted in accordance with the prevailing ERA documents “Audit Guidelines: Electricity Gas and Water Licence (hereinafter “Guidelines”)¹ and the Electricity Compliance Reporting Manual (hereinafter “Manual”)². In particular, the Manual identifies each licence condition and resolves it into a number of obligations (hereinafter “Obligations”), each of which is to be addressed individually by the audit.

The Licensee appointed McGill Engineering Services Pty Ltd to conduct the audit of its Generation Licence with approval from the ERA. A preliminary assessment was conducted with the Licensee’s management to determine the inherent risk and the state of control for each compliance element of the Licence obligation. McGill Engineering Services Pty Ltd then prioritised the audit coverage based on the risk profile of the Licensee with an emphasis on providing greater focus and depth of testing for areas of higher risk to provide reasonable assurance that the Licensee had complied with the standards, outputs and outcomes under the Licence obligations.

¹ Economic Regulation Authority: Audit and Review Guidelines: Electricity and Gas Licences April 2014

² Economic Regulation Authority: Electricity Compliance Reporting Manual September 2014. The audit period was covered by the 2013 manual for a period and the 2014 manual for the majority of the audit period. There are no items in the 2013 manual that are not in the 2014 manual and the 2014 manual is used for the audit. The 2016 manuals have no impact on the Licensee other than item 105 which can accommodate the change in licensing fees.

The audit was conducted in a manner consistent with Australian Auditing Standards (AUS) 808 “Planning Performance Audits” and AUS 806 “Performance Auditing”. McGill Engineering Services Pty Ltd evaluated the adequacy and effectiveness of the controls and performance by the Licensee relative to the standards referred in the Generation Licence through a combination of enquiries, examination of documents and detailed testing for Generation Licence EGL 2 for the Licensee.

2.2 REVIEW OBJECTIVES

Under the *Electricity Industry Act 2004* (the Act) section 14, the holder of a Generation License must develop an Asset Management Plan and maintain an asset management system to manage the assets accordingly for delivery of a reliable service to its customers. The Act requires a review of the asset management system every two years (or other time approved by the ERA).

This report is an impartial review of the Licensee’s asset management effectiveness under the Review Guidelines: Electricity, Gas and Water Licences published by the ERA.

The review conducted between December 2016 to February 2017 examined the asset management processes used by the Licensee in delivering the services to its customers. These services include lifecycle processes for:

- Asset planning;
- Asset creation/acquisition;
- Asset disposal;
- Environmental analysis;
- Asset operations;
- Asset maintenance;
- Asset management information system (AMIS);
- Risk management;
- Contingency planning;
- Financial planning;
- Capital expenditure planning; and
- Review of the asset management system.

As well as the processes, the asset management supporting systems were tested as to their use and effectiveness. Data used by the Licensee was also examined with respect to its effectiveness for asset management and the delivery of outcomes.

Tests were undertaken through interviews and investigation of the processes to assess whether they were being performed as documented.

The Licensee appointed McGill Engineering Services Pty Ltd to conduct the review of its Generation Licence with approval from the ERA. A preliminary assessment was conducted with the Licensee’s management to determine the inherent risk and the state of control for each compliance element of the Licence obligation. McGill Engineering Services Pty Ltd then prioritised the review coverage based on the risk profile of the

Licensee with an emphasis on providing greater focus and depth of testing for areas of higher risk to provide reasonable assurance that the Licensee had complied with the standards, outputs and outcomes under the Licence obligations.

The review was conducted in a manner consistent with ASAE 3000 Assurance standard for engagements to audit other than historical financial information. McGill Engineering Services Pty Ltd evaluated the adequacy and effectiveness of the controls and performance by the Licensee relative to the standards referred in the Generation Licence through a combination of enquiries, examination of documents and detailed testing for Electricity Generation Licence EGL 2 for Walkaway Wind Power Pty Ltd (WWP).

2.3 SCOPE LIMITATION

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

2.4 INHERENT LIMITATIONS

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

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

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

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

2.5 STATEMENT OF INDEPENDENCE

To the best of my knowledge and belief, there is no basis for contraventions of any professional code of conduct in respect of the audit.

I have not done or contemplate undertaking any other work with the Licensee.

There are no independence threats due to:

- self-interest – as the audit company or a member of the audit team have no financial or non-financial interests in the Licensee or a related entity;
- self-review – no circumstance has occurred:
 - where the audit company or a member of the audit team has undertaken other non-audit work for the Licensee that is being evaluated in relation to the audit/review; or

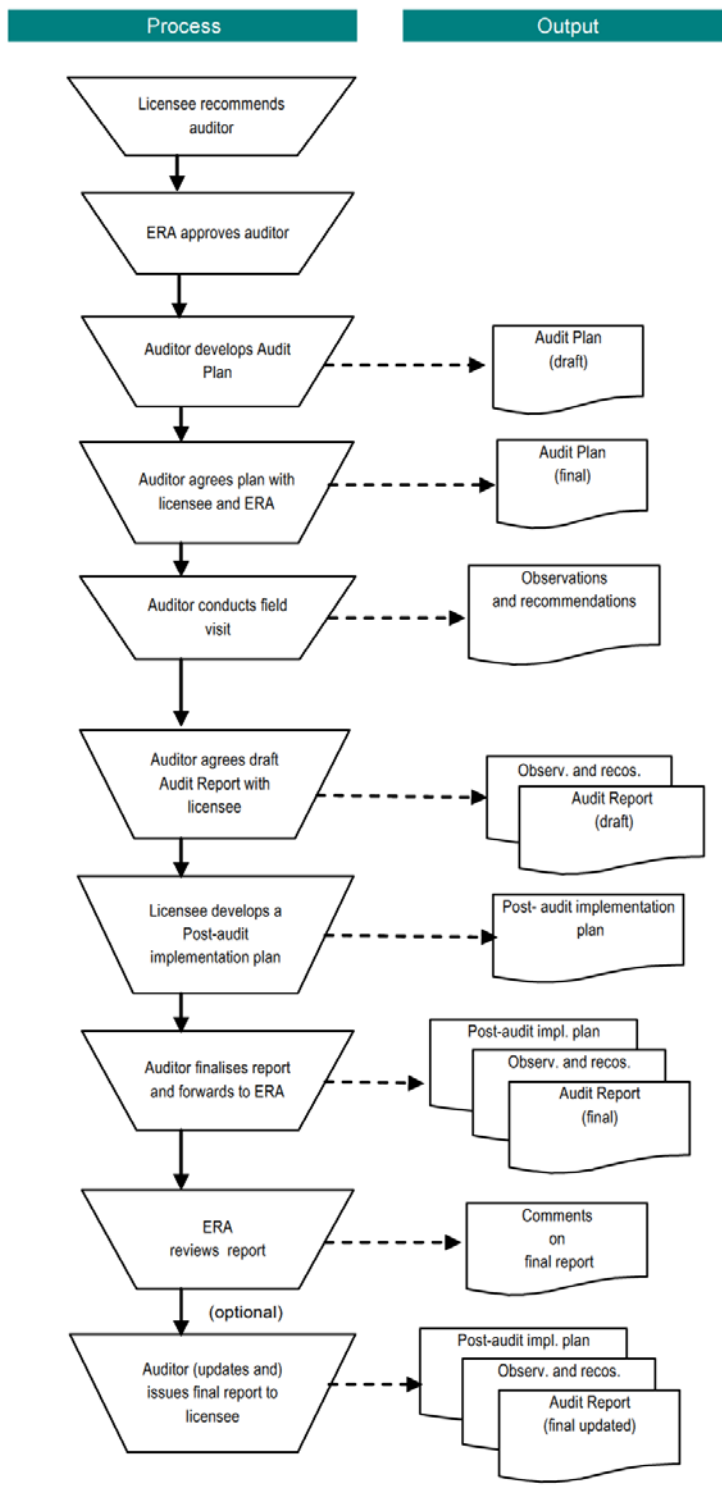
- when a member of the audit team was previously an officer or director of the Licensee; or
- where a member of the audit team was previously an employee of the Licensee who was in a position to exert direct influence over material that will be subject to audit during an audit/review.

There is no risk of a self-review threat as:

- no work has been undertaken by the auditor, or a member of the audit/review team, for the Licensee within the previous 24 months; or
- the auditor is currently undertaking for the Licensee; or
- the auditor has submitted an offer, or intends to submit an offer, to undertake for the Licensee within the next 6 months; and
- there is no close family relationship with a Licensee, its directors, officers or employees, and
- the auditor is not, nor is perceived to be too sympathetic to the Licensee's interests.

2.6 SCOPE OF THE AUDIT

The audit was conducted in accordance with flow chart:



2.7 KEY CONTACTS

The key contacts were:

- Licensee: The licensee's key people are
 - John McDonald, GM Energy Market Operations, Infigen Energy Pty Ltd

- Igor Brandao, Operations Manager, Infigen Energy Pty Ltd
- Jillian Searant, HSE Manager, Infigen Energy Pty Ltd
- Claudia Williams, Operations Engineer, Infigen Energy Pty Ltd
- Broughen Richardson, Team Assistant, Energy Markets and Operations, Infigen Energy Pty Ltd
- Grant Gleeson, Area Service Manager, Vestas Australian Wind Technology P/L
- Greg McInerney, Site Supervisor (Site / Ops Manager), Vestas Australian Wind Technology P/L
- Simon Williams, Site Supervisor (Site / Ops Manager), Vestas Australian Wind Technology P/L
- McGill Engineering Services Pty Ltd:
 - Kevan McGill, John McLoughlin.

The wind farm at Walkaway was visited. Kevan McGill spent about 150 hours and John McLoughlin 50 hours on the audit/review

2.8 AUDIT REQUIREMENTS

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

Nature of audit work conducted

The audit considered:

- **process compliance** - the effectiveness of systems and procedures in place throughout the audit period, including the adequacy of internal controls;
- **outcome compliance** – the actual performance against standards prescribed in the licence throughout the audit period;
- **output compliance** – the existence of the output from systems and procedures throughout the audit period (that is, proper records exist to provide assurance that procedures are being consistently followed and controls are being maintained);

and audit

- **integrity of reporting** – the completeness and accuracy of the compliance and performance reports provided to the ERA; and
- **compliance with any individual licence conditions** - the requirements imposed on the specific licensee by the ERA or specific issues that are advised by the ERA.

