



Notice

24 February 2022

Karara Power Pty Ltd

Closure of compliance enforcement notice

The Economic Regulation Authority has closed the section 32 compliance enforcement [notice](#) served on Karara Power Pty Ltd for failure to have an asset management system under its electricity transmission licence ETL6.

Karara has a 106-kilometre, 330 kilovolt transmission line running from Western Power's Three Springs Terminal to the Karara mine site in the Mid-West region. Western Power supplies electricity to a single customer (Golden Grove mine site) through a second circuit on Karara's transmission towers.

Section 32 compliance enforcement notice

Under section 32 of the Act, the ERA can take compliance enforcement action against a licensee for failing to comply with its licence, requiring the licensee to rectify the non-compliance within a specified period.

As part of Karara's 2020 performance audit and asset management system review, the auditor found that Karara did not have an asset management system. Consequently, on 9 February 2021, the ERA served a section 32 notice on Karara to rectify the non-compliance by implementing and maintaining an asset management system for its assets operated under ETL6. Karara was given 12 months from the date of the notice to implement the asset management system.

The ERA's assessment of Karara's performance

The deadline for Karara to comply with the section 32 notice and implement an asset management system was 7 February 2022.

Based on the information provided by Karara, the ERA considers that Karara has complied with the section 32 notice by implementing an asset management system for its transmission assets under ETL6. The ERA has decided to close the section 32 notice.

2022 audit and review

Karara's audit and review period was reduced from 48 to 24 months following the 2020 audit and review. The next audit and review of ETL6 will cover the period 1 July 2020 to 30 June 2022, with the report to be provided to the ERA by 30 September 2022. The auditor will review Karara's asset management system to determine if it is effective.

Further information

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