



WALKAWAY WIND POWER PTY LTD



Performance Audit & Asset Management System Review Report 2021 – EGL02

Audit & Review Report	Authorisation	Name	Position	Date
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Version	Description of Revision	Prepared By	Reviewed By	Date
0	Initial Draft	Nicole Davies Neema Premji	Nicole Davies	18/12/2021
1	Incorporate Iberdrola review	Nicole Davies Neema Premji	Nicole Davies	13/01/2021
2	Incorporate ERA review	Nicole Davies Neema Premji	Nicole Davies	02/02/2022
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4	Minor amendments	Nicole Davies Neema Premji	Nicole Davies	15/02/2022
4_FINAL	Finalised clean report for ERA	Nicole Davies Neema Premji	Nicole Davies	22/02/2022

GLOSSARY

AMP – Asset Management Plan

AMS – Asset Management System

BOP – Balance of Plant

CAPEX – Capital Expenditure

CB – Circuit Breaker

CMMS – Computerised Maintenance Management System

EGL02 – The Generation Licence for Walkaway Wind Power Pty Ltd (The Licence)

ERA – Economic Regulation Authority

ETAC – Electricity Transfer Access Contract

GES – Geographe Environmental Services

LTI – Lost Time Injury

MW – MegaWatt

RACI - Responsible, Accountable, Consulted, and Informed

O&M – Operate and Maintain

OPEX – Operational Expenditure

SCADA - Supervisory Control And Data Acquisition

SRMTMP - Safety, Reliability, Maintenance and Technical Management Plan

SWIS – South West Interconnected System

WPN – Western Power Networks

WTG – Wind Turbine Generators

WWP – Walkaway Wind Power (The Licensee)

This report was prepared by representatives of GES Pty Ltd in relation to the above named client's conformance to the nominated audit standard(s). Audits were undertaken using a sampling process and the report and its recommendations were reflective only of activities and records sighted during this audit process. GES Pty Ltd shall not be liable for loss or damage caused to or actions taken by third parties as a consequence of reliance on the information contained within this report or its accompanying documentation. The client had the opportunity for review to ensure no commercially sensitive information was disclosed.

1. EXECUTIVE SUMMARY

The Walkaway Wind Farm is owned by Walkaway Wind Power Pty Ltd (WWP), a subsidiary of Iberdrola Australia Pty Ltd. Walkaway Wind Power Pty Ltd is the holder of the Electricity Generation Licence issued by the WA ERA. For the purposes of this Audit & Review Report, Walkaway Wind Power Pty Ltd will be referred to as “Walkaway Wind Farm”. It is noted the Walkaway Wind Farm is also known as the Alinta Wind Farm, Walkaway.

Iberdrola Australia is the owner and operator of the Walkaway Wind Farm and has full time representation on site through the Site Manager. The wind farm was owned by Infigen up until December 2020 and was acquired by Iberdrola during the audit period. Iberdrola maintained staff and contractors and did not change the organisations AMS.

Vestas have been appointed as the principal Contractor for the operation and maintenance of the wind farm including the BOP. Vestas is a third-party service company that have been contracted by Iberdrola Australia for the operations and maintenance (O&M) of the turbines, subsidiary plant and equipment and BOP.

WWP holds an Electricity Generation Licence (EGL02) issued by the Economic Regulation Authority under the Electricity Industry Act 2004. This performance audit and asset management review was conducted in accordance with the guidelines issued by the Economic Regulation Authority (ERA) to assess the Licensee’s level of compliance with the licence conditions.

Sections 13 and 14 of the Electricity Industry Act 2004 require as a condition of every licence that the licensee must, not less than once in every period of 24 months (or any longer period that the Authority allows) calculated from the grant of the licence, provide the Authority with a performance audit and an asset management system review report by an independent expert acceptable to the Authority. Geographe Environmental Services (GES) has been approved by the Authority (Ref: D238111 Date: 02/09/21) to undertake the works subject to an audit and review plan approved by the Authority.

The period for the audit and review is 1 November 2016 to 31 October 2021, and the report is due to be submitted to the Authority on or before 31 January 2022.

Asset Overview

Walkaway Wind Farm is located in WA, approximately 400km north of Perth and 45km southeast of Geraldton. The site covers approximately 17.5 km of pastureland and is bounded by Burma Road to the east, Criddle Road to the west and Nangetty-Walkaway Road dissecting the farm from east to west. There are a total of 54 turbines at Walkaway with a maximum generation capacity of 89.1MW.

The wind farm also operates balance of plant (BOP) infrastructure which includes:

- Underground electrical collection system;
- Transmission network connection equipment; and

- Access roads to and from wind turbines.

The BOP includes 132kV/22 110 MVA substation, 22kV underground collection system, 22kV switchboards, SCADA, utility Stat-con control and O&M building. The 132kV overhead transmission lines from the Iberdrola Australia substation to the Mungarra and Geraldton substations, is owned and operated by Western Power. Iberdrola Australia has a connection agreement in place with Western Power. The Windfarm is 15 years into the 25 year design life.

The supply of electricity of the quality required to be maintained by Walkaway is covered by a Transmission Connection Agreement between Iberdrola Australia and Western Power as the Network Service Provider.

The Licensee has issued a Consultancy Brief to undertake its fifth Performance Audit and Asset Management System Review as required by the Economic Regulation Authority (ERA/the Authority).

2. AUDIT OPINION

With regard to the Performance Audit, we have undertaken a reasonable assurance engagement on Walkaway Wind Power’s compliance, in all material respects, with the Electricity Generation Licence (EGL02) and all applicable obligations from the Electricity Compliance Reporting Manual versions relevant to the audit and review period, released June 2020, July 2018, July 2017, July 2016 (Licence Obligations) for the period from 1 November 2016 to 31 October 2021. The assurance engagement was undertaken in accordance with the Economic Regulation Authority’s (ERA) 2019 Audit and Review Guidelines – Electricity and Gas Licences.

In respects of the Asset Management System Review, we have undertaken a limited assurance engagement on Walkaway Wind Power’s compliance with the Licence and the effectiveness criteria as defined by the 2019 Audit and Review Guidelines – Electricity and Gas Licences.

In our opinion, based on the procedures we have performed and the evidence we have obtained, except for the effects of the matters described in Basis for Qualified Opinion, Walkaway Wind Power has complied, in all material respects, with the Licence Conditions and has established an implemented an effective asset management system for the period from 1 November 2016 to 31 October 2021.

Basis for Qualified Opinion

With respect to the audit period 1 November 2016 to 31 October 2021, as a result of identified control inadequacies, Walkaway Wind Power did not comply with the Licence Conditions as detailed in Table 1 below:

Table 1 - Summary of Non-Compliances

Reference Number & Licence Obligation	Non-Compliance/ Recommendation
<p><i>Economic Regulation Authority (Licensing Funding) Regulations 2014</i></p> <p><i>Generation Licence, condition 4.2.1 (Ref 105)</i></p> <p>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.</p>	<p>01/2021 – The Licensee did not pay the prescribed licence fees to the ERA in accordance with the obligations of the Licence and regulations.</p> <p>Recommendation – To ensure compliance with payment of prescribed licence fees the Licensee should:</p> <ul style="list-style-type: none"> • update the Compliance Task for the payment of Annual Licence fees included in the Risk Wizard system (ref task 5500 – WWFW1 Gen-Licence – Payment of Annual Generation Fee) to include a reference that failure to pay within required timeframes would result in non-compliance with EGL02. • ensure that the required personnel were aware of the licence payment requirements. • Implement internal measures to ensure communications from the accounts

Reference Number & Licence Obligation	Non-Compliance/ Recommendation
	<p>department of the ERA are copied to the Site Manager, Alinta Wind Farm, Walkaway and the nominated ERA contact (GM Renewables O&M) to reduce the risk of late payment. Particularly with respect to the standing charges invoice payments, which were due at varying times dependent on date of issue by the ERA.</p> <ul style="list-style-type: none"> • update the Compliance Task for the payment of Annual Licence fees included in the Risk Wizard system (ref task 5500 – WWFW1 Gen-Licence – Payment of Annual Generation Fee) to include a reference that failure to pay within required timeframes would result in non-compliance with EGL02. <p>Action Taken by Licensee - The following corrective actions were confirmed, by the Audit Team, as having been undertaken by the Licensee outside the audit period:</p> <ul style="list-style-type: none"> ○ Updating of the Compliance Task as detailed in the recommendation, ○ Increasing the awareness to the requirement for payment of licence fees by responsible personnel and communicating implication of payment outside terms. ○ Communication informing the Iberdrola Accounts Department of the requirements. ○ Creation of email rule to ensure ERA Accounts emails were copied to required personnel for action. ○ No further recommendations were made.
<p>Industry Act, section 11</p> <p>Generation Licence, condition 4.4.1 / Electricity (Ref 123)</p> <p>In the manner prescribed, a licensee must notify the ERA, if it is under external administration or if there is a significant change in the circumstances that the licence was granted which may affect the licensee’s ability to meet its obligations.</p>	<p>02/2021 - The Licensee did not notify the ERA within 10 business days of the change in corporate circumstances, in relation to the change in ownership of the Walkaway Wind Farm, as required by the Generation Licence.</p> <p>Recommendation – Licensee develops a RACI matrix to clearly define roles of Responsibility, Accountability, Consulting, and Informing with regards to the requirements of EGL02. Linking the process to a change management procedure is also recommended. For example, through the development of a RACI Matrix for legislative requirements that may require awareness at a more senior level within the organisation.</p>

Reference Number & Licence Obligation	Non-Compliance/ Recommendation
<p>Industry Act, section 11</p> <p>Generation Licence, condition 4.5.1 / Electricity (Ref 124)</p> <p>A licensee must provide the ERA, in the manner prescribed, with any information that the ERA requires in connection with its functions under the Electricity Industry Act.</p>	<p>03/2021 - The Licensee did not accurately report all the compliance details with respect to the provision of information to the ERA. Specifically, the late payments of licence fees.</p> <p>Recommendation – Review and develop the control procedures and processes for compliance reporting to ensure that integrity of reporting (i.e., the completeness and accuracy of the compliance reports provided to the ERA). Specifically, to capture all the required compliance obligations, for example:</p> <ul style="list-style-type: none"> • Review accounts processes and compliance tasks to verify the timely payment of Annual and Standing Charges licence fees. • Review the compliance tasks for the submission Standing Data to the ERA (i.e. due 30 September annually) and Annual Compliance Reports (i.e., due 31 August annually); • Include the requirements in the Risk Wizard compliance task with respect the Type 1 and 2 reportable obligations from the Electricity Compliance Reporting Manual to ensure these are to be considered in the preparation of the Annual Compliance Report. • Checking if the Electricity Compliance Reporting Manual has been updated by the ERA and reference to obligation number in the Risk Wizard Compliance Task; <ul style="list-style-type: none"> ○ Development of a RACI Matrix to communicate leadership and accountability and improve compliance awareness. ○ Undertaking an internal audit prior to the preparation of the Annual Compliance Report would assist in ensuring compliance was not retrospective. ○ Earlier preparation of the Annual Compliance Report to facilitate a thorough review of compliance obligations (noted all submitted very close to the due date) ○ Detailing the scope of the requirements within the control procedures, such as, Asset Management Plan or SRMTMP; ○ Completion of the Compliance Plan noted as “to be written” (refer section 3.10 Regulatory Compliance of the AMP)

As required by the Audit Guidelines (refer section 5.3) the licensee must submit a post-audit implementation plan (PAIP), with the audit and review report. The PAIP must be a separate document and must be developed by the Licensee.

Recommendations to address the non-compliances raised are detailed in Table 12. The recommendations made by the Audit Team relate to organisational awareness to compliance requirements, as well implementing revised internal compliance and integrity of reporting processes. Opportunities for improvement identified that relate to the performance audit and review findings have been provided directly to the Licensee and have not been included in this document as required by the 2019 Audit and Review Guidelines – Electricity and Gas Licences section 5.1.8

It is the auditors' opinion that compliance systems, such as the use of Risk Wizard and integrity of reporting by the Licensee is considered well managed and is comprehensively detailed in Appendix 1. This is the fifth audit and review and as such issues arising from the previous audit and review report have been considered in the preparation of this report.

The site audit was conducted at the Walkaway Wind Farm on the 16th November 2021, with subsequent teams meetings held on the 23rd November and the 3rd December 2021. This audit and review report is an accurate representation of the audit team's findings and opinions. The Auditors confirm that the Licensee provided assistance to the Auditors, as required by Section 4.1 of the Audit Guidelines (2019).

3. PERFORMANCE AUDIT AND ASSET MANAGEMENT REVIEW SCOPE & OBJECTIVES

The scope of works of this audit and review included:

- Interviews with key staff from WWP and contractors to provide an:
 - Assessment of findings from the last audit and review the actions taken to address the recommendations from the previous audit / review
 - Assessment of performance against licence conditions for EGL02
 - Assessment of performance against each asset management process for EGL02
- Reviews of documents, procedures and policy manuals in relation to financial management and planning, service performance standards, asset management, operations and maintenance functions and reporting
- Testing and assessment to determine whether the procedures and policies were followed and determine effectiveness
- Preparation of an audit and review report in accordance with the format outlined in the ERA Audit and Review Guidelines: Electricity and Gas Licences (April 2019).

The objectives of the audit and review were to provide to the Authority an independent assessment of WWPs compliance with all of the relevant obligations under the generation licence, provide the Authority with an independent assessment of the effectiveness of WWPs asset management system in relation to EGL02 and to provide recommendations to address any non-compliances observed.

3.1 Performance Audit

3.1.1 Performance Audit Scope

The performance audit is an audit of the effectiveness of measures taken by the licensee to meet the performance criteria specified in the Licence (refer Section 13(2) of the Electricity Act 2004). Performance criteria are defined within Condition 1 of the Licence as:

- The terms and conditions of the Licence
- Any other relevant matter in connection with the applicable legislation that the ERA determines should be part of the performance audit.

Applicable legislation for Generation Licences encompasses the following:

1. the *Electricity Industry Act 2004 (WA)*
2. the following Regulations:
 - i. *Economic Regulation Authority (Licensing Funding) Regulations 2014;*
 - ii. *Electricity Industry (Licence Conditions) Regulations 2005;*
3. the following Codes
 - i. *Electricity Industry Metering Code 2012*

There were a number of exclusions and these are detailed in section 3.1.3.

The audit encompassed an assessment of the following four key areas using a risk based approach (to ISO 31000:2009):

1. Process compliance: assessment of the effectiveness of systems and procedures
2. Outcome compliance: assessment of actual performance against the prescribed licence standards
3. Output compliance: assessment of records to indicate procedures are followed and controls are maintained
4. Integrity of reporting: assessment of the completeness and accuracy of the compliance and performance reports
5. Compliance with any individual licence conditions – the actual performance against the requirements imposed on the specific licensee by the ERA or specific matters raised by the ERA.

3.1.2 Performance Audit Methodology

We have undertaken a document review, attended a site visit to interview personnel (refer as listed in table 6), executed the Audit and Review Plan as approved and were demonstrated the application of some key operational systems utilised by the Licensee. The site audit was conducted in Walkaway Wind Farm on 16 November 2021 with two subsequent teams meetings to ensure access to all personnel.

A two-dimensional rating scale (refer Section 5.1.6.1 of the Audit Guidelines and Table 2 below) was used in the Audit & Review report to summarise the compliance rating for each licence condition. Each obligation was rated for both the adequacy of existing controls and the compliance with the relevant licence obligation. The methodology for the Audit has been clearly defined in the Audit & Review Plan.

Table 2 - Audit Compliant and Control Rating Scales

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

A comprehensive report of the audit findings is included in Appendix 1.

3.1.3 Performance Audit Excluded Conditions

There were some Electricity Compliance Reporting Manual – June 2020 obligations for EGL02 that have been excluded from the audit because they are not applicable to Walkaway Wind Farm. There are no Type 1 reporting requirements applicable to EGL02. Excluded compliance obligations were detailed in the Audit & Review Plan.

Table 3 - Obligations Excluded from the Audit & Review Report

Obligations Excluded from the Performance Audit	
Ref*	Justification For Exclusion
120	Not Applicable – Individual performance standards have not been prescribed by the Authority.
401	Not Applicable – The Network Operator collects the energy data.
402	Not Applicable to Generators (Electricity Compliance Manual to be amended as advised by ERA)
405	Not Applicable – The network operator has access to their own tariff meters.
406	Not Applicable to Generators (Electricity Compliance Manual to be amended as advised by ERA)
435	Not Applicable to Generators (Electricity Compliance Manual to be amended as advised by ERA).