Stage	Auditor	Standard
1. Risk & Materiality Assessment Outcome - Operational/ Performance Audit Plan	K McGill John McLoughlin	ASA 300 Planning ASA 315: Risk Assessments and Internal Controls ASAE 3000 Assurance standard for engagements to audit other than historical financial information AS/NZS 4360:2004: Risk Management ERA Guidelines
2. System Analysis	K McGill John McLoughlin	AUS 810: Special Purpose Reports on Effectiveness of Control Procedures
3. Fieldwork Assessment and testing of; <ul style="list-style-type: none"> • The control environment • Information system • Compliance procedures • Compliance attitude 	K McGill John McLoughlin	AUS 502: Audit Evidence ASAE 3000 Assurance standard for engagements to audit other than historical financial information
4. Reporting	K McGill John McLoughlin	ASA 300 Planning ASAE 3000 Assurance standard for engagements to audit other than historical financial information

2.9 OVERALL CONCLUSION

In my opinion, the Licensee maintained, in all material aspects, effective control procedures in relation to the Generation licence EGL 2 for the audit period based on the relevant clauses referred to within the scope section of this report.

There is one non-compliance that required corrective actions.

2.10 FINDINGS

The conclusions of each of the elements of the licence are summarised in the following table. The audit risk as determined for each licence condition is also shown. The details of the audit can be seen in detailed findings on Page 24.

2.11 AUDIT COMPLIANCE AND CONTROLS RATING SCALES

Performance audit compliance and 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 required	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

2.12 AUDIT SUMMARY

Item	Licence Clause/Condition reference (Cl.=clause, Sch.=schedule)	Obligations under condition	Licence Type (G - Generation)	Type	Audit Priority	Adequacy of Controls (NP=Not Performed)	Compliance Rating (NR = Not Rated)
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Licence Conditions – Licence Clause – Generation					Priority	Adequacy of controls rating					Compliance Rating				
Obligations- Electricity Industry Act Section						A	B	C	D	NP	1	2	3	4	NR
101.	14.1	s ³ 13(1)	G	NR	5	✓					✓				
102.	20.1	s14(1)(a)	G	NR	5	✓					✓				
103.	20.2 & 20.3	s14(1)(b)	G	2	4	✓					✓				
104.	20.4	s14(1)(c)	G	NR	5	✓					✓				
105.	4.1	s17(1)	G	2	4		✓					✓			
106	5.1	s31(3)	G	NR	5	✓					✓				
107.	5.1	s41(6)	G	2	4					✓					✓

Licence Conditions – Electricity Industry Act Section					Priority	Adequacy of controls rating					Compliance Rating				
Obligations- Licence Clause – Generation						A	B	C	D	NP	1	2	3	4	NR
119.	s11	12.1	G	2	4	✓					✓				
120.	s11	13.4	G	2	4					✓					✓
121.	s11	14.2	G	2	4	✓					✓				
122.	S22	20.5	G	2	4	✓					✓				
123.	s11	15.1	G	2	4					✓					✓
124.	s11	16.1	G	2	4	✓					✓				
125.	s11	17.1&17.2	G	2	4					✓					✓

³ s = Section of Act

Licence Conditions – Electricity Industry Act Section					Priority	Adequacy of controls rating					Compliance Rating				
Obligations- Licence Clause – Generation						A	B	C	D	NP	1	2	3	4	NR
126.	s11	18.1	G	2	4	✓					✓				

Licence Conditions – Licence clause Obligations- Electricity Industry Metering Code Clause					Priority	Adequacy of controls rating					Compliance Rating				
						A	B	C	D	NP	1	2	3	4	NR
324.	5.1	3.3B	G	2	5				✓					✓	
339.	5.1	3.11(3)	G	2	5				✓					✓	
364	5.1	3.27	G	2	4				✓					✓	
371.	5.1.	4.4(1)	G	NR	5				✓					✓	
372.	5.1	4.5(1)	G	NR	5				✓					✓	
373	5.1	4.5(2)	G	2	4				✓					✓	
388.	5.1	5.4(2)	G	2	4				✓					✓	
401.	5.1	5.16	G	2	4				✓					✓	
402.	5.1	5.17(1)	G	2	4				✓					✓	
405.	5.1	5.18	G	2	4				✓					✓	
406.	5.1	5.19(1)	G	NR	5				✓					✓	
407	5.1	5.19(2)	G	NR	5				✓					✓	
408.	5.1	5.19(3)	G	2	4				✓					✓	
410.	5.1	5.19(6)	G	NR	5				✓					✓	
416.	5.1	5.21(5)	G	2	4				✓					✓	
417.	5.1	5.21(6)	G	2	4				✓					✓	
435.	5.1	5.27	G	2	4				✓					✓	
448.	5.1	6.1(2)	G	2	4				✓					✓	
451.	5.1	7.2(1)	G	NR	4				✓					✓	
453.	5.1	7.2(4)	G	2	4				✓					✓	
454.	5.1	7.2(5)	G	2	4				✓					✓	
455.	5.1	7.5	G	2	5				✓					✓	
456.	5.1	7.6(1)	G	2	5				✓					✓	
457.	5.1	8.1(1)	G	NR	5				✓					✓	
458.	5.1	8.1(2)	G	NR	4				✓					✓	
459.	5.1	8.1(3)	G	NR	5				✓					✓	
460.	5.1	8.1(4)	G	2	5				✓					✓	
461.	5.1	8.3(2)	G	NR	5				✓					✓	

2.13 REVIEW EFFECTIVENESS

2.13.1 ASSET MANAGEMENT REVIEW EFFECTIVENESS SUMMARY

The overall effectiveness rating for each asset management process is based on the combination of the process and policy adequacy rating and the performance rating.

Asset management process and policy definition adequacy rating

Rating	Description	Criteria
A	Adequately defined	<ul style="list-style-type: none"> Processes and policies are documented. Processes and policies adequately document the required performance of the assets. Processes and policies are subject to regular reviews, and updated where necessary. The asset management information system(s) are adequate in relation to the assets that are being managed.
B	Requires some improvement	<ul style="list-style-type: none"> Process and policy documentation requires improvement. Processes and policies do not adequately document the required performance of the assets. Reviews of processes and policies are not conducted regularly enough. The asset management information system(s) require minor improvements (taking into consideration the assets that are being managed).
C	Requires significant improvement	<ul style="list-style-type: none"> Process and policy documentation is incomplete or requires significant improvement. Processes and policies do not document the required performance of the assets. Processes and policies are significantly out of date. The asset management information system(s) require significant improvements (taking into consideration the assets that are being managed).
D	Inadequate	<ul style="list-style-type: none"> Processes and policies are not documented. The asset management information system(s) is not fit for purpose (taking into consideration the assets that are being managed).

Asset management performance ratings

Rating	Description	Criteria
1	Performing effectively	<ul style="list-style-type: none"> The performance of the process meets or exceeds the required levels of performance. Process effectiveness is regularly assessed, and corrective action taken where necessary.
2	Opportunity for improvement	<ul style="list-style-type: none"> The performance of the process requires some improvement to meet the required level. Process effectiveness reviews are not performed regularly enough. Process improvement opportunities are not actioned.
3	Corrective action required	<ul style="list-style-type: none"> The performance of the process requires significant improvement to meet the required level. Process effectiveness reviews are performed irregularly, or not at all. Process improvement opportunities are not actioned.
4	Serious action required	<ul style="list-style-type: none"> Process is not performed, or the performance is so poor that the process is considered to be ineffective.

2.13.2 ASSET MANAGEMENT SYSTEM EFFECTIVENESS SUMMARY

ASSET MANAGEMENT SYSTEM COMPONENT & EFFECTIVENESS CRITERIA		Asset management process and policy definition adequacy rating	Asset management performance rating
1	Asset planning	A	NR

1.1	Asset management plan covers the key requirements	A	NR
1.2	Planning process and objectives reflect the needs of all stakeholders and is integrated with business planning	A	NR
1.3	Service levels are defined	A	1
1.4	Non-asset options (e.g. demand management) are considered	A	1
1.5	Lifecycle costs of owning and operating assets are assessed	A	1
1.6	Funding options are evaluated	A	NR
1.7	Costs are justified and cost drivers identified	A	NR
1.8	Likelihood and consequences of asset failure are predicted	A	1
1.9	Plans are regularly reviewed and updated	A	1
2.	Asset creation and acquisition	NP	NR
2.1	Full project evaluations are undertaken for new assets, including comparative assessment of non-asset solutions <input type="checkbox"/>	NP	NR
2.2	Evaluations include all life-cycle costs	NP	NR
2.3	Projects reflect sound engineering and business decisions	NP	NR
2.4	Commissioning tests are documented and completed	A	NR
2.5	Ongoing legal/environmental/safety obligations of the asset owner are assigned and understood	A	NR
3.	Asset disposal	NP	NR
3.1	Under-utilised and under-performing assets are identified as part of a regular systematic review process	NP	NR
3.2	The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken	NP	NR
3.3	Disposal alternatives are evaluated	NP	NR
3.4	There is a replacement strategy for assets	NP	NR
4.	Environmental analysis	A	1
4.1	Opportunities and threats in the system environment are assessed	A	1
4.2	Performance standards (availability of service, capacity continuity, emergency response, etc.) are measured and achieved	A	1
4.3	Compliance with statutory and regulatory requirements	A	1
4.4	Achievement of customer service levels <input type="checkbox"/>	A	1
5	Asset operations	A	1
5.1	Operational policies and procedures are documented and linked to service levels required	A	1
5.2	Risk management is applied to prioritise operations tasks	NP	NR
5.3	Assets are documented in an Asset Register including asset type, location, material, plans of components, an assessment of assets' physical/structural condition and accounting data	A	!
5.4	Operational costs are measured and monitored	A	!
5.5	Staff resources are adequate and staff receive training commensurate with their responsibilities	A	!
6	Asset maintenance	A	1
6.1	Maintenance policies and procedures are documented and linked to service levels required <input type="checkbox"/>	A	1
6.2	Regular inspections are undertaken of asset performance and condition	A	1
6.3	Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule <input type="checkbox"/>	A	1
6.4	Failures are analysed and operational/maintenance plans adjusted where necessary	A	1
6.5	Risk management is applied to prioritise maintenance tasks	A	1
6.6	Maintenance costs are measured and monitored	A	1
7	Asset Management Information System (MIS)	A	1
7.1	Adequate system documentation for users and IT operators	A	1

7.2	Input controls include appropriate verification and validation of data entered into the system	A	1
7.3	Logical security access controls appear adequate, such as passwords	A	1
7.4	Physical security access controls appear adequate	A	1
7.5	Data backup procedures appear adequate and backups are tested	A	1
7.6	Key computations related to Licensee performance reporting are materially accurate	A	1
7.7	Management reports appear adequate for the Licensee to monitor licence obligations	A	1
8	Risk management	A	1
8.1	Risk management policies and procedures exist and are being applied to minimise internal and external risks associated with the asset management system	A	1
8.2	Risks are documented in a risk register and treatment plans are actioned and monitored	A	1
8.3	The probability and consequences of asset failure are regularly assessed	A	1
9	Contingency planning	A	1
9.1	Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks	A	1
10	Financial planning	A	1
10.1	The financial plan states the financial objectives and strategies and actions to achieve the objectives	A	1
10.2	The financial plan identifies the source of funds for capital expenditure and recurrent costs	A	1
10.3	The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets)	A	1
10.4	The financial plan provides firm predictions on income for the next five years and reasonable indicative predictions beyond this period	A	1
10.5	The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services	A	1
10.6	Significant variances in actual/budget income and expenses are identified and corrective action taken where necessary	A	1
11	Capital expenditure planning	A	NR
11.1	There is a capital expenditure plan that covers issues to be addressed, actions proposed, responsibilities and dates	A	NR
11.2	The plan provides reasons for capital expenditure and timing of expenditure	A	Nr
11.3	The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan	A	1
11.4	There is an adequate process to ensure that the capital expenditure plan is regularly updated and actioned	A	1
12	Review of AMS	A	1
12.1	A review process is in place to ensure that the asset management plan and the asset management system described therein are kept current	A	1
2.2	Independent reviews (e.g. internal audit) are performed of the asset management system	A	1

2.14 OVERALL CONCLUSION

In my opinion, the Licensee maintained, in all material aspects, effective control procedures and an effective asset management system in relation to the Generation licence (EGL 2) for the review period on the relevant clauses referred to within the scope section of this report.

2.15 ESTABLISHING THE CONTEXT

The key legislation that governs the licensing of providers of Electricity is the Electricity Industry Act 2004. In turn, the compliance elements in the organization's Operating Licence were examined and referred to throughout the audit process.

2.15.1 AUDIT RESULTS AND RECOMMENDATIONS

Summary of significant results

There is one non-compliance.

2.15.2 COMPLIANCE ELEMENTS REQUIRING CORRECTIVE MEASURES

There is one issue requiring corrective action (items 105).

2.15.3 SUGGESTIONS FOR IMPROVEMENT

There are no suggestions for improvement.

2.16 DETAILED FINDINGS

The following sets out the audit findings

2.16.1 AUDIT WORK UNDERTAKEN

We conducted interviews and enquiries to:

- Understand the control environment by determining the responsibility matrix and key control points
- Obtain the policies and procedures for managing licensed areas; and
- Identify the information systems and processes employed to manage licensed areas
- Determine the level of understanding of the systems and processes for managing licensed areas

- In reviewing the procedures and protocols for managing provision of services within a licensed area, where applicable, we obtained flowcharts of the processes and assessed the reasonableness of the decision matrix and the adequacy of the control points implemented by the Licensee.

2.16.2 FURTHER CONTROL STRATEGIES

The Licensee has compliance manual to assist compliance with regulatory items and a risk register.

2.17 POST AUDIT/ POST REVIEW IMPLEMENTATION PLANS

The Licensee will provide to the ERA a post-audit and post-review implementation plan, with the audit or review report.

2.18 AUDIT/ REVIEW EVIDENCE

The following was considered in the audit.

- Generation Licence V3
- Licence fee invoice /receipts
- ERA annual compliance returns
- Alinta / Vestas Service agreement
- Safety, Reliability, Maintenance and Technical Management plan
- Infigen Risk Management policy
- ETAC with Western Power
- Infigen Australian Business Strategy April 2012 (Asset Mgt Extracts)
- Asset Policy
- Alinta/Walkaway FY13 Asset Management Plan
- Plant Risk Register
- Vestas Monthly Reports
- Tool box minutes
- Bird strike JIRA reports
- Alinta JIRA screen shots
- Infigen Monthly Performance Reports
- WWP statutory accounts
- WWP 5 Year financial plan
- Safety Reliability Maintenance & Technical Management Plan - Alinta Wind farm (SRMTMP)
- Risk planning information
- Directors approval of Annual reports notes
- Training certificates
- Operations Plant register
- Ops and Asset management risk register

2.19 DETAILED AUDIT FINDINGS

The following sets out the audit findings

2.19.1 ELECTRICITY INDUSTRY ACT – LICENCE CONDITIONS AND OBLIGATIONS

Item 101 Generation Licence condition 14.1	Adequacy of controls rating A	Compliance rating 1	
Licence: Generation			
<i>Electricity Industry Act section 13(1)</i> A Licensee must, not less than once every 24 months, provide the ERA with a performance audit conducted by an independent expert acceptable to the ERA.			
Observations			
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. Documents: The Licensee contracted with the auditor to carry out the audit. The documents were forwarded to the ERA as part of the approval of the auditor. Licensee received approval from the ERA for audit scope and appointment of auditor.			
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>
Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>
Compliance	<input checked="" type="checkbox"/>		
The Licensee contracted with the auditor to carry out the audit to meet the requirements. The last audit met the requirements.			
Issues			
None			
Recommendations			
None			

Item 102 Generation Licence condition 20.1	Adequacy of controls rating A	Compliance rating 1	
Licence: Generation			
<i>Electricity Industry Act section 13(1)</i> A Licensee must provide for an asset management system.			
Observations			
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. Documents: Include, Site Service agreement, Risk management policy, SAP, Jira Screen shots, Asset Register, Environmental management plans, Spares List, WWP Financial reports, Annual compliance returns, Licence fees payment details, WTG layout plans,			
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>
Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>
Compliance	<input checked="" type="checkbox"/>		
The Licensee has an asset management system. A copy of the asset management plan was obtained, and maintenance systems reviewed at site. These included maintenance planning modules in SAP supported by Jira and Vestas SCADA (Vestas Business on line)and spreadsheets. The asset management system includes time based and conditioned based maintenance. The review examined the efficacy of the asset management system.			
Issues			
None			
Recommendations			
None			

Item 103 Generation Licence condition 20.2 & 20.3	Adequacy of controls rating A	Compliance rating 1	
Licence: <i>Generation</i>			
<i>Electricity Industry Act section 13(1)</i> A Licensee must notify details of the asset management system and any substantial changes to it to the ERA.			
Observations			
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. Documents: Include The asset management system was examined in the audit and review.			
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>
Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>
Compliance	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
In the licence application, the asset management system was advised to the ERA. There have been no substantial changes that required notifying the ERA.			
Issues			
None			
Recommendations			
None			

Item 104 Generation Licence condition 20.4	Adequacy of controls rating A	Compliance rating 1	
Licence: <i>Generation</i>			
<i>Electricity Industry Act section 14(1)(c)</i> A Licensee must provide the ERA with a report by an independent expert as to the effectiveness of its asset management system every 24 months, or such longer period as determined by the ERA.			
Observations			
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. Documents: Include, Asset Management Plan. Approval and Appointment letters for current review.			
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>
Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>
Compliance	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
The Licensee contracted McGill Engineering Services, with approval of the ERA, for the review in accordance with the requirements and the review plan documents have been forwarded to the ERA as part of approval of the auditor.			
Issues			
None			
Recommendations			
None			

Item 105 Generation Licence condition 4.1	Adequacy of controls rating B	Compliance rating 2
Licence: <i>Generation</i>		
<i>Electricity Industry Act section 17(1)</i>		

A licensee must pay the prescribed licence fees to the ERA according to clauses 6,7 and 8 of the Economic Regulation Authority (Licensing Funding) Regulations 2014.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. Documents: Include invoices and receipts									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Not all fees were paid on time e.g. the 2016 annual payment which was late. The anniversary date was a Saturday and the Interpretation Act would allow for a payment on the Monday 29 Feb 2016 but was paid on 1 March 2016 so it was still late.									
Issues									
Payment of fees was late.									
Recommendations									
Implement controls process to prevent non-compliance.									

Item 106	Adequacy of controls rating	Compliance rating							
Generation Licence condition 5.1	A	1							
Licence: <i>Generation</i>									
<i>Electricity Industry Act section 31(3)</i>									
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.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. Documents: Include incident log.									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
There have been no total generation interruptions, there were cable faults and restraints from Western Power resulting in reduced output. All interruptions were minimized.									
Issues									
None.									
Recommendations									
None.									

Item 107	Adequacy of controls rating	Compliance rating							
Generation Licence condition 5.1	Not Performed	Not Rated							
Licence: <i>Generation</i>									
<i>Electricity Industry Act section 41(6)</i>									
A Licensee must pay the costs of taking an interest in land or an easement over land.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. Documents: Not applicable									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
No land has been acquired under Part 9 of the Land Administration Act and therefore no costs and expenses for taking an interest in land or an easement over land. There are commercial leases.									

Issues
None
Recommendations
None

2.19.2 ELECTRICITY LICENCE – LICENCE CONDITIONS AND OBLIGATIONS

Item 119 Electricity Industry Act section 11	Adequacy of controls rating A	Compliance rating 1	
Licence: <i>Generation</i>			
<i>Generation Licence condition 12.1</i> 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.			
Observations			
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. Documents: The WWP annual report declaration by the financial auditor has been sighted. The WWP financial accounts refer to compliance with the appropriate accounting standards.			
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>
Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>
Compliance	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
The WWP annual reports show compliance with accounting standards.			
Issues			
None			
Recommendations			
None			

Item 120 Electricity Industry Act section 11	Adequacy of controls rating Not Performed	Compliance rating Not Rated	
Licence: <i>Generation</i>			
<i>Generation Licence condition 13.4</i> A Licensee must comply with any individual performance standards prescribed by the ERA.			
Observations			
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. Documents: Not applicable.			
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>
Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>
Compliance	<input type="checkbox"/>		<input type="checkbox"/>
There are no individual performance standards applied by the ERA to assess compliance.			
Issues			
None			
Recommendations			
None			

Item 121 Electricity Industry Act section 11	Adequacy of controls rating A	Compliance rating 1							
Licence: <i>Generation</i>									
<i>Generation Licence condition 14.2</i> A Licensee must comply, and require its auditor to comply, with the ERA's standard audit guidelines dealing with the performance audit.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. Documents: The audit plan was forwarded to the ERA, approval of the auditor obtained prior to appointment.									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The Licensee has contracted with the auditor to comply with the requirements.									
Issues									
None									
Recommendations									
None									

Item 122 Electricity Industry Act section 11	Adequacy of controls rating A	Compliance rating 1							
Licence: <i>Generation</i>									
<i>Generation Licence condition 20.5</i> A Licensee must comply, and must require the Licensee's expert to comply, with the relevant aspects of the ERA's standard guidelines dealing with the asset management system review.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. Documents: The AMS review plan has been forwarded to the ERA approval of the reviewer obtained prior to appointment.									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The Licensee has contracted with the reviewer to comply with the requirements.									
Issues									
None									
Recommendations									
None									

Item 123 Electricity Industry Act section 11	Adequacy of controls rating Not Performed	Compliance rating Not Rated	
Licence: <i>Generation</i>			
<i>Generation Licence condition 15.1</i> A Licensee must report to the ERA, 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.			
Observations			
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>

Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. Documents: Not applicable.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee is not under external administration so not able to assess compliance with advice requirements.									
Issues									
None									
Recommendations									
None									

Item 124 Electricity Industry Act section 11	Adequacy of controls rating A	Compliance rating 1							
Licence: <i>Generation</i>									
<i>Generation Licence condition 16.1</i> A Licensee must provide the ERA, in the manner prescribed, any information the ERA requires in connection with its functions under the Electricity Industry Act.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. The Site Superintendent advised that there have been no requests for information from the ERA other than the Compliance Report. Documents:									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
The Licensee has met the reporting requirements.									
Issues									
None.									
Recommendations									
None.									