* Electricity Compliance Reporting Manual – June 2020

The Generation Licence compliance elements that were included in the scope of this audit are as defined in Table 4 and are further detailed in Appendix 1

3.1.4 Performance Audit Summary of Findings

Three licence obligations reviewed were found to be non-compliant during the audit period (refer Table 4 and Appendix 1). Following the audit period, the organisation has established some processes to address these non-compliances and as such, compliance requirements were considered to be adequate for obligation 105 and no further recommendations were made. However, a further suggestion to improve the effectiveness of the actions taken in relation to obligations 123 and 124 has been detailed in Table 12.

Specifically, obligation 105 was non-compliant in relation to one late payment of the five due annual payments and the late payment on 3 occasions of the 20 standing charges fees due during the audit and review period. Similarly, obligation 123 and 124 was in relation to the failure to notify the ERA of change in ownership within 10 business days and late submission standing data and the omission of the reporting late payments and late submission of standing data in the Annual Compliance Report.

Table 4 - Performance Audit Compliance Summary

Compliance Obligation Reference No.	Licence Reference	Audit Priority	Adequacy of Controls Rating					Compliance Rating				
			A	B	C	D	NP	1	2	3	4	NR
SECTION 8: TYPE 1 REPORTING REQUIREMENTS												
THERE ARE NO TYPE 1 REPORTING REQUIREMENTS APPLICABLE TO EGL02												
SECTION 12: ELECTRICITY INDUSTRY ACT - LICENCE CONDITIONS AND OBLIGATIONS												
101	Electricity Industry Act section 13(1) Generation Licence, condition 5.3.1	4					NP	1				
102	Electricity Industry Act section 14(1)(a) Generation Licence, condition 5.1.1	5					NP	1				
103	Electricity Industry Act section 14(1)(b) Generation Licence, condition 5.1.2 and 5.1.3	4					NP					NR
104	Electricity Industry Act section 14(1)(c) Generation Licence, condition 5.1.4	4					NP	1				
105	Electricity Industry Act section 17(1) Generation Licence, condition 4.2.1	3		B					2			
106	Electricity Industry Act section 31(3) Generation Licence, condition 4.1.1	5					NP	1				
107	Electricity Industry Act section 41(6) Generation Licence, condition 4.1.1	4					NP					NR
SECTION 13: ELECTRICITY LICENCES - LICENCE CONDITIONS AND OBLIGATIONS												
119	Electricity Industry Act section 11 Generation Licence, condition 4.3.1	4					NP	1				
121	Electricity Industry Act section 11 Generation Licence, condition 5.3.2	4					NP	1				
122	Electricity Industry Act section 11 Generation Licence, condition 5.1.5	4					NP	1				
123	Electricity Industry Act section 11 Generation Licence, condition 4.4.1	4		B					2			
124	Electricity Industry Act section 11 Generation Licence, condition 4.5.1	3		B					2			
125	Electricity Industry Act section 11 Generation Licence, condition 3.8.1 and 3.8.2	4					NP					NR
126	Electricity Industry Act section 11 Generation Licence, condition 3.7.1	4					NP	1				
SECTION 14: ELECTRICITY INDUSTRY METERING CODE - LICENCE CONDITIONS AND OBLIGATIONS												
324	Electricity Industry Metering Code Cl 3.3B Generation Licence, condition 4.1.1	4					NP					NR
339	Electricity Industry Metering Code Cl 3.11(3) Generation Licence, condition 4.1.1	4					NP					NR
371	Electricity Industry Metering Code Cl 4.4(1) Generation Licence, condition 4.1.1	5					NP					NR
372	Electricity Industry Metering Code Cl 4.5(1) Generation Licence, condition 4.1.1	5					NP					NR
373	Electricity Industry Metering Code Cl 4.5(2) Generation Licence, condition 4.1.1	4					NP					NR
388	Electricity Industry Metering Code Cl 5.4(2) Generation Licence, condition 4.1.1	4					NP					NR

407	Electricity Industry Metering Code, CI 5.19(2) Generation Licence, condition 4.1.1	5					NP						NR
408	Electricity Industry Metering Code, CI 5.19(3) Generation Licence, condition 4.1.1	4					NP						NR
410	Electricity Industry Metering Code CI 5.19(6) Generation Licence, condition 4.1.1	5					NP						NR
416	Electricity Industry Metering Code CI 5.21(5) Generation Licence, condition 4.1.1	4					NP						NR
417	Electricity Industry Metering Code CI 5.21(6) Generation Licence, condition 4.1.1	4					NP						NR
448	Electricity Industry Metering Code CI 6.1(2) Generation Licence, condition 4.1.1	4					NP	1					
451	Electricity Industry Metering Code CI 7.2(1) Generation Licence, condition 4.1.1	4					NP	1					
453	Electricity Industry Metering Code CI 7.2(4) Generation Licence, condition 4.1.1	4					NP						NR
454	Electricity Industry Metering Code CI 7.2(5) Generation Licence, condition 4.1.1	4					NP						NR
455	Electricity Industry Metering Code CI 7.5 Generation Licence, condition 4.1.1	4					NP						NR
456	Electricity Industry Metering Code CI 7.6(1) Generation Licence, condition 4.1.1	4					NP						NR
457	Electricity Industry Metering Code CI 8.1(1) Generation Licence, condition 4.1.1	5					NP						NR
458	Electricity Industry Metering Code CI 8.1(2) Generation Licence, condition 4.1.1	5					NP						NR
459	Electricity Industry Metering Code CI 8.1(3) Generation Licence, condition 4.1.1	5					NP						NR
460	Electricity Industry Metering Code CI 8.1(4) Generation Licence, condition 4.1.1	4					NP						NR
461	Electricity Industry Metering Code CI 8.3(2) Generation Licence, condition 4.1.1	5					NP						NR

As required by the Audit Guidelines Section 5.1.6.1, Table 5 lists the number of licence obligations that were given each combination of compliance and controls ratings. The table allows licensees and the ERA to confirm the auditor has rated all relevant licence obligations and provides a simple summary of the licensee's compliance during the audit period.

Table 5 - Compliance and Controls Ratings Summary Table

		Compliance Rating					
		1	2	3	4	N/R	TOTAL
Controls Rating	A	-	-	-	-	-	-
	B	-	3	-	-	-	3
	C	-	-	-	-	-	-
	D	-	-	-	-	-	-
	N/P	10	-	-	-	23	33
	TOTAL	10	3	-	-	23	36

3.2 Asset Management System Review

3.2.1 AMS Review Scope

The scope of the AMS review included an assessment of adequacy and effectiveness of the Walkaway Wind Power Pty Ltd's Asset Management System by evaluating during the audit period 1st November 2016 to 31st October 2021 the following;

1. Asset Planning
2. Asset Creation/Acquisition
3. Asset Disposal
4. Environmental Analysis
5. Asset Operations
6. Asset Maintenance
7. Asset Management Information System
8. Risk Management
9. Contingency Planning
10. Financial Planning
11. Capital Expenditure Planning
12. Review of Asset Management System

The review was established as a requirement of the current Generation Licence issued by the Economic Regulation Authority to Walkaway Wind Farm.

The asset management review followed the ERA approved audit and review plan and used;

- a risk based approach to auditing using the risk evaluation model set out in ISO31000:2018
- an overall effectiveness rating for an asset management process, based on a combination of the process and policy adequacy rating and the performance rating,
- the format and content of the reviewer's report; and post- review plan as described in the Guidelines.
- the Asset Management System Review has been carried out as a 'reasonable assurance engagement'.

Table 6 - List of Personnel Who Participated In Audit & Review

ITEM	NAME	COMPANY	TITLE
1	Matt Dickie	Iberdrola	GM Renewables O&M
2	Greg Needham	Iberdrola	Site Manager, Alinta Wind Farm, Walkaway
3	Jochen Beisser	Vestas	Alinta Wind Farm, Site Manager, Vestas
4	Ruth Oldert	Vestas	Collgar Wind Farm, Site Manager Vestas (Interim Site Manager Walkaway)

The Review was conducted in conjunction with the Performance Audit during November to December 2021 and included desktop review and one day audit on site to execute the review plan, interview sessions and report writing. In total the audit and review required 75 hours of each of the Audit Team member's time.

3.2.2 Asset Management System Review Methodology

The audit methodology detailed in the Audit and Review Guidelines – Electricity and Gas Licences (March 2019) was used in the execution of the Asset Management System Review and was further detailed in the Audit & Review Plan.

The Audit and Review Guidelines – Electricity and Gas Licences (March 2019) (section 5.1.6.2) states that the asset management review report must provide a table that summarises the auditor's assessment of both the process and policy definition rating and the performance rating for each key process in the licensee's asset management system using the scales described in Table 7 and Table 8. It is left to the judgement of the auditor to determine the most appropriate rating for each asset management process.

Table 7- Asset Management Process and Policy Definition Adequacy Ratings

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 being managed.
B	Requires some improvement	<ul style="list-style-type: none"> Processes and policies require 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) requires minor improvements (taking into consideration the assets being managed).
C	Requires substantial improvement	<ul style="list-style-type: none"> Processes and policies are incomplete and require substantial improvement. Processes and policies do not document the required performance of the assets. Reviews of processes and policies are considerably out of date. The asset management information system(s) requires substantial improvements (taking into consideration the assets 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 being managed).

Table 8 - 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	Improvement required	<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. Recommended process improvements are not implemented
3	Corrective action required	<ul style="list-style-type: none"> The performance of the process requires substantial improvement to meet the required level. Process effectiveness reviews are performed irregularly or not at all. Recommended process improvements are not implemented
4	Serious action required	<ul style="list-style-type: none"> Process is not performed or the performance is so poor the process is considered to be ineffective.

3.2.3 Asset Management Review Summary of Findings

The asset management system was found to be appropriate and meets the requirements of the Audit and Review Guidelines – Electricity and Gas Licences (2019). There were no findings where the review performance rating or process and policy rating required recommendations to be made (refer section 5.1.8 of the Audit and Review Guidelines).

As required by section 5.1.6.2 of the Audit & Review Guidelines (March 2019) Table 10 summarises the auditor’s assessment of both the process and policy definition rating and the performance rating for each key process in the licensee’s asset management system, using the scales described in Table 9 (refer Section 3.3, Methodology for Asset Management Review).

Table 9 - Rating Scale Reviews - Process & Policy and Performance

Process And Policy Rating Scale		Performance Rating Scale	
Rating	Description	Rating	Description
A	Adequately defined	1	Performing effectively
B	Requires some improvement	2	Improvement required
C	Requires substantial improvement	3	Corrective action required
D	Inadequate	4	Serious action required
NR	Not rated	NR	Not rated

The process and policy and asset management system adequacy ratings are summarised below;

Table 10 - Asset Management System Effectiveness Summary

ASSET MANAGEMENT SYSTEM CRITERA	PROCESS & POLICY RATING	PERFORMANCE RATING
1. ASSET PLANNING	A	1
1.1 Asset management plan covers the processes in this table	A	1
1.2 Planning processes and objectives reflect the needs of all stakeholders and are integrated with business planning	A	1
1.3 Service levels are defined in the asset management plan	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	1
1.7 Costs are justified and cost drivers identified	A	1
1.8 Likelihood and consequences of asset failure are predicted	A	1
1.9 Asset management plan is regularly reviewed and updated	A	1
2. ASSET CREATION AND ACQUISITION	A	1
2.1 Full project evaluations are undertaken for new assets, including comparative assessment of non- asset options	A	1
2.2 Evaluations include all life-cycle costs	A	1
2.3 Projects reflect sound engineering and business decisions	A	1
2.4 Commissioning tests are documented and completed	A	1
2.5 Ongoing legal / environmental / safety obligations of the asset owner are assigned and understood	A	1
3. ASSET DISPOSAL	A	1
3.1 Under-utilised and under-performing assets are identified as part of a regular systematic review process	A	1
3.2 The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken	A	1
3.3 Disposal alternatives are evaluated	A	1
3.4 There is a replacement strategy for assets	A	1
4. ENVIRONMENTAL ANALYSIS	A	1
4.1 Opportunities and threats in the asset management 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 Service standard (customer service levels etc) are measured and achieved.	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	A	1
5.3 Assets are documented in an asset register including asset type, location, material, plans of components and an assessment of assets' physical/ structural condition	A	1
5.4 Accounting data is documented for assets	A	1

ASSET MANAGEMENT SYSTEM CRITERA	PROCESS & POLICY RATING	PERFORMANCE RATING
5.5 Operational costs are measured and monitored	A	1
5.6 Staff resources are adequate and staff receive training commensurate with their responsibilities.	A	1
6. ASSET MAINTENANCE	A	1
6.1 Maintenance policies and procedures are documented and linked to service levels required	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	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	A	1
7.1 Adequate system documentation for users and IT operators	A	1
7.2 Input controls include suitable verification and validation of data entered into the system	A	1
7.3 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 Computations for licensee performance reporting are accurate	A	1
7.7 Management reports appear adequate for the licensee to monitor licence obligations	A	1
7.8 Adequate measures to protect asset management data from unauthorised access or theft by persons outside the organisation	A	1
8. RISK MANAGEMENT	A	1
8.1 Risk management policies and procedures exist and are applied to minimise internal and external risks	A	1
8.2 Risks are documented in a risk register and treatment plans are implemented and monitored	A	1
8.3 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	A	1
10. FINANCIAL PLANNING	A	1
10.1 The financial plan states the financial objectives and identifies strategies and actions to achieve those	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

ASSET MANAGEMENT SYSTEM CRITERIA	PROCESS & POLICY RATING	PERFORMANCE RATING
10.4 The financial plan provides firm predictions on income for the next five years and reasonable 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 Large variances in actual/budget income and expenses are identified and corrective action taken where necessary	A	1
11. CAPITAL EXPENDITURE PLANNING	A	1
11.1 There is a capital expenditure plan covering works to be undertaken, actions proposed, responsibilities and dates	A	1
11.2 The capital expenditure plan provides reasons for capital expenditure and timing of expenditure	A	1
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 the capital expenditure plan is regularly updated and implemented	A	1
12. REVIEW OF AMS	A	1
12.1 A review process is in place to ensure the asset management plan and the asset management system described in it remain current	A	1
12.2 Independent reviews (e.g. internal audit) are performed of the asset management system	A	1

4. PERFORMANCE AUDIT FINDINGS

4.1 Performance Audit Follow-Up from Previous Audit Findings

This was the fifth audit of EGL02. As such, recommendations from the previous audit and as required by Section 11.3 of the Audit Guidelines (March 2019) are detailed in table 11 below.

Table 11 - Status of Recommendations Addressing Non-Compliances from the Previous Audit

A Resolved during current audit period					
Recommendation Reference (no./year)	Licence Obligation Reference Number	Auditors' Recommendation	Date Resolved	Further Action Required (Yes/No/Not Applicable)	Details of Further Action Required (Including Current Recommendation Reference, if Applicable)
Controls and Compliance Rating					
Legislative Obligation					
Details of Inadequate Controls and/or Non-Compliance					
1/2016	<ul style="list-style-type: none"> 105 B 2 Electricity Industry Act section 17(1) Licensing Fees must be paid on time. 	Agreed PAIP Action - Ensure all ERA invoices received are forwarded to accounts payable within 1 working day of receiving them.	May 2017	Yes - Further Action was required.	Corrective Action implemented as described in 1/2021 – No further recommendations
B Unresolved at end of current audit period					
Details of Inadequate Controls and/or Non-Compliance					
There were no previous audit recommendations that were unresolved at the end of the current audit period					

4.2 2021 Performance Audit Recommendations and Action Plans

Recommendations made within the report are detailed below (if applicable) and will be reviewed and included in the post audit implementation plan (if required) by the licensee to ensure compliance with requirements.