Item 125 Electricity Industry Act section 11	Adequacy of controls rating Not Performed	Compliance rating Not Rated							
Licence: <i>Generation</i>									
<i>Generation Licence condition 17.1 & 17.2</i> A Licensee must publish any information it is directed by the ERA to publish, within the timeframes specified.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. Documents: Not applicable.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The ERA has not directed any information to be published so unable to assess compliance with publishing requirements.									
Issues									
None									
Recommendations									
None									

Item 126 Electricity Industry Act section 11	Adequacy of controls rating A	Compliance rating 1							
Licence: Generation									
<i>Generation Licence condition 18.1</i> Unless otherwise specified, all notices must be in writing.									
Observations									
Documents	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>						
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, listed staff. Documents: Sample communication with ERA sighted.									
Process	<input checked="" type="checkbox"/>	Outcome	<input checked="" type="checkbox"/>	Output	<input checked="" type="checkbox"/>	Reporting	<input checked="" type="checkbox"/>	Compliance	<input checked="" type="checkbox"/>
No notices have been required by the ERA. All material communication with the ERA is in writing.									
Issues									
None									
Recommendations									
None									

2.19.3 ELECTRICITY INDUSTRY METERING CODE – LICENCE CONDITIONS AND OBLIGATIONS (ALL LICENCE CONDITION LICENCE CLAUSE 5.1)

Item 324 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated							
Licence: Generation									
<i>Electricity Industry Metering Code clause 3.3B</i> 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.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. The meters are bidirectional with the Licensee consuming power when there is no wind but normally exports power. These meters were always bi-directional and there has been no changes in a customer's or user's circumstances in a metering point.									
Issues									
None									
Recommendations									
None									

Item 339 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated
Licence: Generation		

<i>Electricity Industry Metering Code clause 3.11(3)</i>									
A Code participant who becomes aware of an outage or malfunction of a metering installation must advise the network operator as soon as practicable.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. The Licensee is not aware of any outage or malfunction to require advice.									
Issues									
None									
Recommendations									
None									

Item 364	Adequacy of controls rating	Compliance rating							
Licence condition 5.1	Not Performed	Not Rated							
Licence: <i>Generation</i>									
<i>Electricity Industry Metering Code clause 3.27</i>									
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.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power and installed by them.									
Issues									
None									
Recommendations									
None									

Item 371	Adequacy of controls rating	Compliance rating							
Licence condition 5.1	Not Performed	Not Rated							
Licence: <i>Generation</i>									
<i>Electricity Industry Metering Code clause 4.4(1)</i>									
If there is a discrepancy between energy data held in a metering installation and data held in the metering database, the affected Code participants and the network operator must liaise together to determine the most appropriate way to resolve a discrepancy.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. The Licensee has no metering database and no metering installation to allow a discrepancy.									
Issues									
None									

Recommendations
None

Item 372 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated	
Licence: <i>Generation</i>			
<i>Electricity Industry Metering Code clause 4.5(1)</i> A Code participant must not knowingly permit the registry to be materially inaccurate.			
Observations			
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.			
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>
Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>
Compliance	<input type="checkbox"/>		
The Licensee has no meters with all metering by Western Power. The Licensee is no knowledge of Western Power's registry other than their own details.			
Issues			
None			
Recommendations			
None			

Item 373 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated	
Licence: <i>Generation</i>			
<i>Electricity Industry Metering Code clause 4.5(2)</i> Subject to subclause 5.19(6), 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.			
Observations			
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.			
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>
Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>
Compliance	<input type="checkbox"/>		
The Licensee has no meters with all metering by Western Power. The Licensee has no customers to have any registry data, nor has there been any change to their own data.			
Issues			
None			
Recommendations			
None			

Item 388 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated	
Licence: <i>Generation</i>			
<i>Electricity Industry Metering Code clause 5.4(2)</i> A user must, when reasonably requested by a network operator, assist the network operator to comply with the network operator's obligation under subclause 5.4(1).			
Observations			
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>

Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. There have been no requests from Western Power.									
Issues									
None									
Recommendations									
None									

Item 401 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated							
Licence: <i>Generation</i>									
<i>Electricity Industry Metering Code clause 5.16</i> If a user collects or receives energy data from a metering installation, then the user must provide the network operator with the energy data (in accordance with the communication rules) within the timeframes prescribed.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. The Licensee does not collect or receive energy data from a metering installation.									
Issues									
None									
Recommendations									
None									

Item 402 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated							
Licence: <i>Generation</i>									
<i>Electricity Industry Metering Code clause 5.17(1)</i> 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.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. The Licensee has no requirement by an enactment or an agreement to provide standing data and validated, and where necessary substituted or estimated, energy data to the user's customer to which that information relates.									
Issues									
None									
Recommendations									
None									

Item 405 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated
Licence: <i>Generation</i>		
<i>Electricity Industry Metering Code clause 5.18</i> If a user collects or receives information regarding a change in the energisation status of a metering point then the user must provide the network operator with the prescribed information, including the stated attributes, within the timeframes prescribed.		
Observations		
Documents	<input type="checkbox"/>	Compliance
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.		
Process	<input type="checkbox"/>	Outcome
Output	<input type="checkbox"/>	Reporting
Compliance	<input type="checkbox"/>	
The Licensee has no meters with all metering by Western Power. The Licensee was not aware of any change of energisation status of a metering point during the audit period.		
Issues		
None		
Recommendations		
None		

Item 406 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated
Licence: <i>Generation</i>		
<i>Electricity Industry Metering Code clause 5.19(2)</i> 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.		
Observations		
Documents	<input type="checkbox"/>	Compliance
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.		
Process	<input type="checkbox"/>	Outcome
Output	<input type="checkbox"/>	Reporting
Compliance	<input type="checkbox"/>	
The Licensee has no meters with all metering by Western Power. There have been no requests from Western Power.		
Issues		
None		
Recommendations		
None		

Item 407 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated
Licence: <i>Generation</i>		
<i>Electricity Industry Metering Code clause 5.19(2)</i> A user must, to the extent that it is able, collect and maintain a record of the prescribed information in relation to the site of each connection point with which the user is associated.		
Observations		
Documents	<input type="checkbox"/>	Compliance

Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. The only connection point is with from Western Power (Synergy) so there is no requirement to collect and maintain a record of the prescribed information.									
Issues									
None									
Recommendations									
None									

Item 408 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated							
Licence: <i>Generation</i>									
<i>Electricity Industry Metering Code clause 5.19(3)</i> 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 described in subclause 5.19(2), notify the network operator of the change.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. The Licensee is not aware of any changes in attributes.									
Issues									
None									
Recommendations									
None									

Item 410 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated							
Licence: <i>Generation</i>									
<i>Electricity Industry Metering Code clause 5.19(6)</i> The user must use reasonable endeavours to ensure that it does not notify the network operator of a change in an attribute described in subclause 5.19(2) that results from the provision of standing data by the network operator to the user.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. There have been no requests from Western Power.									
Issues									
None									
Recommendations									
None									

Item 416 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated
Licence: <i>Generation</i>		
<i>Electricity Industry Metering Code clause 5.21(5)</i> A Code participant must not request a test or audit under subclause 5.21(1) 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.		
Observations		
Documents	<input type="checkbox"/>	Compliance
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.		
Process	<input type="checkbox"/>	Outcome
	<input type="checkbox"/>	Output
	<input type="checkbox"/>	Reporting
	<input type="checkbox"/>	Compliance
The Licensee has no meters with all metering by Western Power. There have been no requests for tests or audits.		
Issues		
None		
Recommendations		
None		

Item 417 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated
Licence: <i>Generation</i>		
<i>Electricity Industry Metering Code clause 5.21(6)</i> A Code participant must not make a request under subclause 5.21(1) that is inconsistent with any access arrangement or agreement.		
Observations		
Documents	<input type="checkbox"/>	Compliance
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.		
Process	<input type="checkbox"/>	Outcome
	<input type="checkbox"/>	Output
	<input type="checkbox"/>	Reporting
	<input type="checkbox"/>	Compliance
The Licensee has no meters with all metering by Western Power. There have been no requests for tests or audits.		
Issues		
None		
Recommendations		
None		

Item 435 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated
Licence: <i>Generation</i>		
<i>Electricity Industry Metering Code clause 5.27</i> Upon request from a network operator, the current user for a connection point must provide the network operator with customer attribute information that it reasonably believes are missing or incorrect within the timeframes prescribed.		
Observations		
Documents	<input type="checkbox"/>	Compliance
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.		
Process	<input type="checkbox"/>	Outcome
	<input type="checkbox"/>	Output
	<input type="checkbox"/>	Reporting
	<input type="checkbox"/>	Compliance

The Licensee has no meters with all metering by Western Power. There have been no requests.
Issues
None
Recommendations
None

Item 448 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated	
Licence: <i>Generation</i>			
<i>Electricity Industry Metering Code clause 6.1(2)</i> A user must, in relation to a network on which it has an access contract, comply with the rules, procedures, agreements and criteria prescribed.			
Observations			
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: Western Power ETAC.			
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>
Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>
Compliance	<input type="checkbox"/>		<input type="checkbox"/>
The Licensee has an access contract with Western Power. There have been no any breaches of the rules, procedures, agreements and criteria prescribed.			
Issues			
None			
Recommendations			
None			

Item 451 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated	
Licence: <i>Generation</i>			
<i>Electricity Industry Metering Code clause 7.2(1)</i> 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.			
Observations			
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.			
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>
Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>
Compliance	<input type="checkbox"/>		<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. Western Power has the contact details and the licensee's control room operates 24/7.			
Issues			
None			
Recommendations			
None			

Item 453 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated
Licence: <i>Generation</i>		

<i>Electricity Industry Metering Code clause 7.2(4)</i> If requested by a network operator with whom it has entered into an access contract, the Code participant must notify its contact details to a network operator within 3 business days after the request.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. There has been no request. Western Power has the contact details.									
Issues									
None									
Recommendations									
None									

Item 454 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated							
Licence: <i>Generation</i>									
<i>Electricity Industry Metering Code clause 7.2(5)</i> A Code participant must notify any affected network operator of any change to the contact details it notified to the network operator under subclause 7.2(4) at least 3 business days before the change takes effect.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. There has been no change in the contact details.									
Issues									
None									
Recommendations									
None									

Item 455 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated							
Licence: <i>Generation</i>									
<i>Electricity Industry Metering Code clause 7.5</i> A Code participant must subject to subclauses 5.17A and 7.6 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.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. There has been no confidential information to disclose.									

Issues
None
Recommendations
None

Item 456 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated	
Licence: Generation			
<i>Electricity Industry Metering Code clause 7.6(1)</i> A Code participant must disclose or permit the disclosure of confidential information that is required to be disclosed by the Code.			
Observations			
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.			
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>
Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>
Compliance	<input type="checkbox"/>		<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. There has been no confidential information to disclose.			
Issues			
None			
Recommendations			
None			

Item 457 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated	
Licence: Generation			
<i>Electricity Industry Metering Code clause 8.1(1)</i> If any dispute arises between any Code participants then (subject to subclause 8.2(3)) representatives of disputing parties must meet within 5 business days after a notice given by a disputing party to the other disputing parties and attempt to resolve the dispute by negotiations in good faith.			
Observations			
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.			
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>
Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>
Compliance	<input type="checkbox"/>		<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. There have been no disputes to resolve.			
Issues			
None			
Recommendations			
None			

Item 458 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated
Licence: Generation		
<i>Electricity Industry Metering Code clause 8.1(2)</i>		

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.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. There have been no disputes to resolve.									
Issues									
None									
Recommendations									
None									

Item 459 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated							
Licence: <i>Generation</i>									
<i>Electricity Industry Metering Code clause 8.1(3)</i> 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.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. There have been no disputes to resolve.									
Issues									
None									
Recommendations									
None									

Item 460 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated							
Licence: <i>Generation</i>									
<i>Electricity Industry Metering Code clause 8.1(4)</i> 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 resolution and adhere to the resolution.									
Observations									
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>						
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.									
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>	Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. There have been no disputes to resolve.									

Issues
None
Recommendations
None

Item 461 Licence condition 5.1	Adequacy of controls rating Not Performed	Compliance rating Not Rated	
Licence: <i>Generation</i>			
<i>Electricity Industry Metering Code clause 8.3(2)</i> The disputing parties must at all times conduct themselves in a manner which is directed towards achieving the objective in subclause 8.3(1).			
Observations			
Documents	<input type="checkbox"/>	Compliance	<input type="checkbox"/>
Evidence: interviewed Operations Manager, Site supervisor, listed staff, inspected Generation plant. Documents: n/a.			
Process	<input type="checkbox"/>	Outcome	<input type="checkbox"/>
Output	<input type="checkbox"/>	Reporting	<input type="checkbox"/>
Compliance	<input type="checkbox"/>		<input type="checkbox"/>
The Licensee has no meters with all metering by Western Power. There have been no disputes to resolve.			
Issues			
None			
Recommendations			
None			

2.20 ASSET MANAGEMENT SYSTEM REVIEW RESULTS AND RECOMMENDATIONS

Asset Planning	Process/Policy rating A	Effectiveness rating Not Rated
<p>1. Asset planning</p> <p>Asset planning strategies are focused on meeting customer needs in the most effective and efficient manner (delivering the right service at the right price).</p>		
<p>Observations</p>		
<p><i>Asset Planning Process/Plan and its currency</i> Walkaway Wind Power (WWP) is located at Walkaway, near Geraldton, in Western Australia. The plant is owned by Walkaway Wind Power P/L (Infigen Energy Ltd (Infigen) and operated by Vestas Australian Wind Technology Pty Ltd (Vestas) which has been contracted to provide the operation and maintenance services. There are 54 wind turbines with a total capacity of 89MW.</p> <p>The Licensee is a subsidiary of the parent/owning company and has no role in strategic matters and accordingly the full scope of asset management is not able to be carried out by the Licensee The owners make the decisions if and when to invest and will make the disposal decisions.</p> <p>The Licensee's owner, Infigen, is a renewable energy business whose assets include other wind farms in addition to this plant. Asset Planning is core business function of Infigen.</p> <p><i>Allocation of responsibilities / statutory obligations</i> The organisational arrangements allocate responsibilities. There is documentation requiring compliance with statutory obligations.</p> <p><i>Evaluation Criteria summary Licensee</i></p> <p style="margin-left: 40px;">1.1 <i>Asset management plan covers key requirements.</i> ANR Response: AMP meets this criterion. There is no single Asset planning document for this site but the components exist in separate agreements with the manufacturer and power take off agreements.</p> <p style="margin-left: 40px;">1.2 <i>Planning process and objectives reflect the needs of all stakeholders and is integrated with business planning at operational and maintenance level.</i> Response: The Licensee does not carry out these functions and they are carried out by the parent company. For the operating/maintaining functions carried out by the Licensee the AMP meets the requirement.</p> <p style="margin-left: 40px;">1.3 <i>Service levels are defined.</i> A1 Response: The AMP (2013-2917) defines service levels. The owners require service level to be delivered. The Power purchase agreement also specifies service levels e.g. Minimum Supply Obligations (i.e. Minimum MWh that need to be</p>		

	generated in certain time periods). The service agreements with Vestas set performance levels such as availability to be achieved.	
1.4	<i>Non-asset options (eg demand management) are considered.</i>	A1
Response:	The Licensee does not carry out these and the parent will either decide to make an asset investment or not. Non-asset options would be a decision that an asset option is not pursued.	
1.5	<i>Lifecycle costs of owning and operating assets are assessed.</i>	A1
Response:	The AMP meets this criterion as lifecycle costs of owning and operating assets are assessed.	
1.6	<i>Funding options are evaluated.</i>	ANR
Response:	The Licensee cannot carry out evaluation of funding options for development outside this plant and if it is carried out it will be by the parent company.	
1.7	<i>Costs are justified and cost drivers identified.</i>	ANR
Response:	Any proposal would include justification of costs and identification of cost drivers. Asset planning is outside the scope of operation of the Licensee.	
1.8	<i>Likelihood and consequences of asset failure are predicted.</i>	A1
Response:	The AMP meets this criterion as there are risk assessments of asset failure and consequences.	
1.9	<i>Plans are regularly reviewed and updated.</i>	A1
Response:	The review of the broader aspects cannot be undertaken by the Licensee but the AMP for this asset can be reviewed.	
<i>Evaluation Criteria summary Infigen Energy</i>		
1.1	<i>Asset management plan covers key requirements.</i>	A1
Response:	As significant investors in the market they will have robust asset management processes.	
1.2	<i>Planning process and objectives reflect the needs of all stakeholders and is integrated with business planning.</i>	A1
Response:	Asset planning is a core business function. The needs of stakeholders are part of the process.	
1.3	<i>Service levels are defined.</i>	A1
Response:	The AMP defines service levels for this site. The power purchase agreement also specifies service levels.	
1.4	<i>Non-asset options (eg demand management) are considered.</i>	A1
Response:	As an energy business, non-asset solutions are a rejection of an acquisition or development decision.	
1.5	<i>Lifecycle costs of owning and operating assets are assessed.</i>	A1
Response:	The process meets this criterion as lifecycle costs of owning and operating assets are assessed.	
1.6	<i>Funding options are evaluated.</i>	A1
Response:	Funding is determined by what is necessary to serve generating operational and maintenance functions. Asset planning would not involve the Licensee	
1.7	<i>Costs are justified and cost drivers identified.</i>	A1
Response:	Any proposal would include justification of costs and identification of cost drivers including availability and reliability of supply. The policy has a compressive evaluation of funding options.	
1.8	<i>Likelihood and consequences of asset failure are predicted.</i>	A1
Response:	There are risk assessments of asset failure and consequences.	
1.9	<i>Plans are regularly reviewed and updated.</i>	A1

Response: The AMP meets this criterion the plans for this site are reviewed annually.					
Asset management process and policy definition					
Process	<input checked="" type="checkbox"/>	Policy	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, HSE Manager, Operations Engineer, listed staff. Documents: Generation Licence, Asset Register, Environmental Plans and Approvals, Spares List, Wind Turbine Generators (WTG) layout plan, Risk management policy, Risk register					
Asset management performance					
Process	<input type="checkbox"/>	Availability	<input type="checkbox"/>	Use	<input type="checkbox"/>
Issues					
The Licensee's role, business model and resources are those consistent with operating and maintaining wind turbine generation plant and does not have the capacity to undertake strategic asset management functions. Given this context the plan is appropriate for the scale and nature of the business.					
Recommendation					
None					