Table 12 - Recommendations to Address Current Non-Compliances and Control Deficiencies

A Resolved during the current audit period				
Recommendation Reference (no./year)	Licence Obligation Reference Number	Auditors' Recommendation	Date	Auditors Comments
	Controls and Compliance Rating		Resolved & Action Taken by the Licensee	
	Legislative Obligation			
	Details of Inadequate Controls and/or Non-Compliance			

There were no audit recommendations that were resolved during the current audit period

B Unresolved during the current audit period				
Recommendation Reference (no./year)	Licence Obligation Reference Number	Auditors' Recommendation	Auditors Comments	
	Controls and Compliance Rating			
	Legislative Obligation			
	Details of Inadequate Controls and/or Non-Compliance			

1/2021	<ul style="list-style-type: none"> • 105 • B 2 • 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. • During the audit period, Standing Data Charges were paid outside the required payment terms on 3 occasions and the Annual Licence fee was paid late on 1 occasion. • The non-compliance was noted in the previous audit (Ref 1/2016) and the corrective action to ensure all ERA invoices received were forwarded to accounts payable within 1 working day of receiving them was noted to not be effective in all instances. 	<p>Review internal control processes and develop corrective actions to ensure payment of licence fees in accordance with the obligations.</p>	<p>Date Resolved – 23/11/2021</p> <p>No further recommendations.</p> <p>To ensure compliance with payment of prescribed licence fees the Licensee should:</p> <ul style="list-style-type: none"> • update the Compliance Task for the payment of Annual Licence fees included in the Risk Wizard system (ref task 5500 – WWFW1 Gen-Licence – Payment of Annual Generation Fee) to include a reference that failure to pay within required timeframes would result in non-compliance with EGL02. • ensure that the required personnel were aware of the licence payment requirements. • Implement internal measures to ensure communications from the accounts department of the ERA are copied to the Site Manager, Alinta Wind Farm, Walkaway and the nominated ERA contact (GM Renewables O&M) to reduce the risk of late payment. Particularly with respect to the standing charges invoice payments, which were due at varying times dependent on date of issue by the ERA.
2/2021	<ul style="list-style-type: none"> • 123 • B 2 • In the manner prescribed, a licensee must notify the ERA, if it is under external administration or if there is a significant change in the circumstances that the licence was granted which may affect the licensee's ability to meet its obligations 	<p>Licensee develops clearly defined roles of responsibility, accountability, consulting, and informing with regards to the requirements of EGL02. Linking the process to a change management procedure is also recommended. For example, through the development of a RACI Matrix for legislative</p>	<p>Refer Post Audit Implementation Plan</p>

requirements that may require awareness at a more senior level within the organisation.

3/2021	<ul style="list-style-type: none"> • 124 • B 2 • A licensee must provide the ERA, in the manner prescribed, with any information that the ERA requires in connection with its functions under the Electricity Industry Act • Failure to submit standing data by due date and inaccurate reporting of non-compliances in Annual Compliance Report. 	<p>Review and develop the control procedures and processes for compliance reporting to ensure that integrity of reporting (i.e., the completeness and accuracy of the compliance reports provided to the ERA). Specifically, to capture all the required compliance obligations, for example:</p> <ul style="list-style-type: none"> ○ Review accounts to verify the timely payment of Annual and Standing Charges licence fees; ○ Review the submission Standing Data to the ERA (i.e. due 30 September annually) and Annual Compliance Reports (i.e., due 31 August annually); ○ Inclusion of the details in the Risk Wizard task with respect the Type 1 and 2 reportable obligations from the Electricity Compliance Reporting Manual to ensure these are to be considered in the preparation of the Annual Compliance Report; ○ The need to check if the Electricity Compliance Reporting Manual has been updated by the ERA and reference to obligation number could be incorporated into Risk Wizard Task; ○ Development of a RACI Matrix to communicate leadership and accountability and improve compliance awareness. ○ Undertaking an internal audit would assist in ensuring compliance was not retrospective. ○ Earlier preparation of the Annual Compliance Report to facilitate a thorough review of compliance obligations (noted all submitted very close to the due date) 	Refer Post Audit Implementation Plan
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- Detailing the scope of the requirements within the control procedures, such as, Asset Management Plan or SRMTMP;
 - Completion of the Compliance Plan noted as “to be written” (refer section 3.10 Regulatory Compliance of the AMP)
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-

5. ASSET MANAGEMENT SYSTEM EFFECTIVENESS REVIEW FINDINGS

5.1 Asset Management Review Follow-Up from Previous Review Findings

This was the fifth Review and no recommendations were made from previous review.

Table 13 – Recommendations, Previous Review Implementation Plan

A Resolved during current review period				
Recommendation Reference (no./year)	Rating	Auditors' Recommendation	Date Resolved	Further Action Required (Yes/No/Not Applicable)
	Asset Management Process and Effectiveness Criterion			
	Details of Deficiency			Details of Further Action Required (Including Current Recommendation Reference, if Applicable)
	Details of Inadequate Controls and/or Non-Compliance			

There were no review recommendations identified in the 2017 Asset Management Review and as such there were no previous review recommendations that were resolved during of the current audit period

B Unresolved at end of current review period

There were no review recommendations identified in the 2017 Asset Management Review and as such there were no previous review recommendations that were unresolved at the end of the current audit period

5.2 2021 Asset Management System Recommendations and Action Plans

As stipulated in section 5.3 of the Audit and Review Guidelines – Electricity and Gas Licences (March 2019), the Audit Team noted that the Asset Management Review Post Implementation Plan does not form part of the Audit Opinion. There were no recommendations made from the current review that required post implementation plans.

Table 14 – Recommendations to Address Current Asset System Deficiencies

A Resolved during current review period				
Recommendation Reference (no./year)	Rating	Action Taken by Licensee	Date Resolved	Auditor’s Comments
	Asset Management Process and Effectiveness Criterion			
	Details of Deficiency Details of Inadequate Controls and/or Non-Compliance			
The Review found no AMS deficiencies. There were no recommendations made from the current review.				
B Unresolved during current review period				
The Review found no AMS deficiencies. There were no recommendations made from the current review.				

6. DEVIATION FROM THE AUDIT & REVIEW PLAN

As required by section 5.1.4 of the Audit and Review Guidelines – 2019, Auditors must identify any licence obligations or effectiveness criteria that were assessed after the approval of the audit and review plan by the ERA, as ‘not applicable’ or if the auditor has revised the audit priority for one or more licence obligations, the auditor must identify this in the report. There were no deviations from the Audit and Review Plan.

APPENDIX 1- WALKAWAY WIND FARM PERFORMANCE AUDIT

DECEMBER 2021

Table 15 – Performance Audit

12. Electricity Industry Act – Licence conditions and obligations			
No.	AUDIT REPORT EVIDENCE/ /VERIFICATION/FINDING/ACTION		
101 Type [2]	OBLIGATION: <i>Generation Licence, condition 5.3.1 / Electricity Industry Act, section 13(1)</i>		Controls Rating:
	A licensee must provide the ERA with a performance audit conducted by an independent expert acceptable to the ERA, not less than once every 24 months.		NP
	<p>Compliance Rating:</p> <p>1</p> <p>Finding – This was the fifth Audit conducted by an independent auditor for the current licensee since the licence was granted in 27 January 2006. The requirement for the audit was monitored by Risk Wizard. Additionally, it was raised in email communications and correspondence with the Secretariat. GES was appointed with the Authority’s approval to undertake the performance audit for the audit period on the 2 September 2021 (Authority Document Ref: D238111). The audit confirmed the previous Performance Audit report was provided to the ERA in March 2017 for the audit period of 45 months from 1 February 2013 to 31 October 2016.</p> <p>Documents/Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway, GM Renewables O&M, Risk Wizard, 15, 69, 74,75, 100</p> <p>Observations:</p> <ul style="list-style-type: none"> • Licensee used Risk Wizard as a Compliance tool. • Various communication between licensee and the Authority • Audit & Review Plan developed and approved in accordance with Audit Guidelines • Previous Audit Period 1 February 2013 to 31 October 2016 Report was provided and the report dated 20/3/2017 was published on the Authority’s Website. Current Audit Period 1 November 2016 to 31 October 2021 		
	Recommendation:		Action:
	<ul style="list-style-type: none"> • Nil 		<ul style="list-style-type: none"> • Nil
102 Type [NR]	OBLIGATION: <i>Generation Licence, condition 5.1.1 / Electricity Industry Act, section 14(1)(a)</i>		Controls Rating:
	A licensee must provide for an asset management system.		NP
	<p>Compliance Rating:</p> <p>1</p> <p>Finding – The licensee provided for, developed and implemented an effective Asset Management System for Walkaway Wind Farm. An Asset Management Strategy has been developed at a parent company level and was aligned with ISO 55000. The Asset Management Plan (AMP) was developed and reviewed by Iberdrola for the Walkaway Wind Farm specifically. The AMP and the Safety, Reliability, Maintenance & Technical Management Plan (SRMTMP) documentation addressed the Audit Guideline requirements. The Licensee ensured compliance with regards to the AMS elements. Further detail is referenced in Appendix 2.</p>		

	<p>Documents/Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway, GM Renewables O&M, 1 -6, 11-14, 24, 25, 38.</p> <p>Observations:</p> <ul style="list-style-type: none"> • AMP comprehensive covering all requirements in the Audit Guidelines • The SRMTMP was developed to assist Iberdrola Australia ensure a safe workplace and comply with the requirement for Walkaway Wind Farm to implement an Asset Management System in accordance with the Generation Licence as issued by the ERA WA. • The AMP and SRMTMP defined the roles, responsibilities and business relationship between Iberdrola and Vestas • Asset Management Strategy applies to all Iberdrola Australia owned and/or operated sites 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> • Nil 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
<p>103 Type [2]</p>	<p>OBLIGATION: <i>Generation Licence, condition 5.1.2 and 5.1.3 / Electricity Industry Act, section 14(1)(b)</i> A licensee must notify details of the asset management system and any substantial changes to it to the ERA.</p>	<p>Controls Rating:</p>	<p>Compliance Rating:</p>
	<p>Finding – There were no substantial changes made to the asset management system during the audit period.</p> <p>Documents/Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway, GM Renewables O&M, email to ERA notifying change of details (16/7/21)</p> <p>Observations:</p> <ul style="list-style-type: none"> • The Walkaway Wind Farm was purchased by Iberdrola from Infigen Energy during the audit period. The Licensee remained Walkaway Wind Power Pty Ltd and the staff and contractors have not changed on site. • It was noted that the AMS did not change, the CMMS did not change and the Contactor and the operational personnel all remained with the Walkaway Wind Farm. The licensee name Walkaway Wind Power Pty Ltd remained unchanged. • Compliance monitored at the site and management level. • Compliance with the requirement was monitored in Risk Wizard. 	<p>NP</p>	<p>NR</p>
	<p>Recommendation:</p> <ul style="list-style-type: none"> • Nil 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	

104 Type [2]	OBLIGATION: <i>Generation Licence, condition 5.1.4 / Electricity Industry Act, section 14(1)</i> A licensee must provide the ERA with a report by an independent expert about the effectiveness of its asset management system every 24 months, or such longer period as determined by the ERA	Controls Rating:	Compliance Rating:
		NP	1
<p>Finding – This was the fifth Asset Management System Review conducted by an independent auditor for the current licensee since the licence was granted in 27 January 2006. The requirement for the review was monitored by Risk Wizard. Additionally, it was raised in email communications and correspondence with the Secretariat. The audit confirmed the previous Performance Audit report was provided to the ERA in March 2017 for the review period of 45 months from 1 February 2013 to 31 October 2016.</p> <p>Documents/Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway, GM Renewables O&M, Risk Wizard, 15, 69, 74,75, 100</p> <p>Observations:</p> <ul style="list-style-type: none"> • Licensee used Risk Wizard as a Compliance tool. • Various communication between licensee and the Authority • Audit & Review Plan developed and approved in accordance with Audit Guidelines • Previous Audit Period 1 February 2013 to 31 October 2016 Report was provided and the report dated 20/3/2017 was published on the Authority's Website. Current Audit Period 1 November 2016 to 31 October 2021 • GES was appointed with the Authority's approval to undertake the performance audit for the audit period on the 2 September 2021 (Authority Document Ref: D238111). 			
Recommendation:		Action:	
<ul style="list-style-type: none"> • Nil 		<ul style="list-style-type: none"> • Nil 	
105 Type [2]	OBLIGATION: <i>Generation Licence, condition 4.2.1/ Economic Regulation Authority (Licensing Funding) Regulations 2014</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.	Controls Rating:	Compliance Rating:
		B	2
<p>Finding – The Licensee paid the Annual Licence fee late once and the Standing Charges invoice late on three occasions during the audit period.</p> <p>Documents/Evidence –ERA INVOICES, ERA Licence Fee Report, Risk Wizard, Screen Shot email rule established for ERA Accounts, 69-73</p> <p>Observations:</p>			

- Standing Data charges 20 Invoices applicable to the audit period. Noted 3/20 were late in payment 85% were paid within terms.
- Provision for regulatory fees detailed in the budget
- Walkaway Wind Farm AMP and SRMTMP doesn't specifically refer to the Standing Data Charges.
- During the Audit it was confirmed that the Licensee established a process to ensure communication from the ERA was copied to more than the recipient to ensure awareness to communication requirements.
- Compliance for annual fees was monitored in Risk Wizard
- Compliance for standing charges included the email communication copied to ERA Contact and Site Manager
- Noted that 105 was non-compliant in the 2016 Audit Report. The effectiveness of the corrective action identified in the previous audit report was not entirely effective in eliminating non-compliance

During the Audit period (1 November 2016 to 31 October 2021) the annual licence charge for EGL02 paid;

LICENCE PERIOD	ERA INVOICE REF	DATE PAID	DUE DATE	COMPLIANT	COMMENTS
27 January 2017 to 26 January 2018	ERA100991	16/03/2017	26 th February 2017	NO	<u>Note</u> : Invoice Date 11/1/2017
27 January 2018 to 26 January 2019	ERA101406	25/01/2018	26 th February 2018	YES	<u>Note</u> : Invoice Date 16/1/2018
27 January 2019 to 26 January 2020	ERA 101840	24/01/2019	26 th February 2019	YES	<u>Note</u> : Invoice Date 10/1/2019
27 January 2020 to 26 January 2021	ERA102297	22/01/2020	26 th February 2020	YES	<u>Note</u> : Invoice Date 15/1/2020
27 January 2021 to 26 January 2022	ERA100200	04/02/2021	26 th February 2021	YES	<u>Note</u> : Invoice Date 27/1/2021

During the Audit period (1 November 2016 to 31 October 2021) the standing data charges for EGL02 that were not paid within terms;

CHARGE PERIOD	ERA INVOICE REF	DATE PAID	DUE DATE	COMPLIANT	COMMENTS
Quarter Jan-Mar 2017	ERA101178	13/07/2017	30/06/2017	NO	<u>Note</u> : Invoice Date 31/05/2017
Quarter July-Sept 2018	ERA101833	24/01/2019	18/01/2019	NO	<u>Note</u> : Invoice Date 19/12/2018
Quarter Oct-Dec 2019	ERA102382	30/04/2020	19/03/2020	NO	<u>Note</u> : Invoice Date 18/02/2020

Recommendation:

1/2021 – To ensure compliance with payment of prescribed licence fees the Licensee should:

Action:

- The following corrective actions were confirmed, by the Audit Team, as

	<ul style="list-style-type: none"> • update the Compliance Task for the payment of Annual Licence fees included in the Risk Wizard system (ref task 5500 – WWFW1 Gen-Licence – Payment of Annual Generation Fee) to include a reference that failure to pay within required timeframes would result in non-compliance with EGL02. • ensure that the required personnel were aware of the licence payment requirements. • implement internal measures to ensure communications from the accounts department of the ERA are copied to the Site Manager, Alinta Wind Farm, Walkaway and the nominated ERA contact (GM Renewables O&M) to reduce the risk of late payment. Particularly with respect to the standing charges invoice payments, which were due at varying times dependent on date of issue by the ERA. 	having been undertaken by the Licensee outside the audit period: <ul style="list-style-type: none"> ○ Updating of the Compliance Task as detailed in the recommendation, ○ Increasing the awareness to the requirement for payment of licence fees by responsible personnel and communicating implication of payment outside terms. ○ Communication informing the Iberdrola Accounts Department of the requirements. ○ Creation of email rule to ensure ERA Accounts emails were copied to required personnel for action. <ul style="list-style-type: none"> • No further recommendations are made. 	
106 Type [NR]	<p>OBLIGATION: <i>Generation Licence, condition 4.1.1 / 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.</p>	<p>Controls Rating: NP</p>	<p>Compliance Rating: 1</p>
<p>Finding – The Licensee and the Site Contractor have undertaken risk assessments and the Licensee had taken significant measures to ensure the plant performance both contractually and operationally. The site contractor, Vestas had full responsibilities to drive all operation and maintenance activities of the WTGs. Vestas were contractually incentivised to perform maintenance services during low winds and to schedule major outages (especially HV maintenance) to coincide with Western Power’s (Transmission Network Service Provider in Western Australia) annual maintenance. The WWF AMP 2019-2025 details risk management and performance improvement projects undertaken by Vestas. The Key Risk Management Projects are identified via the Asset and Operations Risk Register. Additionally, well established accident and emergency procedures were developed and implemented.</p> <p>Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway, GM Renewables O&M, 1,2, 16- 25, 38, 84.</p> <p>Observations:</p> <ul style="list-style-type: none"> • Vestas has contractual incentives to ensure availability of the Walkaway Wind Farm. • MoU with DFES • Site was greater than 10 years LTI free. • Limited impact experienced from Covid-19 driven supply chain issues. 			

	<ul style="list-style-type: none"> Asset failure risks were covered by Vestas and evident in site risk registers, operational documentation, AMP Spares readily available on site. Ilderrola monitored availability through management reporting processes. Projects to upgrade the WTGs to minimise risk from lightning were noted, specifically the installation of copper caps. Cyclone Seroja in April 2021 caused some production losses however they were attributed to Western Power transmission line outages after Seroja. Walkaway Wind Farm was offline from 11th April to 25th May 2021. Extreme weather events were noted to be included in the site risk register. The Licensee confirmed, following the cyclone event the risk was reviewed and the operational controls were updated as required. 		
	Recommendation: <ul style="list-style-type: none"> Nil 	Action: <ul style="list-style-type: none"> Nil 	
107 Type [2]	OBLIGATION: <i>Generation Licence, condition 4.1.1 / Electricity Industry Act, section 41(6)</i> A licensee must pay the costs of taking an interest in land or an easement over land.	Controls Rating:	Compliance Rating:
		NP	NR
	Finding – The GM Renewables O&M confirmed that Walkaway Wind Farm did not take an interest or an easement over land at the recommendation or direction of the Minister under the Licence during the audit period, as defined by Part 9 the <i>Land Administration Act 1997</i> . Land access arrangements have been established. The Walkaway Wind Farm leased land through 7 land leases. The lease agreements were provided for review. The SRMTMP and the AMP noted negotiation of leases to align with the increased life expectancy of the WTGs. Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway, GM Renewables O&M, 48 Observations: <ul style="list-style-type: none"> Obligation specific to the requirements of the <i>Land Administration Act 1997</i> Confirmed the terms of the lease are aligned with of the expiry terms of EGL02 and the increased life expectancy of the Wind Farm. 		
	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	
13 Electricity Licences – Licence Conditions and Obligations			
119 Type	OBLIGATION: <i>Generation Licence, condition 4.3.1 / Electricity Industry Act, section 11</i>	Controls Rating:	Compliance Rating:
		NP	1

[2]	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.		
<p>Finding – Infigen Energy as an ASX listed company prepared financial statements for the financial years ending 30 June were audited by independent third party accountants and assessed compliance with Australian financial reporting standards. The Financial Reports contained a statement of compliance that the financial statements were prepared in accordance with the relevant Australian Accounting Standards and Interpretations as related to the Licensee. With respect to the purchase of Infigen Energy by the Spanish company Iberdrola it is understood there was a change in accounting standards from Australian Accounting Standards to International Financial Reporting Standards.</p> <p>Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway, GM Renewables O&M, 67</p> <p>Observations:</p> <ul style="list-style-type: none"> • Infigen audited financial statements FY2017-2020 • Accounting records maintained for the audit period • Change in accounting standards from Australian Accounting Standards to International Financial Reporting Standards (IFRS) with change in ownership. • Change in the timeframe for the preparation of annual financial statements to align with Spanish financial year which runs from 1 January to 31 December. 			
Recommendation: <ul style="list-style-type: none"> • Nil 		Action: <ul style="list-style-type: none"> • Nil 	
121 Type [2]	OBLIGATION: Generation Licence, condition 5.3.2 / Electricity Industry Act, section 11 A licensee must comply, and require its auditor to comply, with the ERA's standard audit guidelines for a performance audit	Controls Rating: NP	Compliance Rating: 1
<p>Finding – The Licensee detailed the scope of works for the Auditor and requested the Auditor to comply with the Economic Regulation Authority's 2019 Audit and Review Guidelines.</p> <p>Documents/Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway, GM Renewables O&M, 69, 74, 75</p> <p>Observations:</p> <ul style="list-style-type: none"> • Copies of communications received from the Authority relating to audit requirements were sent by Licensee through to Auditor to convey requirements specifically the undertaking of audits in compliance with the Audit & Review Guidelines: Electricity Gas and Water Licences. 			
Recommendation:		Action:	

	<ul style="list-style-type: none"> Nil 		<ul style="list-style-type: none"> Nil
122 Type [2]	OBLIGATION: Generation Licence, condition 5.1.5 / Electricity Industry Act, section 11 A licensee must comply, and must require the licensee's expert to comply, with the relevant aspects of the ERA's standard audit guidelines for an asset management system review.	Controls Rating:	Compliance Rating:
		NP	1
<p>Finding – The Licensee engaged the Auditor with a contract and requested the Auditor to comply with the Economic Regulation Authority's 2019 Audit and Review Guidelines.</p> <p>Documents/Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway, GM Renewables O&M, 69, 74,75</p> <p>Observations:</p> <ul style="list-style-type: none"> Copies of communications received from the Authority relating to audit requirements were sent by Licensee through to Auditor to convey requirements specifically the undertaking of audits in compliance with the Audit & Review Guidelines: Electricity Gas and Water Licences. 			
Recommendation: <ul style="list-style-type: none"> Nil 		Action: <ul style="list-style-type: none"> Nil 	
123 Type [2]	OBLIGATION: Generation Licence, condition 4.4.1 / Electricity Industry Act, section 11 In the manner prescribed, a licensee must notify the ERA, if it is under external administration or if there is a significant change in the circumstances that the licence was granted which may affect the licensee's ability to meet its obligations.	Controls Rating:	Compliance Rating:
		B	2
<p>Finding – The Licensee did not notify the ERA within 10 business days of the change in corporate circumstances, in relation to the change in ownership of the Walkaway Wind Farm, as required by the Generation Licence. The Walkaway Wind Farm was purchased by Iberdrola on 21/12/20. The Licensee notified the ERA of the change in ownership of the 16/7/2021 in response to a task scheduled for annual review in Risk Wizard. The AMS, the Contactor, the licensee name and the operational personnel all remained with the Walkaway Wind Farm.</p> <p>It was noted the Licensee notified the ERA of the change in ownership in response to a Risk Wizard task for internal audit and subsequently notification was made to the ERA within 10 business days of this task being raised to management. The awareness to the reporting obligation was not made apparent until the Risk Wizard task prompted its consideration.</p> <p>Documents/Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway, GM Renewables O&M, 69, 101</p> <p>Observations –</p> <ul style="list-style-type: none"> It was noted that the AMS did not change, the CMMS did not change and the Contactor and the operational personnel all remained with the Walkaway Wind Farm. The licensee name Walkaway Wind Power Pty Ltd remained unchanged. 			

	<ul style="list-style-type: none"> Following completion of the relevant requirements of the compulsory acquisition process, Iberdrola Australia completed acquisition of the remaining Infigen stapled securities, effective 21 December 2020. Notice was documented in a public statement issued by Infigen on 22 December 2020. The organisation had established process to ensure responsibility and accountability were managed, however, the consulted and informed functions were not well implemented. Organisation did not have a process to ensure interested parties were consulted (i.e Stakeholders). While the Licensee has established a control process (i.e. Risk Wizard) for the assessment of compliance with the legislative and other requirements. The obligations of the Licence were not well embedded into the processes of the organisation and as such the need to report the change in ownership in accordance with EGL02 was not undertaken. 		
	<p>Recommendation:2/2021 – Licensee develops a RACI matrix to clearly define roles of Responsibility, Accountability, Consulting, and Informing with regards to the requirements of EGL02. For example, through the development of a RACI Matrix for legislative requirements that may require awareness at a more senior level within the organisation. Specifically, the development of a RACI Matrix could assist in clarifying and defining roles and responsibilities in cross-functional or vertical departmental processes and would be beneficial, particularly with regard to regulatory and change management issues (i.e., change in personnel or legislation), to avoid non-compliances that the people accountable or responsible for may not recognise.</p>	<p>Action:</p> <ul style="list-style-type: none"> Refer Post Audit Implementation Plan 	
<p>124 Type [2]</p>	<p>OBLIGATION: Generation Licence, condition 4.5.1 / Electricity Industry Act, section 11 A licensee must provide the ERA, in the manner prescribed, with any information that the ERA requires in connection with its functions under the Electricity Industry Act.</p>	<p>Controls Rating: B</p>	<p>Compliance Rating: 2</p>
	<p>Finding – During the Audit Period the Licensee provided the Authority with Annual Compliance Reports which were required to be submitted by the 31st August annually and they were noted to have been submitted within the specified timeframe. Standing data was recorded as being submitted late for the 2018 reporting period and was reported as a non-compliance in 2019 Annual Compliance Report.</p> <p>The Licensee did not accurately report all the compliance details with respect to the provision of information to the ERA, specifically:</p> <ul style="list-style-type: none"> It is noted that the 2017 Annual Compliance Report reported the late payment of 2017 Annual Licence Fee but did not report the non-compliance for late of payment of the 2017 March Quarter Standing Charges. 2019 Annual Compliance Report did not report late payment of the 2018 September Quarter Standing Charges 2020 Annual Compliance Report did not report late payment of the 2019 December Quarter Standing Charges <p>Iberdrola corporate systems (i.e. Risk Wizard) implemented to ensure Annual Compliance Reports were submitted on time have been effective. However, not all of the non-compliances incurred were reported as required in the Annual Compliance Reports. As such, the non-compliance is noted in relation to failure to provide the information requested by the due date and the Licensee's operational controls in relation to provision of information and awareness to compliance requirements.</p> <p>Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway, GM Renewables O&M, 69, 70, ERA Licence Fee Report, Risk Wizard, Screen Shot email rule established for ERA Accounts.</p>		

	<p>Observations:</p> <ul style="list-style-type: none"> • There were anomalies in the reporting of non-compliances as the 2017 Annual Compliance report should have late payment for annual fee as well as standing data, 2019 and 2020 Annual compliance reports should have reported late payment for standing data • 2018 Licence Standing Charge Data for Walkaway Wind Power Pty Ltd (EGL02) late payment reported in 2019 Annual Compliance Report • 2021 Licence Standing Charge Data for Walkaway Wind Power Pty Ltd (EGL02) emails were sighted • Emails to confirm the submission of Standing Data by the 30 Sept for the 2017, 2019 and 2020 reporting years were provided for review and demonstrated timely submission. 		
	<p>Recommendation: 3/2021 - Review and develop the control procedures and processes for compliance reporting to ensure that integrity of reporting (i.e., the completeness and accuracy of the compliance reports provided to the ERA). Specifically, to capture all the required compliance obligations, for example:</p> <ul style="list-style-type: none"> ○ Review accounts processes and compliance tasks to verify the timely payment of Annual and Standing Charges licence fees; ○ Review the compliance tasks for the submission Standing Data to the ERA (i.e. due 30 September annually) and Annual Compliance Reports (i.e., due 31 August annually); ○ Include the requirements in the Risk Wizard compliance task with respect the Type 1 and 2 reportable obligations from the Electricity Compliance Reporting Manual to ensure these are to be considered in the preparation of the Annual Compliance Report; ○ Checking if the Electricity Compliance Reporting Manual has been updated by the ERA and reference to obligation number in the Risk Wizard Compliance Task; ○ Development of a RACI Matrix to communicate leadership and accountability and improve compliance awareness. ○ Undertaking an internal audit prior to the preparation of the Annual Compliance Report would assist in ensuring compliance was not retrospective. ○ Earlier preparation of the Annual Compliance Report to facilitate a thorough review of compliance obligations (noted all submitted very close to the due date) ○ Detailing the scope of the requirements within the control procedures, such as, Asset Management Plan or SRMTMP; Completion of the Compliance Plan noted as “to be written” (refer section 3.10 Regulatory Compliance of the AMP) 	<p>Action:</p> <ul style="list-style-type: none"> • Refer Post Audit Implementation Plan 	
<p>125 Type [2]</p>	<p>OBLIGATION: Generation Licence, condition 3.8.1 and 3.8.2 / Electricity Industry Act, section 11</p>	<p>Controls Rating:</p>	<p>Compliance Rating:</p>
	<p>A licensee must publish any information as directed by the ERA to publish, within the timeframes specified.</p> <p>Finding – The ERA did not direct the Licensee to publish any information within the audit period.</p>	<p>NP</p>	<p>NR</p>

	<p>Evidence – Review of ERA website and confirmation during interview with Site Manager, Alinta Wind Farm, Walkaway, and GM Renewables</p> <p>Observations:</p> <ul style="list-style-type: none"> • Nil 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> • Nil 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
126 Type [2]	<p>OBLIGATION: Generation Licence, condition 3.7.1 / Electricity Industry Act, section 11 <i>All notices must be in writing, unless otherwise specified.</i></p>	<p>Controls Rating: NP</p>	<p>Compliance Rating: 1</p>
	<p>Finding – During the audit period the Licensee maintained records of communication with the Authority, primarily via mail or email communication. All responses were in writing and specific notices in relation to the Generation Licence were reviewed as part of the audit.</p> <p>Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway, GM Renewables O&M, 69, 70.</p> <p>Observations:</p> <ul style="list-style-type: none"> • Examples of communications provided. 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> • Nil 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
15 Electricity Industry Metering Code – Licence Conditions and Obligations			
324 Type [2]	<p>OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 3.3B If a user is aware of bi-directional electricity flows at a metering point that was not previously subject to a bi-directional flows or any changes in a customer’s or user’s circumstances in a metering point that will result in bi-directional flows, the user must notify the network operator within 2 business days.</p>	<p>Controls Rating: NP</p>	<p>Compliance Rating: NR</p>

	<p>Finding – Meters at the Walkaway Wind Farm were subject to bi-directional flows. There was no change with respect to bi-directional flows during the audit period. The Licensee continued to import power from Synergy as required. Normal operating conditions required this only occurs when the plant is not generating sufficient electricity for site consumption.</p> <p>Evidence –Interview with Site Manager, Alinta Wind Farm, Walkaway & the Alinta Wind Farm, Site Manager, Vestas</p> <p>Observations:</p> <ul style="list-style-type: none"> • Nil 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> • Nil 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
339 Type [NR]	<p>OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 3.11(3)</p> <p>A Code participant who becomes aware of an outage or malfunction of a metering installation must advise the network operator as soon as practicable.</p>	<p>Controls Rating:</p> <p>NP</p>	<p>Compliance Rating:</p> <p>NR</p>
	<p>Finding – WPN had primary responsibility for the management and monitoring of meters. There were no outages or malfunctions identified during the audit period. Operations management monitor usage through production calculations and could generally identify an error.</p> <p>Evidence – Site Inspection & Interview with Site Manager, Alinta Wind Farm, Walkaway</p> <p>Observations:</p> <ul style="list-style-type: none"> • Vestas Services Agreement noted that compliance with Wholesale Electricity Market Rules and the Generation Licence and WPN Technical Standards as well as other applicable legislation. <p>It was noted that Western Power were responsible for installing and operating all meters located within the premises of the Walkaway Wind Farm. Refer to image.</p>		
	<p>Recommendation:</p> <ul style="list-style-type: none"> • Nil 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
371 Type	<p>OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 4.4(1)</p> <p>If there is a discrepancy between energy data held in a metering installation and in the metering database, the affected Code participants and the network operator must liaise to determine the most appropriate way to resolve the discrepancy.</p>	<p>Controls Rating:</p> <p>NP</p>	<p>Compliance Rating:</p> <p>NR</p>

[NR]	<p>Finding – There were no discrepancies between energy data held in metering installation and in the metering database. As such compliance with this requirement cannot be made.</p> <p>Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway</p> <p>Observations:</p> <ul style="list-style-type: none"> • Nil 			
	<p>Recommendation:</p> <ul style="list-style-type: none"> • Nil 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 		
372 Type [NR]	<p>OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 4.5(1) A Code participant must not knowingly permit the registry to be materially inaccurate.</p>		<p>Controls Rating:</p> <p>NP</p>	<p>Compliance Rating:</p> <p>NR</p>
	<p>Finding – The Licensee did not maintain any standing data or energy data in relation to the metering installations captured under the Metering Code. These activities were managed by the Network Operator and were outside the control of the Licensee. The Network operator maintained sole responsibility for the management of standing data within the registry and/or metering database of these obligations for the period 1 November 2016 to 31 October 2021;</p> <ul style="list-style-type: none"> • Maintenance and operation of the meters • Energy Data maintained in the metering database • Standing Data in the metering registry • All obligations defined in the Metering Code and the Wholesale Electricity Market Rules. <p>Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway</p> <p>Observations:</p> <ul style="list-style-type: none"> • Nil 			
	<p>Recommendation:</p> <ul style="list-style-type: none"> • Nil 		<p>Action:</p> <ul style="list-style-type: none"> • Nil 	

		Controls Rating:	Compliance Rating:
373 Type [NR]	OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 4.5(2) Subject to subclause 5.19(6), if a Code participant, other than a network operator, becomes aware of a change to, or 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.	NP	NR
	As per finding against obligation 372		
	Recommendation: <ul style="list-style-type: none"> Nil 	Action: <ul style="list-style-type: none"> Nil 	
388 Type [2]	OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 5.4(2) 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).	NP	NR
	Finding – The network operator did not requested the assistance of the Licensee with respect to their metering installation during the audit period.		
	Evidence – Site Inspection & Interview with Site Manager, Alinta Wind Farm, Walkaway		
	Observations: <ul style="list-style-type: none"> The Licensee has no access to meters and the Western Power meters located at the Walkaway Wind Farm are secured. 	Action: <ul style="list-style-type: none"> Nil 	
407 Type [NR]	OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 5.19(2) A user must, to the extent that it is able, collect and maintain a record of the prescribed information in relation to the site of each connection point with which the user is associated	NP	NR
	Finding – The Licensee had no meters and all metering obligations were undertaken by Western Power. The only connection point was with Western Power, as such there was no requirement to collect and maintain records of the prescribe information, being site, address or customer attributes.		