Asset Creation	Process/Policy rating Not Performed	Effectiveness rating Not Rated
<p>2. Asset creation and acquisition</p> <p>Asset creation/acquisition means the provision or improvement of an asset where the outlay can be expected to provide benefits beyond the year of outlay.</p>		
<p>Observations</p>		
<p><i>Policies and procedures for asset creation / sample creation activities</i> Procurement of major electricity plant is a very significant exercise taking considerable time. There has been no asset creation of the generation plant in the audit period by the Licensee. The Licensee is a subsidiary of the parent/owning company and has no resources and accordingly the Licensee has no capacity to undertake asset creation functions. There has not been any major capital development since commissioning.</p> <p><i>Meeting statutory obligations</i> There are documents (AMP) requiring employees and contractors to meet statutory obligations.</p> <p><i>Evaluation Criteria summary Licensee</i></p> <p><i>Full project evaluations are undertaken for new assets, including comparative assessment of non-asset solutions.</i> NPNR</p> <p>Response: Asset creation is outside the scope of operation of the Licensee.</p> <p><i>2.1 Evaluations include all life-cycle costs</i> NPNR</p> <p>Response: Asset creation is outside the scope of operation of the Licensee.</p> <p><i>2.2 Projects reflect sound engineering and business decisions</i> NPNR</p> <p>Response: Asset creation is outside the scope of operation of the Licensee.</p> <p><i>2.3 Commissioning tests are documented and completed</i> NPNR</p> <p>Response: Asset creation is outside the scope of operation of the Licensee. This will be the outcome of the owning parent company deciding to create an asset and when the operating and maintenance contract is put in place – before or after commissioning. The commissioning of the existing plant was completed and documented with acceptance testing and handover checklists. (5.3 of SRMTMP plan)</p> <p><i>2.4 Ongoing legal/environmental/safety obligations of the asset owner are assigned and understood</i> ANR</p> <p>Response: These responsibilities are assigned in the AMP.</p> <p><i>Evaluation Criteria summary Owner</i></p> <p><i>2.1 Full project evaluations are undertaken for new assets, including comparative assessment of non-asset solutions.</i> ANR</p> <p>Response: Full project evaluations will occur for Asset creation. The acquisition policy has full project assessments with testing of worst case downside case. Non-asset solutions will result in not proceeding with the project.</p> <p><i>2.2 Evaluations include all life-cycle costs</i> ANR</p> <p>Response: Evaluations will occur life cycle costings as occurred for this site.</p> <p><i>2.3 Projects reflect sound engineering and business decisions</i> ANR</p>		

Response: The owners have the resources to ensure sound engineering and business decisions as occurred for this site.

2.4 Commissioning tests are documented and completed **ANR**

Response: The owners have the resources to ensure commissioning tests are documented and completed as occurred for this site.

2.5 Ongoing legal/environmental/safety obligations of the asset owner are assigned and understood **ANR**

Response: These responsibilities are assigned and understood eg in SRMTMP.

Asset management process and policy definition

Process	<input checked="" type="checkbox"/>	Policy	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>
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Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, HSE Manager, Operations Engineer, listed staff. Documents: SRMTMP, Asset Register,

Asset management performance

Process	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	<input checked="" type="checkbox"/>
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Issues

The Licensee's role, business model and resources are those consistent with operating and maintaining wind turbine generation plant and does not have the capacity to undertake strategic asset creation functions. The procurement processes are appropriate for this site.

Recommendation

None.

Asset Disposal	Process/Policy rating Not Performed	Effectiveness rating Not Rated
<p>3. Asset disposal</p> <p>Effective asset disposal frameworks incorporate consideration of alternatives for the disposal of surplus, obsolete, under-performing or unserviceable assets. Alternatives are evaluated in cost-benefit terms.</p>		
<p>Observations</p>		
<p><i>Policies and procedures for asset disposal / sample disposal activities</i></p> <p>There is no disposal action in the audit period to form an opinion about effectiveness. The responsibility for asset disposal belongs with the parent company and not the Licensee.</p> <p>The owner (Infigen Energy) has disposal and remediation obligations/processes but no Australian activity in the review period.</p> <p>There was no disposal action in the review period.</p> <p><i>Evaluation Criteria summary Licensee</i></p> <p>3.1 <i>Under-utilised and under-performing assets are identified as part of a regular systematic review process</i> NPNR</p> <p>Response: Asset disposal is outside the scope of operation of the Licensee. There are make good requirements in land leases and in the Environmental approval for this site. The Licensee is responsible for the utilisation of the existing plant and has monthly performance reporting. The service agreement and SRMTMP has a focus on performance.</p> <p>3.2 <i>The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken</i> NPNR</p> <p>Response: Asset disposal is outside the scope of operation of the Licensee. For this site the most likely issue is plant failures and these are critically examined. The service agreement and SRMTMP has a focus on performance. Performance is monitored continuously and discussed at monthly and quarterly meetings.</p> <p>3.3 <i>Disposal alternatives are evaluated</i> NPNR</p> <p>Response: Asset disposal is outside the scope of operation of the Licensee. There is no likelihood of disposal of the plant as it is the sole asset of the Licensee and will not be a decision by the Licensee but by the parent company.</p> <p>3.4 <i>There is a replacement strategy for assets</i> NPNR</p> <p>Response: Asset disposal is outside the scope of operation of the Licensee. The plan (service agreement and SRMTMP) meets this criterion and allow for equipment replacement but not plant replacement There are make good requirements in land leases and in the Environmental approval for disposal. The owner (Infigen Energy) has disposal and remediation processes but no activity in the review period.</p> <p><i>Evaluation Criteria summary Owner</i></p> <p>3.1 <i>Under-utilised and under-performing assets are identified as part of a regular systematic review process</i> ANR</p>		

<p>Response: There is little likelihood of disposal of the system or portions thereof for this site. There are regular systematic review processes of performance. The owner determines if the asset is being used enough to warrant continuing to own it.</p> <p>3.2 <i>The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken</i> ANR</p>					
<p>Response: The performance assessments include reasons for poor performance. The operation and maintenance arrangement has a focus on performance. The wind turbine manufacturer has a maintenance contract.</p> <p>3.3 <i>Disposal alternatives are evaluated</i> ANR</p>					
<p>Response: The assets have defined contract life and will not be disposed within that period.</p> <p>3.4 <i>There is a replacement strategy for assets</i> ANR</p>					
<p>Response: The assets have a defined contract life and will not be disposed within that period. Opportunities for expansion could be explored, there are plans for Walkaway Wind Power 2 & 3. The plant is maintained for contract life. There are remediation obligations upon decommissioning, generally requiring above ground structures to be removed and hardstands and underground cabling to be buried to a depth of 300mm. Roads will be left in place for the continued use of landowners. Walkaway is accruing a liability to account for the costs of decommissioning the site at the end of the leases in compliance with the relevant accounting standards.</p>					
Asset management process and policy definition					
Process	<input checked="" type="checkbox"/>	Policy	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, HSE Manager, Operations Engineer, listed staff. Documents: WTG location plans, Business plan					
Asset management performance					
Process	<input type="checkbox"/>	Availability	<input type="checkbox"/>	Use	<input type="checkbox"/>
Issues					
The Licensee's role, business model and resources are those consistent with operating and maintaining wind turbine generation plant and does not have the capacity to undertake strategic asset disposal functions.					
Recommendation					
None					

Environmental analysis	Process/Policy rating A	Effectiveness rating 1
<p>4. Environmental analysis</p> <p>Environmental analysis examines the asset system environment and assesses all external factors affecting the asset system.</p>		
<p>Observations</p>		
<p><i>Standards / monitoring / reporting / breaches</i></p> <p>The Licensee is a subsidiary of the parent/owning company and has no resources and accordingly the Licensee has no capacity to undertake the strategic environmental assessment roles. The Licensee has environmental management policies. Reporting and monitoring tools are appropriate.</p> <p>The Licensee has planning approval from the City of Greater Geraldton.</p> <p>The parent company has the responsibility for market surveillance for expansion opportunities or threats. The AMP addresses the economic, technological, market, political and regulatory risks from the perspective of this asset.</p> <p>The principal external opportunity is carbon pricing and raising the cost of competitors. Threats are extreme weather – lightning (affects blades as internal lightning protection is not totally effective) and high wind fluctuations (affects gear boxes). There are major spares holdings for critical plant failures such as a spare generator in Perth, spare gear boxes in Geraldton and 3 spare blades on site. Critical minor spares are held.</p> <p>The input of the external environment to asset planning is carried out by the Licensee for this plant but not in relation to strategic environmental issues.</p> <p>There have been no environmental issues.</p>		
<p><i>Evaluation Criteria summary Licensee</i></p> <p>4.1 Opportunities and threats in the system environment are assessed NPNR Response: Assessing opportunities and threats in system environment would be made by the owners and not the Licensee. The Licensee does not carry out the external functions as the Licensee’s business model and resources are those consistent with operating and maintaining wind turbine generation plant and they do not have the capacity to undertake external environmental functions outside those affecting this plant.</p> <p>4.2 Performance standards (availability of service, capacity, continuity, emergency response, etc) are measured and achieved A1 Response: The arrangement with the owner meets this criterion with service standards defined and measured and achieved.</p> <p>4.3 Compliance with statutory and regulatory requirements A1 Response: The arrangement with the owner meets this criterion and the Licensee’s policy documents and SRMTMP (3.6) require compliance with statutory and regulatory obligations. There have been no environmental breaches.</p> <p>4.4 Achievement of customer service levels A1 Response: The plant has achieved the required performance targets.</p> <p><i>Evaluation Criteria summary Owner</i></p> <p>4.1 Opportunities and threats in the system environment are assessed A1</p>		

<p>Response: Opportunities and threats assessment is part of the acquisition policy Change in Western Australian market may have an effect on such developments.</p> <p>4.2 <i>Performance standards (availability of service, capacity, continuity, emergency response, etc) are measured and achieved</i> A1</p>					
<p>Response: The AMS meets this criterion with service standards defined for this site.</p> <p>4.3 <i>Compliance with statutory and regulatory requirements</i> A1</p>					
<p>Response: The policy documents require compliance with statutory and regulatory obligations.</p> <p>4.4 <i>Achievement of customer service levels</i> A1</p>					
<p>Response: The plant has achieved the required performance targets.</p>					
<p>Asset management process and policy definition</p>					
Process	<input checked="" type="checkbox"/>	Policy	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>
<p>Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, HSE Manager, Operations Engineer, listed staff and staff on site listed. Documents: Environmental Plans and Approvals, WTG layout plans, SRMTMP, Risk management policy, Risk register.</p>					
<p>Asset management performance</p>					
Process	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	<input checked="" type="checkbox"/>
<p>Issues</p>					
<p>Assessing opportunities and threats in system environment would be made by the owners and not the Licensee. For this site, there are no environmental non-compliances reported. WWP monitors and considers the environment in which it operates.</p>					
<p>Recommendation</p>					
<p>None</p>					

Asset operations	Process/Policy rating A	Effectiveness rating 1
<p>5. Asset operations</p> <p>Operations functions relate to the day-to-day running of assets and directly affect service levels and costs.</p>		
<p>Observations</p>		
<p><i>Policies and procedures for asset operation / sample activities</i></p> <p>The generation assets are 54 wind turbines. The plant is constructed to appropriate standards. The operational policies are well documented. The Licensee operates the site, performing local switching in order to conduct scheduled and unscheduled maintenance on the turbines and balance of plant. The plant can be remotely constrained by System Management from their operations centre. The plant is bid into the local energy market by the registered Market Participant, Alinta Energy (Sales).</p> <p>The asset register is part of the Licensee's maintenance IT system.</p> <p><i>Training/ resources / exceptions</i></p> <p>The plant is operated by the Licensee in combination with System Management and Alinta Energy(Sales) as described above. The resourcing is appropriate and ongoing training is evident as are the operating procedures and practices</p> <p><i>Evaluation Criteria summary</i></p> <p>5.1 <i>Operational policies and procedures are documented and linked to service levels required</i> A1 Response: The arrangement with the owner meets this criterion with service standards defined. Operational procedures are documented. Planned maintenance takes place at low wind forecast times.</p> <p>5.2 <i>Risk management is applied to prioritise operations tasks</i> A1 Response: There is very little operational control at site other than maintenance requirements. Risk analysis is applied by developing a task hazard analysis for all tasks on the site.</p> <p>5.3 <i>Assets are documented in an Asset Register including asset type, location, material, plans of components, an assessment of assets physical/structural condition and accounting data</i> A1 Response: Asset registers are contained with the appropriate information in the IT system.</p> <p>5.4 <i>Operational costs are measured and monitored</i> A1 Response: Operational costs – equipment, staffing, contracts and materials are measured and monitored.</p> <p>5.5 <i>Staff resources are adequate and staff receive training commensurate with their responsibilities</i> A1 Response: Training certificates maintained in register and are current. Training opportunities are also taken less formally in toolbox meetings. Staff are adequate for effective operation of the plant.</p>		
<p>Asset management process and policy definition</p>		
Process	<input checked="" type="checkbox"/>	Policy
	<input checked="" type="checkbox"/>	Documentation
	<input checked="" type="checkbox"/>	

Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, HSE Manager, Operations Engineer. Inspected site. Documents: Include Asset Management Plan (AMP), Financial statements, Job safety and environmental analysis procedure (in SRMTMP), Risk policy and specific risk management procedures. Walkaway Australia asset acquisition policy, long term maintenance agreement, Operations and maintenance manual contents, training certificates

Asset management performance

Process	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	<input checked="" type="checkbox"/>
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Issues

The asset operation is appropriate for the duty.

Recommendation

None

Asset Maintenance	Process/Policy rating A	Effectiveness rating 1
<p>6. Asset maintenance</p> <p>Maintenance functions relate to the upkeep of assets and directly affect service levels and costs.</p>		
<p>Observations</p>		
<p><i>Policies and procedures for asset maintenance / sample activities</i></p> <p>Maintenance costs are closely monitored as they are a key indicator of performance.</p> <p>Maintenance is by contract to Vestas (plant manufacturer) for scheduled and unscheduled maintenance for WTG and Downer for balance of plant. There are performance measures that are being met.</p> <p>Contract maintenance is controlled by an IT system (SAP - 740) that coordinates tasks, incorporates condition, risk, breakdown and time based maintenance. Work orders are prioritised on the basis of the works impact on safety, environment and operational availability. Spare parts required for standard jobs and inventories are being developed as part of the system. Vestas has local spares and Vestas fleet spare sin India.</p> <p>The asset plan for operations, maintenance and contingencies contains performance measures. The equipment manufacturer requires maintenance to their standard and frequency to validate warrantee conditions.</p> <p>There have been failures due to lightning which is unavoidable and to gear boxes which is a consequence of the high duty and high wind factors on the site (plant is working very hard). There have been a number of cable joint faults mainly attributable to poor initial choice of jointing equipment. The current joints are to a high standard and there has been no failure of replaced joints. Repair is by jointers located in Geraldton and joining equipment spares are held (Downer contract). The Licensee is investigating welding the Aluminium cables for jointing.</p> <p><i>Training / resources / exceptions</i></p> <p>Maintenance is scheduled well into the future and these actions appear appropriate for the type of equipment. The resourcing is appropriate and ongoing training is evident as are the operating procedures and practices. High Voltage training occurs. Plant maintenance appears to take due allowance of any exceptions in the licensed plant.</p> <p><i>Evaluation Criteria summary</i></p> <p>6.1 <i>Maintenance policies and procedures are documented and linked to service levels required</i> A1</p> <p>Response: The arrangement with the owner meets this criterion with service standards defined. Policies and procedures are documented.</p> <p>6.2 <i>Regular inspections are undertaken of asset performance and condition</i> A1</p> <p>Response: The arrangement with the owner meets this criterion with inspections undertaken as part of manufacturer’s maintenance conditions</p> <p>6.3 <i>Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule</i> A1</p> <p>Response: Corrective (condition based) and preventative maintenance plans can be recorded in the SAP system. Each WTG has maintenance scheduled. The</p>		

<p>arrangement with the parent company meets this criterion. Maintenance plans are documented and completed on schedule. The equipment manufacturer requires maintenance to their standard and frequency to validate warranted conditions. Performance of each WTG is compared to others on site and with Vestas fleet worldwide. Predicting gearbox changes on condition monitoring has led to lower frequency of breakdowns.</p>					
<p>6.4 Failures are analysed and operational/maintenance plans adjusted where necessary A1</p>					
<p>6.5 Response: Failures are analysed locally, by Vestas engineering in Melbourne and if required in Denmark. There have been lightning strikes on blades (~1/year) which damaged a WTG in 2015. There have been cable termination faults (~2/year) with these being caused by poor workmanship on original installation. The joints have been reworked with no failures of new joints. There was no evidence of significant failure warranting adjustment of the plans within the review period. Risk management is applied to prioritise maintenance tasks A1</p>					
<p>Response: Maintenance tasks and frequencies have been developed over a period of time using local experience, industry and world standards.</p>					
<p>6.6 Maintenance costs are measured and monitored A1</p>					
<p>Response: Maintenance costs are recorded, measured and monitored by the site to reduce the likely impact of repairs. There are monthly meetings to monitor costs.</p> <p>The performance of the fleet is compared to the performance of Vestas fleet worldwide.</p>					
<p>Asset management process and policy definition</p>					
Process	<input checked="" type="checkbox"/>	Policy	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>
<p>Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, HSE Manager, Operations Engineer. Inspected site. Documents: Include Asset Management Plan (AMP), Financial statements, Job safety and environmental analysis procedure (in SRMTMP), Risk policy and specific risk management procedures. Walkaway Australia asset acquisition policy, long term maintenance agreement, Operations and maintenance manual contents, Infigen Australian Business Strategy Risk register</p>					
<p>Asset management performance</p>					
Process	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	<input checked="" type="checkbox"/>
<p>Issues</p>					
<p>None.</p>					
<p>Recommendation</p>					
<p>None</p>					

Asset Management Information System	Process/Policy rating A	Effectiveness rating 1
<p>7. Asset Management Information System (MIS)</p> <p>An asset management information system is a combination of processes, data and software that support the asset management functions</p>		
<p>Observations</p>		
<p><i>Policies and procedures</i></p> <p>The Licensee has a competent asset management information system with a number of elements. It has spreadsheets managing expenditure and the equipment contractor has a dedicated maintenance management database (SAP 740) to control a complex list of items. The maintenance system links project management to scheduled tasks to standard work plans (assisting with safety and change management), asset register and parts inventory. Documentation is appropriate. The Licensee uses Jira to manage their monitoring and Scada is a Vestas custom application (Vestas Online Business).</p> <p>Access to write to the database is controlled (passwords) and changes are tracked. There is a backup server on site which automatically backs up every week. The power station is a controlled access site which provides adequate physical security for IT systems.</p> <p><i>Evaluation Criteria summary</i></p> <p>7.1 <i>Adequate system documentation for users and IT operators</i> A1 Response: The IT system is well documented. The system is intuitive with online assistance and documentation is rarely required. The viewing of Historic data is also intuitive.</p> <p>7.2 <i>Input controls include appropriate verification and validation of data entered into the system</i> A1 Response: The system is easy to use with a maintenance focus rather than a database focus and includes appropriate verification and validation of data entered into the system.</p> <p>7.3 <i>Logical security access controls appear adequate, such as passwords</i> A1 Response: Logical control is adequate with hierarchical access by password. Personnel are automatically logged out of computer systems after periods of inactivity.</p> <p>7.4 <i>Physical security access controls appear adequate</i> A1 Response: Physical security is adequate with the system on access controlled site.</p> <p>7.5 <i>Data backup procedures appear adequate and backups are tested</i> A1 Response: Data backup is carried out daily and weekly on all servers. The databases are duplicated in Sydney and backups are tested monthly.</p> <p>7.6 <i>Key computations related to Licensee performance reporting are materially accurate</i> A1 Response: There is minimal regular computation work. Key computations related to Licensee performance reporting are materially accurate, to the extent possible to assess with visual inspection.</p> <p>7.7 <i>Management reports appear adequate for the Licensee to monitor licence obligations</i> A1</p>		

Response: No detailed management reports are generated by the SAP system which would assist to monitor licence obligations. The key reports are for performance monitoring.					
Asset management process and policy definition					
Process	<input checked="" type="checkbox"/>	Policy	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>
Evidence: John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, HSE Manager, Operations Engineer. Inspected site. Documents: Include Asset Management Plan (AMP), Financial statements, Job safety and environmental analysis procedure (in SRMTMP), Risk policy and specific risk management procedures. Walkaway Australia asset acquisition policy, long term maintenance agreement, Operations and maintenance manual contents, Infigen Australian Business Strategy.					
Asset management performance					
Process	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	<input checked="" type="checkbox"/>
Issues					
None					
Recommendation					
None					