	<p>Evidence – Site Inspection & Interview with Site Manager, Alinta Wind Farm, Walkaway</p> <p>Observations:</p> <ul style="list-style-type: none"> • Nil 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> • Nil 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
408 Type [2]	<p>OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 5.19(3)</p> <p>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.</p>	<p>Controls Rating:</p> <p>NP</p>	<p>Compliance Rating:</p> <p>NR</p>
	<p>Finding – Walkaway Wind Farm as an electricity generator did not become aware of any change in attribute including address of the site, NMI of each connection point, customer name, customer address, and requirement for life support (Refer 5.19(2) in observation below.</p> <p>Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway , site inspection</p> <p>Observations:</p> <ul style="list-style-type: none"> • 5.19(3A) and 5.19(6) specifically relate to Retail Licences with respect the Code of Conduct for Small Use Customers and the Metering Code Model* Service Level Agreement (SLA) • Walkaway Wind Farm as a <i>user</i> with an <i>access contract</i> 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> • Nil 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
410 Type [NR]	<p>OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 5.19(6)</p> <p>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</p>	<p>Controls Rating:</p> <p>NP</p>	<p>Compliance Rating:</p> <p>NR</p>
	<p>Finding – During the audit period there was no provision of standing data by the network operator to the user that resulted in the user notifying the network operator of a change in attributes.</p> <p>Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway , site inspection</p>		

	Observations: <ul style="list-style-type: none"> Nil 		
	Recommendation: <ul style="list-style-type: none"> Nil 	Action: <ul style="list-style-type: none"> Nil 	
416 Type [2]	OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 5.21(5) 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.	Controls Rating: NP	Compliance Rating: NR
	Finding – No tests were requested during the audit period 1 November 2016 to 31 October 2021 Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway , site inspection Observations: <ul style="list-style-type: none"> Nil 		
	Recommendation: <ul style="list-style-type: none"> Nil 	Action: <ul style="list-style-type: none"> Nil 	
417 Type [2]	OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 5.21(6) A Code participant must not make a request under subclause 5.21(1) that is inconsistent with any access arrangement or agreement.	Controls Rating: NP	Compliance Rating: NR
	As per finding against obligation 416		
	Recommendation: <ul style="list-style-type: none"> Nil 	Action: <ul style="list-style-type: none"> Nil 	
448 Type	OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 6.1(2)	Controls Rating: NP	Compliance Rating: 1

[2]	A user must, in relation to a network on which it has an access contract, comply with the rules, procedures, agreements and criteria prescribed.		
<p>Finding – The Licensee had an ETAC and has complied with the communication rules, metrology procedures, model service level agreement (to the extent to which it applies to Walkaway Wind Farm and Western Power) and mandatory link criteria prescribed.</p> <p>Walkaway Wind Farm had an ETAC with Western Power which outlines the obligations of both parties in relation to metering equipment and activities. The metering obligations applicable to Walkaway Wind Farm under the ETAC are limited to maintaining relevant communications with Western Power and to provide any required access to its premises. Compliance with the requirement was confirmed by the Site Manager, Alinta Wind Farm, Walkaway and is noted in the Vestas Services Agreement section 2.14 and the AMP.</p> <p>Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway and GM Renewables O&M, 46</p> <p>Observations:</p> <ul style="list-style-type: none"> • Evidence of compliance with this requirement provided and confirmed in discussions with management. 			
<p>Recommendation:</p> <ul style="list-style-type: none"> • Nil 		<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
451 Type [NR]	<p>OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 7.2(1)</p> <p>Code participants must use reasonable endeavours to ensure that they can send and receive a notice by post, facsimile and electronic communication and must notify the network operator of a telephone number for voice communication in connection with the Code.</p>	<p>Controls Rating:</p> <p>NP</p>	<p>Compliance Rating:</p> <p>1</p>
<p>Finding – The Walkaway Wind Farm site had well established communication processes such as a main telephone line, mobile telephone coverage, remote system monitoring, and wireless internet access. Further operating arrangements defined in the ETAC with Western Power and the Western Power Portal ensure these obligations are met. During the audit period there were no communication issues arising.</p> <p>Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway , site inspection</p> <p>Observations:</p> <ul style="list-style-type: none"> • Internet was available 			
<p>Recommendation:</p>		<p>Action:</p>	

	<ul style="list-style-type: none"> Nil 		<ul style="list-style-type: none"> Nil
453 Type [2]	OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 7.2(4) 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.	Controls Rating:	Compliance Rating:
		NP	NR
	Finding – During the period 1 November 2016 to 31 October 2021 the network operator did not request the licensee to provide its contact details. There were no changes made to Licensee's contact details. Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway and GM Renewables O&M Observations: <ul style="list-style-type: none"> Nil 		
	Recommendation: <ul style="list-style-type: none"> Nil 	Action: <ul style="list-style-type: none"> Nil 	
454 Type [2]	OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 7.2(5) A Code participant must notify any affected network operator of any change to the contact details it notified to the network operator under subclause 7.2(4) at least 3 business days before the change takes effect.	Controls Rating:	Compliance Rating:
		NP	NR
	Finding – There were no changes in contact details for the Licensee during the audit period 1 November 2016 to 31 October 2021. Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway and GM Renewables O&M Observations: <ul style="list-style-type: none"> The WWF AMP 2019 – 2025 and the SRMTMP did not define this requirement 		
	Recommendation: <ul style="list-style-type: none"> Nil 	Action: <ul style="list-style-type: none"> Nil 	
455	OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 7.5	Controls Rating:	Compliance Rating:

Type [2]	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	NP	NR
<p>Finding – During the period 1 November 2016 to 31 October 2021 the Licensee was not required to disclose or permit the disclosure of confidential information in connection to the Code.</p> <p>Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway and GM Renewables O&M</p> <p>Observations:</p> <ul style="list-style-type: none"> • Nil 			
<p>Recommendation:</p> <ul style="list-style-type: none"> • Nil 		<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
456 Type [2]	<p>OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 7.6(1)</p> <p>A Code participant must disclose or permit the disclosure of confidential information that is required to be disclosed by the Code.</p> <p>As per finding against obligation 455</p> <p>Recommendation:</p> <ul style="list-style-type: none"> • Nil 	<p>Controls Rating:</p> <p>NP</p>	<p>Compliance Rating:</p> <p>NR</p>
457 Type [NR]	<p>OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 8.1(1)</p> <p>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.</p> <p>Finding – There were no disputes arising during the audit period with Western Power or any other applicable <i>Code Participants</i>.</p> <p>Evidence – Interview with Site Manager, Alinta Wind Farm, Walkaway and GM Renewables O&M</p> <p>Observations:</p> <ul style="list-style-type: none"> • Nil 	<p>Controls Rating:</p> <p>NP</p>	<p>Compliance Rating:</p> <p>NR</p>

	Recommendation: <ul style="list-style-type: none"> Nil 	Action: <ul style="list-style-type: none"> Nil 	
458 Type [NR]	OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 8.1(2) If a dispute is not resolved within 10 business days after the dispute is referred to representative negotiations, the disputing parties must refer the dispute to a senior management officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.	Controls Rating:	Compliance Rating:
		NP	NR
	As per finding against obligation 457		
	Recommendation: <ul style="list-style-type: none"> Nil 	Action: <ul style="list-style-type: none"> Nil 	
459 Type [NR]	OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 8.1(3) If the dispute is not resolved within 10 business days after the dispute is referred to senior management negotiations, the disputing parties must refer the dispute to the senior executive officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.	Controls Rating:	Compliance Rating:
		NP	NR
	As per finding against obligation 457		
	Recommendation: <ul style="list-style-type: none"> Nil 	Action: <ul style="list-style-type: none"> Nil 	
460 Type [NR]	OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 8.1(4) If the dispute is resolved by representative negotiations, senior management negotiations or CEO negotiations, the disputing parties must prepare a written and signed record of the resolution and adhere to the resolution.	Controls Rating:	Compliance Rating:
		NP	NR
	As per finding against obligation 457		
	Recommendation: <ul style="list-style-type: none"> Nil 	Action: <ul style="list-style-type: none"> Nil 	
461 Type	OBLIGATION: Generation Licence, condition 4.1.1 / Electricity Industry Metering Code, clause 8.3(2)	Controls Rating:	Compliance Rating:
		NP	NR

[NR]	The disputing parties must at all times conduct themselves in a manner which is directed towards achieving the objective in subclause 8.3(1).		
As per finding against obligation 457			
Recommendation: <ul style="list-style-type: none"> • Nil 		Action: <ul style="list-style-type: none"> • Nil 	

Note:

NP - Not Performed – A controls rating was not required

NR - Not rated – No activity took place during the audit period

APPENDIX 2 – WALKAWAY WIND FARM ASSET MANAGEMENT REVIEW

DECEMBER 2021

Table 16 - Audit Review Ratings and Recommendations

Note: Process & Policy Rating* (reads abbreviated as P&P* Rating)

1. ASSET PLANNING		PROCESS & POLICY RATING*	PERFORMANCE RATING
<p><input type="checkbox"/> Assess the adequacy of the asset planning process <input type="checkbox"/> Assess the adequacy of the asset management plan <input type="checkbox"/> Assess whether the asset management plan is up-to-date and implemented in practice <input type="checkbox"/> Assess whether the asset management plan clearly assigns responsibilities and whether these have been applied in practice</p> <p>Key Process – <i>Asset planning strategies focuses on meeting customer needs in the most effective and efficient manner (delivering the right service at the right price).</i></p> <p>Outcome – <i>Asset planning is integrated into operational or business plans, providing a framework for existing and new assets to be effectively utilised and their service optimised.</i></p>		A	1
No.	2021 AUDIT REPORT EVIDENCE/ VERIFICATION/FINDING/ACTION		
1.1	<p>OBLIGATION: Asset management plan covers the processes in this table</p> <p>Findings – The Asset Management Plan (AMP) and the Safety, Reliability, Maintenance and Technical Management Plan (SRM-TMP) was comprehensive, developed and reviewed by Iberdrola. The AMP and SRM-TMP documentation addressed the Audit Guideline requirements.</p> <p>Documents/Evidence – 1,2,3,4,5,6,9,10,13,18,27,77,78</p> <p>Observations:</p> <ul style="list-style-type: none"> AMP and SRM - TMP manual comprehensive covered all requirements in the Audit Guidelines The AMP and SRM - TMP clearly delineates the roles, responsibilities and business relationship between Walkaway Wind Power Pty Ltd and Iberdrola. There were 4 annual revisions of the current AMP to date (2018 to 2021). These revisions were done annually or in instances where there have been changes to the asset management systems. It was noted the previous AMP (2013-2017) did not have a record of revision since the first edition in 2012. The SRM-TMP was regularly reviewed during the audit period. The AMP and SRM-TMP also articulated the relationship with the O&M Contractor Vestas and PPA Alinta. 	P&P* Rating: A	Performance Rating: 1
	<p>Recommendation:</p> <ul style="list-style-type: none"> None 	<p>Action:</p> <ul style="list-style-type: none"> Nil 	

1.2	<p>OBLIGATION: Planning processes and objectives reflect the needs of all stakeholders and are integrated with business planning</p> <p>Findings – Asset Planning was incorporated into operational and business planning processes. There was comprehensive engagement with stakeholders from the operations on the ground to the Board level. This included Vestas, Alinta and Iberdrola executive management.</p> <p>Documents/Evidence –1,2,3,4,5,6,8,9,10,13,18,22,27,26,34,36,77,78,79 and Site Interview with General manager O&M Renewables</p> <p>Observations:</p> <ul style="list-style-type: none"> Stakeholders including ERA, WPC, Alinta, Vestas, landowners, power purchaser and sub-contractors were all included and consulted. The Wind farm was 15 years into the 25 year design life. In extending the life of the Walkaway Wind Farm, Iberdrola identified OPEX and CAPEX projects in consultation with their O&M contractors. <p>Recommendation:</p> <ul style="list-style-type: none"> None 	<p>P&P* Rating: A</p>	<p>Performance Rating: 1</p>
1.3	<p>OBLIGATION: Service levels are defined in the Asset Management Plan</p> <p>Findings –. Service levels were defined in the AMP, SRMTMP, and O&M contracts. There was in place comprehensive reporting requirements on a weekly and monthly basis. WWP confirmed reporting on service levels by conducting its own internal audits recorded in Risk Wizard.</p> <p>Documents/Evidence 1,2,3,4,5,6,7,8,34,36,42,43, 58, 68, 77 , Site Interview, Risk Wizard presentation, Walkaway Dashboard (Jira)</p> <p>Observations:</p> <ul style="list-style-type: none"> Service levels were well defined in the contracts and reported on in monthly reports WWP entered into a long-term PPA with the Alinta for the supply of all the energy generated by wind farm respectively together with the associated Large-scale Generation Certificates (LGCs) and capacity credits Vestas, as O&M Operator had service level obligations to WWP around plant availability and generation performance that were specified in the O&M Agreements and subsequently the AMP and SRM TMP. 	<p>P&P* Rating: A</p>	<p>Performance Rating: 1</p>

	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	
1.4	OBLIGATION: Non-asset options (e.g. demand management) are considered	P&P* Rating: A	Performance Rating: 1
	<p>Findings – PPA was in place with Alinta until 2026 with an option for further extension. Discussions had already commenced between both parties. WPC and AEMO controls the input to SWIS. There are agreements in place between WWP and Alinta in terms of meeting the contractual requirements for the 89MW supply from the wind farm. These were reported monthly from WWP to Iberdrola and onto their customers. Any non - asset options were considered by WWP who then proceeds with a CAPEX process as part of its yearly OPEX/CAPEX process to the Operations Steering Committee</p> <p>Documents/Evidence – 1,3,5,9, 27,36,38,42,43,46,57,78,81,</p> <p>Observations:</p> <ul style="list-style-type: none"> Iberdrola’s Operations Steering Committee regularly considered business improvement opportunities and evaluated business cases. Comprehensive processes established for asset planning were evidenced, responsibilities were well defined, AMPs reinforced the need to monitor operation of the wind farm and work closely with Vestas to optimize its operational capacity and extending life of the wind farm. 		
	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	
1.5	OBLIGATION: Lifecycle costs of owning and operating assets are assessed	P&P* Rating: A	Performance Rating: 1
	<p>Findings – Life cycle costs of the initial construction of wind farm and subsequent extension of the wind farm to 2030 were developed and were utilised for planning and projecting costs until 2030. This was monitored on a monthly basis and reported back into Iberdrola Australia and onto its global Parent Company.</p> <p>Documents/Evidence – 1,3,5,7,9,57,80,39,68. Site Interviews</p> <p>Observations:</p> <ul style="list-style-type: none"> O&M had comprehensive maintenance schedules. Operators carried the maintenance and operating costs. Maintenance contracts ensured equipment was kept in good operating condition. Monthly reports monitored the O&M costs and annual reports on a yearly basis. 		