Risk management	Process/Policy rating A	Effectiveness rating 1
<p>8. Risk management</p> <p>Risk management involves the identification of risks and their management within an acceptable level of risk.</p>		
<p>Observations</p>		
<p><i>Policies and procedures</i> There is evidence that risk based approaches being carried out particularly as it affects security of the plant. Risk assessment documents, risk plans and risk register have been sighted. The AMP addresses the economic, technological, market, political and regulatory risks from the perspective of this asset.</p> <p><i>Training</i> There is evidence of training and awareness by staff of risk based approaches particularly in approaches to tasks where JSA (Job Safety Analysis) are prepared for all work.</p> <p><i>Evaluation Criteria summary</i></p> <p>8.1 <i>Risk management policies and procedures exist and are being applied to minimise internal and external risks associated with the asset management system.</i> A1 Response: The arrangement with the owner meets this criterion. Risks are assessed and drive maintenance in particular. There are spare on site for immediate use and in Melbourne for lower likely frequency/consequence events. There are spare blades on site.</p> <p>8.2 <i>Risks are documented in a risk register and treatment plans are actioned and monitored.</i> A1 Response: The risk process is set out in the AMP. There is a risk register. The arrangement with the owner meets this criterion. The risk register has been sighted.</p> <p>8.3 <i>The probability and consequences of asset failure are regularly assessed</i> A1 Response: During the review period, the risks of asset failures have been assessed based on probability and consequence parameters. Forced outage events are studied with Jira to reduce the likely frequency /consequences of future events.</p>		
<p>Asset management process and policy definition</p>		
Process	<input checked="" type="checkbox"/>	Policy
<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>
<p>Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, HSE Manager, Operations Engineer. Inspected site. Documents: Include Asset Management Plan (AMP), Financial statements, Job safety and environmental analysis procedure (in SRMTMP), Risk policy and specific risk management procedures. Walkaway Australia asset acquisition policy, long term maintenance agreement, Operations and maintenance manual contents, Infigen Australian Business Strategy</p>		

Asset management performance					
Process	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	<input checked="" type="checkbox"/>
Issues					
None					
Recommendation					
None					



Contingency planning	Process/Policy rating A	Effectiveness rating 1
<p>9. Contingency planning</p> <p>Contingency plans document the steps to deal with the unexpected failure of an asset.</p>		
<p>Observations</p>		
<p><i>Development of contingency plans / currency</i> The Licensee has detailed maintenance scheduled out for several years, with minor and major shutdowns allowed to deal with potential issues.</p> <p>The maintenance regime is geared to keeping the plant operational without forced outages.</p> <p><i>Testing of contingency plans</i> The Licensee tests safety systems routinely.</p> <p>The maintenance regime is geared to keeping the plant operational without forced outages.</p> <p><i>Evaluation Criteria summary</i> 9.1 <i>Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks</i> A1 Response: The Licensee has documented procedures for plant failure. The plant had a plant failures and the contingency of a spare gearbox/generator/wind vanes was exercised by live actions. Critical spares are identified and acquired including spare WTG blades. Standard spares are on site and lower frequency items in Australia. The Licensee has an emergency management plan which is tested annually (logged in Jira) and business continuity plan. There is a bushfire management plan.</p>		
<p>Asset management process and policy definition</p>		
Process	<input checked="" type="checkbox"/>	Policy
	<input checked="" type="checkbox"/>	Documentation
	<input checked="" type="checkbox"/>	
<p>Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, HSE Manager, Operations Engineer. Inspected site. Documents: Include Asset Management Plan (AMP), Financial statements, Job safety and environmental analysis procedure (in SRMTMP), Risk policy and specific risk management procedures. Walkaway Australia asset acquisition policy, long term maintenance agreement, Operations and maintenance manual contents, Infigen Australian Business Strategy, WWF1 Environmental Aspects and Control Mechanisms document.</p>		
<p>Asset management performance</p>		
Process	<input checked="" type="checkbox"/>	Availability
	<input checked="" type="checkbox"/>	Use
	<input checked="" type="checkbox"/>	
<p>Issues</p>		
<p>None</p>		

Recommendation
None



Financial planning	Process/Policy rating A	Effectiveness rating 1
<p>10. Financial planning</p> <p>The financial planning component of the asset management plan brings together the financial elements of the service delivery to ensure its financial viability over the long term.</p>		
<p>Observations</p>		
<p><i>Financial planning process / plans</i></p> <p>The Licensee has financial plans, budgeting and monitoring processes. There is 5-year business plan with a one year budget and projections for 4 years.</p> <p>The parent company provides guidance and approves the Licensee's budget and then monitors financial progress. The Licensee's managers are responsible for reporting actual versus budget.</p> <p><i>Evaluation Criteria summary</i></p> <p>10.1 <i>The financial plan states the financial objectives and strategies and actions to achieve the objectives</i> A1 Response: The arrangement with the parent meets the obligations as it states the financial objectives and strategies and actions to achieve the objectives.</p> <p>10.2 <i>The financial plan identifies the source of funds for capital expenditure and recurrent costs</i> A1 Response: The arrangement with the parent meets the requirement with current earnings more than sufficient to cover recurrent costs with any excess available from retained earnings. The organisational structure has capital costs managed at corporate level. There are no capital costs forecast.</p> <p>10.3 <i>The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets)</i> A1 Response: The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets).</p> <p>10.4 <i>The financial plan provides firm predictions on income for the next five years and reasonable indicative predictions beyond this period</i> A1 Response: The financial plan provides predictions on income for the next five years. The owner's corporate model provides long term forecasts beyond this period</p> <p>10.5 <i>The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services</i> A1 Response: The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the plant.</p> <p>10.6 <i>Significant variances in actual/budget income and expenses are identified and corrective action taken where necessary</i> A1 Response: When significant variation in expenditure or budget are noted this is investigated.</p>		
<p>Asset management process and policy definition</p>		
Process	<input checked="" type="checkbox"/>	Policy
	<input checked="" type="checkbox"/>	Documentation
	<input checked="" type="checkbox"/>	

Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, HSE Manager, Operations Engineer. Inspected site. Documents: Include Asset Management Plan (AMP), Financial statements, Job safety and environmental analysis procedure (in SRMTMP), Risk policy and specific risk management procedures. Walkaway Australia asset acquisition policy, long term maintenance agreement, Operations and maintenance manual contents, Infigen Australian Business Strategy, WWP 5-year financial plan

Asset management performance

Process	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	<input checked="" type="checkbox"/>
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Issues

None

Recommendation

None

Capital expenditure planning	Process/Policy rating A	Effectiveness rating 1				
<p>11. Capital expenditure planning</p> <p>The capital expenditure plan provides a schedule of new works, rehabilitation and replacement works, together with estimated annual expenditure on each over the next five or more years.</p> <p>Since capital investments tend to be large and lumpy, projections would normally be expected to cover at least 10 years, preferably longer. Projections over the next five years would usually be based on firm estimates.</p>						
<p>Observations</p>						
<p><i>Capital expenditure process / plans</i> The Licensee has financial plans, budgeting and monitoring processes.</p> <p>Revenue is retained for potential capital expenditure and managed in the organisational structure at corporate level. The contracting arrangements mean that Walkaway has predictable revenue and cost structures. The Service Agreement with Vestas contains provisions for parts and capital expenditures. Under these circumstances current earnings are more than adequate to fund capital expenditure requirements.</p> <p><i>Evaluation Criteria summary</i></p> <p>11.1 <i>There is a capital expenditure plan that covers issues to be addressed, actions proposed, responsibilities and dates</i> A1 Response: The arrangement with the parent meets the obligations. The expenditure is that required to maintain to the manufacturer's requirements or any breakdowns is scheduled. There is no capital expenditure planned in the next 3 years</p> <p>11.2 <i>The plan provides reasons for capital expenditure and timing of expenditure</i> A1 Response: The arrangement with the parent meets the obligations, capital expenditure is scheduled according to the service frequency (blade replacement etc) as required by the manufacturer. The long-term service agreements with the turbine manufacturer and the balance of plant contract cover major planned works</p> <p>11.3 <i>The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan</i> A1 Response: The arrangement with the parent meets the obligations. Capital expenditure is that required to maintain to the manufacturer's requirements or any breakdowns.</p> <p>11.4 <i>There is an adequate process to ensure that the capital expenditure plan is regularly updated and actioned</i> A1 Response: The arrangement with the parent meets the obligations as the capital expenditure plan is updated annually.</p>						
<p>Asset management process and policy definition</p>						
Process	<input checked="" type="checkbox"/>	Policy	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>	

Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, HSE Manager, Operations Engineer. Inspected site. Documents: Include Asset Management Plan (AMP), Financial statements, Job safety and environmental analysis procedure (in SRMTMP), Risk policy and specific risk management procedures. Walkaway Australia asset acquisition policy, long term maintenance agreement, Operations and maintenance manual contents, Infigen Australian Business Strategy, WWP 5-year financial plan

Asset management performance

Process	<input checked="" type="checkbox"/>	Availability	<input checked="" type="checkbox"/>	Use	<input checked="" type="checkbox"/>
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Issues

None.

Recommendation

None

Review of AMS	Process/Policy rating A	Effectiveness rating 1			
12. Review of AMS					
The asset management system is regularly reviewed and updated.					
Observations					
As a supplier of electricity, the service delivery is heavily asset based and needs an AMS. There is ongoing review of the asset management plan.					
<i>Evaluation Criteria summary - Licensee</i>					
12.1 <i>A review process is in place to ensure that the asset management plan and the asset management system described therein are kept current</i> ANR					
Response: The review of the strategic level aspects is not undertaken by the Licensee but by the parent company.					
12.2 <i>Independent reviews (e.g. internal audit) are performed of the asset management system</i> ANR					
Response: The review of the broader aspects are not undertaken by the Licensee. Review of the arrangement with the parent is assigned to the Executive General Manager, Operations.					
<i>Evaluation Criteria summary – Infigen Energy</i>					
12.1 <i>A review process is in place to ensure that the asset management plan and the asset management system described therein are kept current</i> A1					
Response: Reviews are regular (monthly reporting and annual review).					
12.2 <i>Independent reviews (e.g. internal audit) are performed of the asset management system</i> A1					
Response: Management assurance audits of the Licensee’s responsibilities are carried out on an annual basis. At the parent company level, Infigen’s Internal Audit Manager runs an audit program reporting to the board. The audit program is determined each year based on a risk assessment.					
Asset management process and policy definition					
Process	<input checked="" type="checkbox"/>	Policy	<input checked="" type="checkbox"/>	Documentation	<input checked="" type="checkbox"/>
Evidence: interviewed John McDonald, Igor Brandao, Grant Gleeson, Site supervisor, HSE Manager, Operations Engineer. Inspected site. Documents: Include Asset Management Plan (AMP), Financial statements, Job safety and environmental analysis procedure (in SRMTMP), Risk policy and specific risk management procedures. Walkaway Australia asset acquisition policy, long term maintenance agreement, Operations and maintenance manual contents, Infigen Australian Business Strategy					
Asset management performance					
Process	<input type="checkbox"/>	Availability	<input type="checkbox"/>	Use	<input type="checkbox"/>

Issues
None
Recommendation
None



3 PHOTOGRAPHS



Wind Turbine and spare blades



Wind Turbine head gear.