	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	
1.6	OBLIGATION: Funding options are evaluated	P&P* Rating: A	Performance Rating: 1
	Findings –WWPs AMP outlined the process by which CAPEX was approved and sets out the financial justification model and process by which any new assets were to be evaluated and was presented to Iberdrola Australia. The decision was made by the Board.		
	Documents/Evidence – 1,3,5,6,9,57,39,58,68 and Site Interviews		
	Observations: <ul style="list-style-type: none"> WWP AMP and SRM – TMP was reviewed and updated accordingly to reflect current OPEX and CAPEX processes as Iberdrola Australia. The base case financial model for the windfarm projected revenue, operational costs and EBITDA. Annual financial audited statements and notes provided transparency to the funding within Iberdrola Australia 		
	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	
1.7	OBLIGATION: Costs are justified and cost drivers identified	P&P* Rating: A	Performance Rating: 1
	Findings – Costs were well identified and justified. Costs and cost drivers were monitored vigilantly and reported all the way to the Board.		
	Documents/Evidence – 1,3,5,9,11,12,27,36,38,29,42,43,45,51,57,58,67,68,80,81 and Site Interviews		
	Observations: <ul style="list-style-type: none"> Walkaway dashboard had on line OPEX tracker that provides up to date cost information from vestas to WWP Monitored through monthly meetings Audited annually against annual projections as per O&M agreement 		
	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	

1.8	OBLIGATION: Likelihood and consequences of asset failure are predicted	P&P* Rating: A	Performance Rating: 1
<p>Findings – Asset failure risks were identified, included in risk registers and thoroughly investigated. Any asset failures were duly recorded in either risk wizard or Jira (incident management system). These were reported weekly and monthly. Risk registers were maintained at site and project level and contingency plans were considered in planning and annually reviewed.</p> <p>Documents/Evidence – 1,2,3,4,5,6,13,14,24,25,27,28,32,33,34,35,38,42,43,57,77,78,81,84,97,98,Risk Wizard and JIRA presentation</p> <p>Observations:</p> <ul style="list-style-type: none"> • WWP with Vestas investigated asset failures, for example the tips of wind blades for erosion. This was recorded on site risk registers and was addressed to operations Steering Committee as a Key Risk management Project. CAPEX was approved and the project is near completion. Project started 2 years ago. • O&M contractors continued to meet performance targets as established in their contracts • COVID-19 had minimum impact on the wind farm operations and capability of delivering electricity. • Availability of spares was well monitored. 			
Recommendation:		Action:	
<ul style="list-style-type: none"> • None 		<ul style="list-style-type: none"> • Nil 	
1.9	OBLIGATION: Asset management plan is regularly reviewed and updated	P&P* Rating: A	Performance Rating: 1
<p>Findings – The WWP AMP was reviewed regularly and the Vestas AMP was reviewed annually and updated.</p> <p>Documents/Evidence – 1,2,3,4,5,6</p> <p>Observations:</p> <ul style="list-style-type: none"> • AMP scheduled to be reviewed every year in Risk Wizard and internal audits carried out by Iberdrola. • WWF AMP was reviewed annually from 2018, however, for the period 2016-2017 no review was evident. • It was noted the previous AMP (2013-2017) did not have a record of revision since the first edition in 2012. • The Safety, Reliability, Maintenance and Technical Management Plan (SRM-TMP) was reviewed annually. 			
Recommendation:		Action:	
<ul style="list-style-type: none"> • None 		<ul style="list-style-type: none"> • Nil 	

2. ASSET CREATION AND ACQUISITION		PROCESS & POLICY RATING*	PERFORMANCE RATING
<p><input type="checkbox"/> Assess the adequacy of policies and procedures covering the creation and acquisition of assets</p> <p><input type="checkbox"/> Select a sample of asset creations/ acquisitions over the review period and confirm adequate procedures have been followed and actual costs are as predicted</p> <p>Key Process – <i>Asset creation/acquisition is the provision or improvement of assets.</i></p> <p>Outcome – <i>The asset acquisition framework is economic, efficient and cost-effective; it reduces demand for new assets, lowers service costs and improves service delivery.</i></p>		A	1
No.	2021 AUDIT REPORT EVIDENCE/ VERIFICATION/FINDING/ACTION	P&P* Rating:	Performance Rating:
2.1	<p>OBLIGATION: Full project evaluations are undertaken for new assets, including comparative assessment of non-asset options</p> <p>Findings – Wind Farm initial project and the extension of Life to 2030 has had full project evaluation to end of life, including CAPEX, OPEX and Asset Disposal.</p> <p>Documents/Evidence –1, 3, 5, 13, 18,34,57,80, 36, 38, and Site Interviews.</p> <p>Observations: WWP and Iberdrola Australia had in place a full project evaluation financial model and had been presented to Board.</p> <p>Recommendation:</p> <ul style="list-style-type: none"> None 	A	1
2.2	<p>OBLIGATION: Evaluations include all life-cycle costs</p> <p>Findings – The original wind farm was constructed in 2004 with the Commercial Operations date being July 2006. In its 15th year of operation, Infigen now Iberdrola conducted commissioned life extension studies. A detailed life cycle costing was developed including OPEX, CAPEX and asset disposal costs to 2030.</p> <p>Documents/Evidence – 1,3,5,13,18,34,57,80, 36,38, and Site Interviews.</p> <p>Observations:</p> <ul style="list-style-type: none"> Iberdrola Australia had conducted a comprehensive due diligence for the extension of the wind farm Detailed life cycle costs formed the basis of comprehensive financial reporting and monitoring. 	A	1

	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	
2.3	OBLIGATION: Projects reflect sound engineering and business decisions	P&P* Rating: A	Performance Rating: 1
	Findings – WWP as the Asset manager, and Vestas, as O&M contractor demonstrated sound risk and engineering basis for deciding Projects. WWP was responsible for including business and risk aspects into the evaluation of projects. Documents/Evidence –1,2,3,4,5,6,7,8,11,12,14,18,24,25,27,34,35,42,43,45,49,50,51,57,68,78,80,81 Observations: <ul style="list-style-type: none"> WWP and Iberdrola had very good asset management, business and engineering experience which was utilized to ensure decisions made for the facility were thoroughly researched and resourced, for example copper Caps installation, remote switching capability and Walkaway O & M building LED hi-bay lighting upgrade. 		
	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	
2.4	OBLIGATION: Commissioning tests are documented and completed	P&P* Rating: A	Performance Rating: 1
	Findings – The wind farm was well established since 2004 and operational since 2006. WWP's commissioning was fully documented. Documents/Evidence – 1,2,3,4,5,6,7,52 Observations: <ul style="list-style-type: none"> Original commissioned documentation was viewed. 		
	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	

2.5	OBLIGATION: Ongoing legal / environmental / safety obligations of the asset owner are assigned and understood	P&P* Rating: A	Performance Rating: 1
<p>Findings – O&M agreements and Asset Management Plans addressed obligations and these were reflected in procedures and comprehensive reporting. The Licensee was aware of legal/environmental and safety obligations and proactively managed these requirements. These obligations were documented in Risk Wizard and anomalies actioned via JIRA. These systems were on line trackers and any relapse was elevated immediately to upper management levels.</p> <p>Documents/Evidence – 1,2,3,4,5,6,13,18,19,20,21,22,23,24,25,26,27,28,29,30,31,34,36,38,42,43,55, 68,77 , Risk Wizard and JIRA presentations.</p> <p>Observations:</p> <ul style="list-style-type: none"> • Risk Wizard and JIRA was used on site and in Australia • Weekly meeting and monthly meetings also addressed this obligation • HSE audits were carried out internally by Iberdrola every 2 months and followed through. Outcomes were presented to Audit, Risk and Compliance Committee, a Board endorsed committee every quarter by the ELT. • At the Iberdrola Corporate Level legislation update services were provided by Management Systems Australia to ELT and at Quarterly intervals to Board 			
<p>Recommendation:</p> <ul style="list-style-type: none"> • None 		<p>Action:</p> <ul style="list-style-type: none"> • Nil 	

3. ASSET DISPOSAL		PROCESS & POLICY RATING*	PERFORMANCE RATING
<p><input type="checkbox"/> Assess the adequacy of policies and procedures covering the identification of under-performing assets, disposal of assets and replacement strategy</p> <p><input type="checkbox"/> Determine whether a regular review of the performance of assets is undertaken</p> <p><input type="checkbox"/> Select a sample of disposals over the review period and confirm adequate procedures have been followed</p> <p>Key Process – Asset disposal is the consideration of alternatives for the disposal of surplus, obsolete, under-performing or unserviceable assets.</p> <p>Outcome – The asset management framework minimises holdings of surplus and underperforming assets and lowers service costs. The cost-benefits of disposal options are evaluated.</p>		A	1
No.	2021 AUDIT REPORT EVIDENCE / VERIFICATION/FINDING/ACTION		
3.1	OBLIGATION: Under-utilised and under-performing assets are identified as part of a regular systematic review process		P&P* Rating: A
	<p>Findings – Systematic review wind farm assets was reported weekly and monthly regarding its performance. If assets under performed, WWP and Vestas raised tickets in JIRA to have the incident investigated and remedial action implemented.</p> <p>Documents/Evidence – 1,2,3,4,5,6,13,18,34,35,38,42,43,27,49,50,77,78 and JIRA incident reporting and Walkaway Dashboard and site Interviews.</p> <p>Observations:</p> <ul style="list-style-type: none"> • Wind Farm is well established and operating. • There were no asset disposed during the audit period.. • WWP and Vestas through monthly reports monitor performance of assets and replace accordingly. • 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> • None 		<p>Action:</p> <ul style="list-style-type: none"> • Nil
3.2	OBLIGATION: The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken		P&P* Rating: A
	<p>Findings – Monthly reports documented performance and actions. Faulty equipment were either replaced or maintenance actions undertaken, Walkaway dashboard monitored via JIRA tickets and provided on line updates.</p> <p>Documents/Evidence – 1,2,3,4,5,6,13,18,34,35,38,42,43,27,49,50,77,78 and JIRA incident reporting and Walkaway Dashboard</p>		

	<p>Observations:</p> <ul style="list-style-type: none"> Vestas reported on a weekly and monthly basis. WWP reports on a monthly basis to Iberdrola and all under performances / utilisations were discussed in detail and corrective actions taken. These were monitored on an on-going daily basis WWP and Vestas personnel were on site. During the O&M period Vestas investigated which involved CIR inspection reports, similar to defect reports that provided options of component(s) disposal (that is either recycled/scrapped) or refurbishment, utilizing engineering and technical expertise. 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> None 	<p>Action:</p> <ul style="list-style-type: none"> Nil 	
3.3	<p>OBLIGATION: Disposal alternatives are evaluated</p>	<p>P&P* Rating: A</p>	<p>Performance Rating: 1</p>
	<p>Findings – Iberdrola considered disposal and allowed for site clearing of all above ground works and disposal of panels. This was contracted to Vestas under its O&M. Disposal was not a consideration during the audit period as WWP has extended life to 2030.</p> <p>Documents/Evidence – 1,2,3,4,5,6,13,18,34,35,38,42,43,27,49,50,77,78, site interviews.</p> <p>Observations:</p> <ul style="list-style-type: none"> Consumables and spares were observed while on site. Iberdrola (during the site visit) confirmed that they considered alternatives to asset disposal, which was upgrading, recycling or refurbishment as extension to the life of asset and component(s). 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> None 	<p>Action:</p> <ul style="list-style-type: none"> Nil 	
3.4	<p>OBLIGATION: There is a replacement strategy for assets</p>	<p>P&P* Rating: A</p>	<p>Performance Rating: 1</p>
	<p>Findings – Iberdrola developed life cycle financial model for the wind farm. OPEX and potential Capex for the BOP on an as-needs basis was considered.</p> <p>Documents/Evidence – 1,2,3,4,5,6,11,12,13,18,34,35,38,42,43,27,49,50,57,77,78,80,81, site interviews</p>		

	Observations: <ul style="list-style-type: none">• Comprehensive maintenance schedules developed by WWP and Vestas.• Operation and maintenance of wind farm was reported to Iberdrola with performance targets clearly defined.• Vestas as Independent Service provider was responsible for consumable spares, and replaced assets as agreed to with WWP.
	Recommendation: <ul style="list-style-type: none">• None

4. ENVIRONMENTAL ANALYSIS		PROCESS & POLICY RATING*	PERFORMANCE RATING
<p><input type="checkbox"/> Review achievement of performance and service standards over the review period</p> <p><input type="checkbox"/> Investigate any statutory or regulatory breaches and assess corrective action taken</p> <p><input type="checkbox"/> Review the adequacy of reporting and monitoring tools</p> <p>Key Process – <i>Environmental analysis examines the asset management system environment and assesses all external factors affecting the asset management system.</i></p> <p>Outcome – <i>The asset management system regularly assesses external opportunities and threats and identifies corrective action to maintain performance requirements.</i></p>		A	1
No.	2021 AUDIT REPORT EVIDENCE/ VERIFICATION/FINDING/ACTION		
4.1	OBLIGATION: Opportunities and threats in the asset management system environment are assessed		P&P* Rating: A
	<p>Findings – Iberdrola, WWP and Vestas identified risk management approach in their respective AMPs. Risk Management Policy, Procedures and Risks Summary documentation established and monitored.</p> <p>Documents/Evidence – 1,2,3,4,5,6,13,16,17,18,19,24,25,26,27,28,42,43,55,77,84</p> <p>Observations:</p> <ul style="list-style-type: none"> • PPA and O&M contracts were well defined and implemented. • Good relations with stakeholders • Clean renewable generation • Good response to equipment failures by O&M Contractors. • Good use of Risk Wizard and JIRA. 		Performance Rating: 1
	<p>Recommendation:</p> <ul style="list-style-type: none"> • None 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	

4.2	OBLIGATION: Performance standards (availability of service, capacity, continuity, emergency response, etc.) are measured and achieved	P&P* Rating: A	Performance Rating: 1
<p>Findings – Performance standards were achieved, monitored and reported in O&M monthly reports. This was also complimented with the online tracker on the Walkaway Dashboard in JIRA.</p> <p>Documents/Evidence – 1,2,3,4,5,6,13,16,17,18,19,20,21,22,23,24,25,26,27,28,30,31,42,43,55,77,84 ,97,98 and JIRA</p> <p>Observations:</p> <ul style="list-style-type: none"> • WWP and Vestas had extensive, contracts plans and systems in place to ensure performance standards were achieved, measured, monitored and any disruptions to the continuity of performance minimised. • Services Agreement contractual incentives in relation to performance standards were established. • Safety Awards acknowledging Vestas for LTI free site displayed in the site office. 			
<p>Recommendation:</p> <ul style="list-style-type: none"> • None 		<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
4.3	OBLIGATION: Compliance with statutory and regulatory requirements	P&P* Rating: A	Performance Rating: 1
<p>Findings – Compliance with statutory and regulatory requirements were monitored and reported throughout Iberdrola. The Licensee had a well established compliance system and culture and organisational controls were established to ensure compliance.</p> <p>Documents/Evidence 1,2,3,4,5,6,13,18,19,22,23,27,42,43,55,57</p> <p>Observations:</p> <ul style="list-style-type: none"> • Risk wizard was used primarily to monitor statutory and regulatory compliances. • Risk Wizard was noted to be an effective tool for monitoring of compliance obligations and creation of compliance tasks and any changes required were controlled at a Corporate Level. Issues related to non-compliance were noted to be organisational awareness and were addressed in Obligation 123 recommendation 02/2021. • Good relations with customers and regulatory authorities. 			
<p>Recommendation:</p> <ul style="list-style-type: none"> • None 		<p>Action:</p> <ul style="list-style-type: none"> • Nil 	

4.4	<p>OBLIGATION: Service standard (customer service levels etc.) are measured and achieved.</p> <p>Findings – SCADA system recorded performance, as did WPC, no major issues were identified. Customer services levels were well defined and met by the Licensee as an unscheduled generator, Contractual and performance criteria were met or exceeded. Customer service levels were measured and achieved and documented in the monthly reports and annual reports to Iberdrola and customers</p> <p>Documents/Evidence – 1,2,3,4,5,6,13,18,36,42,43,46,55,77,79,99</p> <p>Observations:</p> <ul style="list-style-type: none"> • Customers raised no issues or concerns • Service levels were well defined in the contracts and reported on in monthly reports • WWP entered into a long-term PPA with the Alinta for the supply of all the energy generated by wind farm together with the associated Large-scale Generation Certificates (LGCs) and capacity credits • Vestas, as O&M Operator had service level obligations to WWP around plant availability and generation performance that were specified in the O&M Agreements. • The Iberdrola AMP defined service levels required in respect of electricity market services. <p>Recommendation:</p> <ul style="list-style-type: none"> • None 	<p>P&P* Rating: A</p>	<p>Performance Rating: 1</p>
	<p>Recommendation:</p> <ul style="list-style-type: none"> • None 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	

5. ASSET OPERATIONS		PROCESS & POLICY RATING*	PERFORMANCE RATING
<p><input type="checkbox"/> Assess the adequacy of policies and procedures covering operations functions</p> <p><input type="checkbox"/> Assess the adequacy of staff resourcing and training</p> <p><input type="checkbox"/> Confirm the policies and procedures have been followed during the review period by examining the asset register, observing operational procedures, analysing costs, etc.</p> <p><input type="checkbox"/> Assess the significance of exceptions identified and whether adequate corrective action has been taken</p> <p>Key Process – Asset operations is the day-to-day running of assets (where the asset is used for its intended purpose).</p> <p>Outcome – The asset operation plans adequately document the processes and knowledge of staff in the operation of assets so service levels can be consistently achieved.</p>		A	1
No.	2021 AUDIT REPORT EVIDENCE/ VERIFICATION/FINDING/ACTION	P&P* Rating:	Performance Rating:
5.1	<p>OBLIGATION: Operational policies and procedures are documented and linked to service levels required</p> <p>Findings – Operational Policies and procedures for both WWP and Vestas were well documented, easily accessed and reviewed.</p> <p>Documents/Evidence – 1,2,3,4,5,6,13,18,32,33,34,38,36,42,43,82</p> <p>Observations:</p> <ul style="list-style-type: none"> The requirement of maintaining and documenting operational policies were linked to the PPA and O&M agreement KPIs. <p>Recommendation:</p> <ul style="list-style-type: none"> None 	A	1
	<p>Action:</p> <ul style="list-style-type: none"> Nil 		
5.2	<p>OBLIGATION: Risk management is applied to prioritise operations tasks</p> <p>Findings – Operational tasks on site were minimum. Risk management was applied comprehensively and demonstrated at the operational, maintenance and management levels.</p> <p>Documents/Evidence – 1,2,3,4,5,6,13,18,20,21,22,23,24,25,27,28,42,43,77, Risk Wizard and Walkaway Dashboard (JIRA)</p>	A	1

	<p>Observations:</p> <ul style="list-style-type: none"> • WWP and Vestas had risk management policies in place and applied • Through the SCADA exported operational report, Iberdrola could carry out prioritised operational tasks. 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> • None 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
5.3	<p>OBLIGATION: Assets are documented in an asset register including asset type, location, material, plans of components, and an assessment of assets' physical/structural condition</p>	<p>P&P* Rating: A</p>	<p>Performance Rating: 1</p>
	<p>Findings – The asset register for the Licensee was defined by two components. The Licensee's documented Asset Register was financially focussed, recorded all the financial information, location and asset type. The CMMS: SAP systems, detailed asset components, included an assessment of the assets physical/structural condition and location. Information was also recorded in the Final Practical Completion Plans</p> <p>Documents/Evidence – 47,52,SAP, Interview with Finance Personnel</p> <p>Observations:</p> <ul style="list-style-type: none"> • Financial Register kept in Iberdrola Financial System • SAP information was kept on site 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> • None 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
5.4	<p>OBLIGATION: Accounting data is documented for assets</p>	<p>P&P* Rating: A</p>	<p>Performance Rating: 1</p>
	<p>Findings – Assets were well documented in the accounts and financial reports summarised weekly and monthly. Quarterly reports to Boards.</p> <p>Documents/Evidence – 1,3,5,39,42,43,51,57,58,67,68,77,80,81,</p>		

	<p>Observations:</p> <ul style="list-style-type: none"> Financial information was well recorded by Iberdrola and reported to ELT and Board Annual audited accounts and accompanying notes detailed accounting information and explanations. 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> None 	<p>Action:</p> <ul style="list-style-type: none"> Nil 	
5.5	<p>OBLIGATION: Operational costs are measured and monitored</p>	<p>P&P* Rating: A</p>	<p>Performance Rating: 1</p>
	<p>Findings – Operational costs were measured, recorded, monitored and reported on a monthly basis. Through the Walkaway on – line tracker, operational budgets were monitored daily.</p> <p>Documents/Evidence – 1,3,5,39,42,43,51,57,58,67,68,77,80,81,</p> <p>Observations:</p> <ul style="list-style-type: none"> O&M costs were incorporated in the O&M Contracts Unscheduled O&M costs were monitored and reported in monthly and annual reports Small workforce required for operational and maintenance purposes. Most operational reporting by Vestas was in performance terms rather than dollars. Financials were reported and budgeted in financial reports and audited annually. 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> None 	<p>Action:</p> <ul style="list-style-type: none"> Nil 	
5.6	<p>OBLIGATION: Staff resources are adequate and staff receive training commensurate with their responsibilities</p>	<p>P&P* Rating: A</p>	<p>Performance Rating: 1</p>
	<p>Findings – Employees and Contractors were competent and familiar with the operations and plant requirements. Training and resourcing considerations were evident. Training records were reviewed and are referenced below</p> <p>Documents/Evidence – 1,2,3,4,5,6,13,18,42,43,53,54,77 and Site interviews.</p> <p>Observations:</p>		

	<ul style="list-style-type: none"> • Training register clearly monitors individual training records and refreshers. • O&M Agreements stated training needs by Vestas • Vestas managed its resourcing requirements as per their O&M contracts. Vestas had access to staff globally for additional knowledge. • Iberdrola did not provide staff to Vestas. • Iberdrola had extensive access within the Iberdrola Australia in sourcing wind farm expertise and technical knowledge. • Toolbox talks were presented and minuted by Vestas. • Vestas training included e-learning and face to face training. 	
	<p>Recommendation:</p> <ul style="list-style-type: none"> • None 	<p>Action:</p> <ul style="list-style-type: none"> • Nil

6. ASSET MAINTENANCE		PROCESS & POLICY RATING*	PERFORMANCE RATING
<p><input type="checkbox"/> Assess the adequacy of policies and procedures covering maintenance functions</p> <p><input type="checkbox"/> Confirm the policies and procedures have been followed during the review period by examining maintenance schedules, analysing costs, etc.</p> <p><input type="checkbox"/> Assess the significance of exceptions identified and whether adequate corrective action has been taken</p> <p>Key Process – <i>Asset maintenance is the upkeep of assets.</i></p> <p>Outcome – <i>The asset maintenance plans cover the scheduling and resourcing of the maintenance tasks so work can be done on time and on cost.</i></p>		A	1
No.	2021 AUDIT REPORT EVIDENCE/ VERIFICATION/FINDING/ACTION		
6.1	OBLIGATION: Maintenance policies and procedures are documented and linked to service levels required		P&P* Rating: A
	Performance Rating: 1		
	<p>Findings – Maintenance policies and procedures were well documented, Comprehensive weekly and monthly reports provided to WWP.</p> <p>Documents/Evidence – 1,2,3,4,5,6,13,18,14,23,34,35,38,42,43,82,83,84,95, JIRA Walkaway Dashboard</p> <p>Observations:</p> <ul style="list-style-type: none"> O&M contractor utilised its experience on similar facilities, was backed up by global databases and had the support of reputable OEM suppliers to ensure comprehensive maintenance procedures and practices in place. Maintenance was continuous and aimed at keeping plant as new (subject to normal wind turbine generator lifecycle performance degradation). Vestas utilised SAP for services orders, cost tacking and Human Resource requirements. Good control of maintenance documentation. Procedures were uploaded on “Tech Docs” which was easily accessed by maintenance personnel using iPad, mobile phone or laptops. All work instructions were updated by data controlled management systems (DCMS) Hard copies of maintenance copies kept on site and also scanned on WHMSP. 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> None 	<p>Action:</p> <ul style="list-style-type: none"> Nil 	

6.2	OBLIGATION: Regular inspections are undertaken of asset performance and condition	P&P* Rating:	Performance Rating:
		A	1
<p>Findings – Maintenance inspections and procedures were well documented and undertaken within the time frames. Hard copies kept on site and in SAP. Asset performance was monitored with SCADA and reported upon in weekly and monthly reports.</p> <p>Documents/Evidence – 1,2,3,4,5,6,11,12,13,18,14,23,34,35,38,42,43,82,83,84,95, JIRA Walkaway Dashboard</p> <p>Observations:</p> <ul style="list-style-type: none"> • Regular on-site inspections and continuous condition and performance monitoring ensures performance. • Maintenance activities rescheduled to maximise generation capacity. • Maintenance schedules for inspections were scheduled to 2025 • SCADA provided communication interface with the Power Plant Controllers and all critical equipment within the wind farm 			
<p>Recommendation:</p> <ul style="list-style-type: none"> • None 		<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
6.3	OBLIGATION: Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule	P&P* Rating:	Performance Rating:
		A	1
<p>Findings – Maintenance was well documented and processes for the continuous review of maintenance practices were established. Maintenance activities were reported weekly, monthly to WWP incorporating future maintenance activities and resources. Maintenance Tickets produced by JIRA was well monitored.</p> <p>Documents/Evidence 1,2,3,4,5,6,11,12,13, 16,17,18,14,23,34,35,38,42,43,49,50,82,83,84,95, JIRA Walkaway Dashboard</p> <p>Observations:</p> <ul style="list-style-type: none"> • Weekly meetings held between WWP on-site and off-site personnel of O&M contractor. • Detailed maintenance schedules developed annually and reviewed on an on-going basis. • Vestas Maintenance Planners team provided in advance 12 monthly, 13 weekly and weekly plans, including pre-start weekly maintenance plans which was followed through with face-to-face meetings. • SAP was utilised for maintenance planning 			
<p>Recommendation:</p> <ul style="list-style-type: none"> • None 		<p>Action:</p> <ul style="list-style-type: none"> • Nil 	

6.4	OBLIGATION: Failures are analysed and operational/maintenance plans adjusted where necessary	P&P* Rating: A	Performance Rating: 1
<p>Findings – Failures were recorded instantly and investigated by WWP and Vestas. Both have access to information globally. Corrective actions were taken promptly. Monthly Reports contained detailed history of failures and amendments to operational and maintenance plans.</p> <p>Documents/Evidence – 1,2,3,4,5,6,11,12,13, 16,17,18,14,23,24,25,34,35,38,42,43,49,50,82,83,84,95, JIRA Walkaway Dashboard, Risk Wizard presentation</p> <p>Observations:</p> <ul style="list-style-type: none"> • WWP utilises Continuous Improvement management Services (CIMS) a planning board, to record failures and carry out root cause analysis. Output from CIMS was then rolled out by Iberdrola Engineering department in conjunction with Vestas. WWP carries out Health, Safety, Environmental and Operational Audits every two months. Recorded in Risk Wizard and JIRA. • Vestas present blade asset management on Vestas Online Customers portal. Provides completed service and monthly reports. • WWP raises ticket in Vestas Online to query Vestas on technical matters • Scheduled works aligned with WPC outages times as agreed by WWP and Vestas. 			
<p>Recommendation:</p> <ul style="list-style-type: none"> • None 		<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
6.5	OBLIGATION: Risk management is applied to prioritise maintenance tasks	P&P* Rating: A	Performance Rating: 1
<p>Findings – Risk management processes for the prioritisation of maintenance tasks were applied comprehensively</p> <p>Documents/Evidence – 1,2,3,4,5,6,11,12,13, 16,17,18,14,23,24,25,34,35,38,42,43,49,50,82,83,84,95, SAP, JIRA Walkaway Dashboard, Risk Wizard presentation</p> <p>Observations:</p> <ul style="list-style-type: none"> • The SAP maintenance system used by Maintenance Planners Team and on site to prioritises the maintenance tasks accordingly. • Vestas Maintenance Planners Team utilised risk management to prioritise maintenance tasks when entered in SAP: priority to SCADA systems alarms, turbine breakdowns, scheduled maintenance. Contract schedule maintenance as per O&M and technical and engineering expertise tasks (in that order) • Maintenance output from SAP was exported to a Maintenance Spreadsheet “Vestas task priority and resource planning tool” that clearly stated the Work Order, Current and Projected risks, risk ranking of “low, medium, high” and resource requirements. This was done weekly and forms basis of maintenance regime. 			

	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	
6.6	OBLIGATION: Maintenance costs are measured and monitored	P&P* Rating: A	Performance Rating: 1
	Findings – Maintenance costs were measured, recorded, monitored and reported on a monthly basis. Documents/Evidence –1,3,5,11,12,39,42,43,51,57,58,67,68,77,80,81,. Observations: <ul style="list-style-type: none"> O&M costs were incorporated in the O&M Contracts Unscheduled O&M costs were monitored and reported in monthly and annual reports Small workforce required for operational and maintenance purposes. Most maintenance reporting by Vestas was in performance terms rather than dollars. Financials were reported and budgeted in financial reports and audited annually O&M costs were incorporated in the O&M Contracts Maintenance costs and budgets recorded monthly for first 12 months with an additional year forecast. 		
	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	

7. ASSET MANAGEMENT INFORMATION SYSTEM		PROCESS & POLICY RATING*	PERFORMANCE RATING
<p><input type="checkbox"/> Assess the adequacy of policies and procedures covering the general control and security of the computer systems used to provide management information on compliance with service standards / licence obligations</p> <p><input type="checkbox"/> Confirm management reports on service standards / licence obligations are reviewed and substantial exceptions to service standards / licence obligations are promptly followed up and implemented</p> <p>Key Process – An asset management information system is a combination of processes, data and software supporting the asset management functions.</p> <p>Outcome – The asset management information system provides authorised, complete and accurate information for the day-to-day running of the asset management system. The focus of the review is the accuracy of performance information used by the licensee to monitor and report on service standards.</p>		A	1
No.	2021 AUDIT REPORT EVIDENCE / VERIFICATION/FINDING/ACTION		
7.1	OBLIGATION: Adequate system documentation for users and IT operators		P&P* Rating: A
	Performance Rating: 1		
	<p>Findings – Both the Licensee and the O&M Contractors had detailed well understood IT systems in place.</p> <p>Documents/Evidence – 1,2,3,4,5,16,13,18,27,29,30,31,77</p> <p>Observations:</p> <ul style="list-style-type: none"> • Staff are conversant with systems in place and refresher training and e learning are scheduled timely. • SCADA was automated • Reporting detailing system data and performance was well prepared, brief with adequate information. Automated Reporting and was evidenced from WWP and Vestas monthly, and ion – line intranet portals. • IT documents were easily accessible on the intranet site for both WWP and Vestas. 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> • None 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	

7.2	OBLIGATION: Input controls include suitable verification and validation of data entered into the system	P&P* Rating: A	Performance Rating: 1
<p>Findings – Data entry, acquisition and reporting was automated and cross checked by other parties</p> <p>Documents/Evidence 1,2,3,4,5,16,13,18,27,29,30,31,77,78</p> <p>Observations:</p> <ul style="list-style-type: none"> • Reporting based on outputs from SCADA systems • O&M statistical reports automated and on line on Customers Portal and WWP on-line tracker • Financial reporting automated. • The protection relays provided electrical protection functions, local control intelligence, monitoring abilities and communications to the SCADA System. • Iberdrola Australia had control and oversight of corporate policies and information across all wind farm sites • SharePoint utilised with different levels of access permissible as per the Delegation Authority. 			
<p>Recommendation:</p> <ul style="list-style-type: none"> • None 		<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
7.3	OBLIGATION: Security access controls appear adequate, such as passwords	P&P* Rating: A	Performance Rating: 1
<p>Findings – Security controls were adequate</p> <p>Documents/Evidence – 1,2,3,4,5,6,13,18,27,29,30,31,77</p> <p>Observations:</p> <ul style="list-style-type: none"> • Firewall and password protections were in place • Demonstrated effective resilience analysis and contingency planning with the aim of preventing disruption from cyber-attacks to the business-as-usual • Additionally aim was to ensure that systems safety can be restored quickly and operations re-established promptly in the event of a successful cyber-attack • During the audit period, CIO of Iberdrola commenced assessment of the recent AEMO standard on Cyber Security. 			
<p>Recommendation:</p> <ul style="list-style-type: none"> • None 		<p>Action:</p> <ul style="list-style-type: none"> • Nil 	

7.4	OBLIGATION: Physical security access controls appear adequate	P&P* Rating: A	Performance Rating: 1
<p>Findings – Access was restricted and locked when unattended.</p> <p>Documents/Evidence – 1,2,3,4,5,6,13,18,27,29,30,31,77</p> <p>Observations:</p> <ul style="list-style-type: none"> • Entry to site was gate controlled. • During CY22 WWP will commence installation of thermographic CCTV for substation monitoring and added advantage of physical security. Instigated from experiences from their other wind farm sites • Employees and Contractors are routinely present • Comprehensive induction training on site entry. Viewed Contractors Works Audit Form on iAuditor. • Remoteness reduces people accessing site. • Local landowners are aware of normal activity and report unusual activity if observed. 			
<p>Recommendation:</p> <ul style="list-style-type: none"> • None 		<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
7.5	OBLIGATION: Data backup procedures appear adequate and backups are tested	P&P* Rating: A	Performance Rating: 1
<p>Findings – Back-ups were carried out on site and at Corporate Offices.</p> <p>Documents/Evidence 1,2,3,4,5,6,13,18,27,29,30,31,77,96,97,98</p> <p>Observations:</p> <ul style="list-style-type: none"> • For corporate data there was a backup-as-a-service from Telstra for WWP/Iberdrola data centre systems (RPM & Splunk) and Microsoft for backing up WWP/Iberdrola office systems (email, Sharepoint). • Site data was backed up by Vestas. • Site PQ data was collected and backed up by Iberdrola. 			

	<ul style="list-style-type: none"> The SCADA System information was accessed within the BOP and wind farm through the SCADA Workstations electronically and output it to the printers. There was access to dynamic data or historical stored data Vestas technical documentation was stored in "Tech Docs" both on-line and off-line. Vestas deployed a Vestas Wind Systems Information Security that details the Information Backup protocol and Physical data security. The most recent being April 2021. 		
	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	
7.6	OBLIGATION: Computations for licensee performance reporting are accurate	P&P* Rating: A	Performance Rating: 1
	Findings – Computations for licensee performance reporting were mainly automated and proven. Documents/Evidence 1,2,3,4,5,6,13,18,27,29,30,31,77,96, Walkaway Dashboard (JIRA) Observations: <ul style="list-style-type: none"> O&M contractor provides licensee with performance reporting as per O&M contract. SCADA monthly reports from Vestas and discussed at monthly meetings. Verification of Vestas's report on performance through internal processes (i.e. internal audits) and annually by OCS. Necessary to determine validity of performance payments and liquidity damages. 		
	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	
7.7	OBLIGATION: Management reports appear adequate for the licensee to monitor licence obligations	P&P* Rating: A	Performance Rating: 1
	Findings – Reporting was adequate with monthly contractor and ELT reports for management. Exception reports were alarmed and investigated via SCADA and given priority by the O&M contractor. Documents/Evidence – 1,2,3,4,5,6,13,18,27,29,30,31,39, 42,43,55,68,70,77,96, Walkaway Dashboard (JIRA), Risk Wizard presentation Observations: <ul style="list-style-type: none"> Mainly based on SCADA. Intermittent supply so no obligation for availability to WPC and Customers 		

	<ul style="list-style-type: none"> • Legal register for compliance monitoring • All reports to the Board Audit, Risk and Compliance Committee (ARCC) 		
	Recommendation: <ul style="list-style-type: none"> • None 	Action: <ul style="list-style-type: none"> • Nil 	
7.8	OBLIGATION: Adequate measures to protect asset management data from unauthorised access or theft by persons outside the organisation	P&P* Rating: A	Performance Rating: 1
	Findings – WWP/Iberdrola and Vestas systems had a high level of security measures to protect asset management data from external threats. Documents/Evidence – 1,2,3,4,5,6,13,18,27,29,30,31,42,43,77 Observations: <ul style="list-style-type: none"> • Firewalls were in place to prevent external access to computers • Currently CIO of Iberdrola was reviewing Australian Energy Sector Cyber Security Framework • Endorsed Cyber Security Policy developed and implemented. 		
	Recommendation: <ul style="list-style-type: none"> • None 	Action: <ul style="list-style-type: none"> • Nil 	

8. RISK MANAGEMENT		PROCESS & POLICY RATING*	PERFORMANCE RATING
<p><input type="checkbox"/> Assess whether the risks that most affect the management and performance of the assets have been identified</p> <p><input type="checkbox"/> Assess the adequacy of policies and procedures covering risk management</p> <p><input type="checkbox"/> Assess whether the risk management policies and procedures have been applied in practice</p> <p><input type="checkbox"/> Assess the adequacy of staff understanding and training on risk management</p> <p>Key Process – Risk management involves the identification of risks and their management within an acceptable level of risk.</p> <p>Outcome – The risk management framework effectively manages the risk that the licensee does not maintain effective service standards</p>		A	1
No.	2021 AUDIT REPORT EVIDENCE/ VERIFICATION/FINDING/ACTION		
8.1	<p>OBLIGATION: Risk management policies and procedures exist and are applied to minimise internal and external risks</p> <p>Findings – Risk management policies and procedures were established by the Licensee and Contractors. Risk management systems utilised by parties were evident.</p> <p>Documents/Evidence – 1,2,3,4,5,6,16,17,18,19,20,21,22,23,24,25,27,28,42,43,44,53,77 and Incident Management System (JIRA)</p> <p>Observations:</p> <ul style="list-style-type: none"> • Risk management was well used by all parties. • Annual reviews of risk policies and procedures evident. • Internal audits also scheduled and evidenced, for example Bi-monthly audits conducted by WWP of Vestas. • Effective Board ARCC process were in place <p>Recommendation:</p> <ul style="list-style-type: none"> • None 	<p>P&P* Rating: A</p>	<p>Performance Rating: 1</p>
8.2	<p>OBLIGATION: Risks are documented in a risk register and treatment plans are implemented and monitored</p>	<p>P&P* Rating: A</p>	<p>Performance Rating: 1</p>

	<p>Findings – Risk registers and treatment plans viewed on site. Effectively used to identify and mitigate risks.</p> <p>Documents/Evidence – 1,2,3,4,5,6,16,17,18,19,20,21,22,23,24,25,27,28,42,43,44,53,77 and Incident Management System (JIRA)</p> <p>Observations:</p> <ul style="list-style-type: none"> • Global experience of similar wind farm operations available to assess risks • WTGs and BoP backed by reputable global manufacturers with extensive experience. • Risks were reported monthly and corrective actions implemented. • No significant safety incidents experienced • During the Audit period the Iberdrola General Manager Health and Safety was exploring using Risk Wizard modules as currently risk registers and treatment plans are implemented using Excel spreadsheets. • Risk Registers and treatment plans also provided Key Risk management projects to be identified and budgeted for through the Operations Steering Committee. 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> • None 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
8.3	<p>OBLIGATION: Probability and consequences of asset failure are regularly assessed</p>	<p>P&P* Rating: A</p>	<p>Performance Rating: 1</p>
	<p>Findings – Licensee and O&M Contractor established annual internal audits and risk registers.</p> <p>Documents/Evidence – 1,2,3,4,5,6,16,17,18,19,20,21,22,23,24,25,27,28,42,43,44,53,77,82,83,84 and Incident Management System (JIRA)</p> <p>Observations:</p> <ul style="list-style-type: none"> • Risk registers were reviewed annually and through bi-monthly internal audits between WWP and Vestas. • Critical spares were identified and well sourced and accessible. COVID 19 did not interrupt the supply chain of spares. • Risk Registers and treatment plans also provided Key Risk management projects to be identified and budgeted for through the Operations Steering Committee 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> • None 	<p>Action:</p> <ul style="list-style-type: none"> • Nil 	

9. CONTINGENCY PLANNING		PROCESS & POLICY RATING*	PERFORMANCE RATING
<input type="checkbox"/> Determine whether contingency plans have been developed and are current <input type="checkbox"/> Determine whether contingency plans have been tested. If so, review the results to confirm any improvements identified have been implemented. Key Process – <i>Contingency plans document the steps to deal with the unexpected failure of an asset.</i> Outcome – <i>Contingency plans have been developed and tested to minimise any major disruptions to service standards.</i>		A	1
No.	2021 AUDIT REPORT EVIDENCE/ VERIFICATION/FINDING/ACTION		
9.1	OBLIGATION: Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks		P&P* Rating: A
	Findings – Plans were in place for emergencies and reinstatement. Documents/Evidence – 1,2,3,4,5,6,7,16,17,13,18,19,20,21,22,23,24,25,26,44,82,83,84,97,98, Observations: <ul style="list-style-type: none"> • Curtailment by WPC or weather conditions was beyond their control • Within Iberdrola and Vestas global experience readily available to remotely operate and maintain the site. • Contingency plans were monitored by ARCC, especially the high and extreme risks. • Critical spares were well identified, accessible and monitored. • Business Continuity and Operational contingency plans were viewed. 		Performance Rating: 1
	Recommendation: <ul style="list-style-type: none"> • None 		Action: <ul style="list-style-type: none"> • Nil

10. FINANCIAL PLANNING		PROCESS & POLICY RATING*	PERFORMANCE RATING
<input type="checkbox"/> Obtain a copy of the financial planning, budgeting and reporting process and assess its effectiveness <input type="checkbox"/> Obtain a copy of the current financial plan (including budget/actual) and assess whether the process is followed Key Process – Financial brings together the financial elements of the service delivery to ensure its financial viability over the long term. Outcome – The financial plan is reliable and provides for the long-term financial viability of the services.		A	1
No.	2021 AUDIT REPORT EVIDENCE/ VERIFICATION/FINDING/ACTION		
10.1	OBLIGATION: The financial plan states the financial objectives and identifies strategies and actions to achieve those Findings – Licensee had established mature financial planning, budgeting and reporting processes. CAPEX and OPEX budgets for the WWP were reviewed and objectives confirmed as completed or indicated to be in process. Financial planning was carried out on the wind farm’s life of the assets. Documents/Evidence – 1,3,5,11,12,13,27,34,38,42,43,45,51,57,67,78,80,81, Site Interviews Observations: <ul style="list-style-type: none"> • Confidential information but performance to date has proved satisfactory. • Financial plans were prepared each year and set budgets for future cash flow. • Project was underwritten by the sales contract and approved by the ELT and then Board. • Annually Financiers were provided with annual CAPEX and OPEX budgets. • Diligent financial reports prepared for the ELT on a monthly basis and on a quarterly basis for the Board. 	P&P* Rating: A	Performance Rating: 1
	Recommendation: <ul style="list-style-type: none"> • None 	Action: <ul style="list-style-type: none"> • Nil 	
10.2	OBLIGATION: The financial plan identifies the source of funds for capital expenditure and recurrent costs Findings – AMP defined the Revenue, OPEX and EBITDA for the wind farm for its life cycle. On an annual basis the CAPEX requirements were identified by the Operations Steering Committee and presented to ELT and Board for approval. Documents/Evidence – 1,3,5,11,12,13,27,34,38,57,67,78,80,81	P&P* Rating: A	Performance Rating: 1

	<p>Observations:</p> <ul style="list-style-type: none"> Financial plans and financial audited reports detail funding sources. Funding was determined and approved by the Parent Company. As of the date of audit CAPEX was approved for CY22. 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> None 	<p>Action:</p> <ul style="list-style-type: none"> Nil 	
10.3	<p>OBLIGATION: The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets)</p>	<p>P&P* Rating: A</p>	<p>Performance Rating: 1</p>
	<p>Findings – P&L and Balance reported annually and budget forecast for life of assets. . Detailed Financial Modelling was undertaken by the licensee (including Revenue, OPEX and EBITA)</p> <p>Documents/Evidence – 1,3,5,11,12,13,27,34,38,57,67,78,80,81</p> <p>Observations:</p> <ul style="list-style-type: none"> Confirmed by Licensee that the financial plan budgeted for life of assets, financial information was commercial in confidence. Annual Financial Reports audited and prepared by independent third party. Audited reports were on unqualified basis. 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> None 	<p>Action:</p> <ul style="list-style-type: none"> Nil 	
10.4	<p>OBLIGATION: The financial plan provides firm predictions on income for the next five years and reasonable predictions beyond this period</p>	<p>P&P* Rating: A</p>	<p>Performance Rating: 1</p>
	<p>Findings – P&L and Balance reported annually and budget forecast for life of assets. Detailed Financial Modelling was undertaken by the licensee to 2030.</p> <p>Documents/Evidence 1,3,5,13,27,34,36,38,57,80,81</p> <p>Observations:</p> <ul style="list-style-type: none"> Asset life cycle financial modelling until 2030. Commercial in confidence. PPA with Alinta projects revenue to July 2026 with option further 5 years. 		

	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	
10.5	OBLIGATION: The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services	P&P* Rating: A	Performance Rating: 1
	Findings – Detailed Financial Modelling was undertaken by the licensee, including all costs associated with operating and maintaining the assets to 2030. Documents/Evidence – 1,3,5,11,12,13,27,34,38,57,67,78,80,81, Site Interview Observations: <ul style="list-style-type: none"> Comprehensive financial modelling, monitoring and reporting O&M contract clearly defined the cost responsibilities of the O&M contractor and those of WWP. WWP was responsible for meeting CAPEX requirements. Subsequently WWP made allowance for certain CAPEX expenditure. Any large CAPEX will be justified on a case by case basis to the Board. 		
	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	
10.6	OBLIGATION: Large variances in actual/budget income and expenses are identified and corrective action taken where necessary	P&P* Rating: A	Performance Rating: 1
	Findings – Financials identified variances and comparisons with previous year of budgets. Documents/Evidence –1,3,5,11,12,13,27,34,38,51,57,67,78,80,81 Observations: <ul style="list-style-type: none"> Monthly and annual reviews of the budget were carried out between WWP and Vestas and corrective actions implemented. Evidenced from ongoing previous OPEX and CAPEX projects. 		
	Recommendation: <ul style="list-style-type: none"> None 	Action: <ul style="list-style-type: none"> Nil 	

11. CAPITAL EXPENDITURE PLANNING		PROCESS & POLICY RATING*	PERFORMANCE RATING
<p><input type="checkbox"/> Understand the capital expenditure planning process and assess its effectiveness</p> <p><input type="checkbox"/> Obtain a copy of the capital expenditure plan for the current year and assess whether the process is being followed</p> <p>Key Process – <i>The capital expenditure plan provides a schedule of new works, rehabilitation and replacement works, together with estimated annual expenditure for these works over the next five or more years. 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.</i></p> <p>Outcome – <i>The capital expenditure plan provides reliable forward estimates of capital expenditure and asset disposal income. Reasons for the decisions and for the evaluation of alternatives and options are documented.</i></p>		A	1
No.	2021 AUDIT REPORT EVIDENCE/ VERIFICATION/FINDING/ACTION		
11.1	OBLIGATION: There is a capital expenditure plan covering works to be undertaken, actions proposed, responsibilities and dates		P&P* Rating: A
			Performance Rating: 1
	<p>Findings – Licensee carried out diligent feasibility study to determine extension of wind farm life to 2036. The extension of life focussed on replacing and refurbishment of components.</p> <p>Documents/Evidence – 1,3,5,11,12,13,27,34,38,57,67,78,80,81, Site Interview</p> <p>Observations:</p> <ul style="list-style-type: none"> Financial projections have been carried out to 2030. WWP will continue to project CAPEX on an annual basis as part of its budget process No major CAPEX had been identified during that period but provision had been made for sustaining CAPEX and future upgrade of some equipment. 		
	<p>Recommendation:</p> <ul style="list-style-type: none"> None 		<p>Action:</p> <ul style="list-style-type: none"> Nil

11.2	OBLIGATION: The capital expenditure plan provides reasons for capital expenditure and timing of expenditure	P&P* Rating: A	Performance Rating: 1
<p>Findings – The Financial Plan primarily focussed on the Revenue, OPEX and EBITDA. A moderate allowance was made for annual CAPEX expenditure.</p> <p>Documents/Evidence – 1,3,5,11,12,13,27,34,38,57,67,78,80,81, Site Interview</p> <p>Observations:</p> <ul style="list-style-type: none"> • O&M contractor may propose capital expenditure to ensure performance of the wind farm. • All CAPEX was the responsibility of WWP. CAPEX projects were proposed as a business case to the Operations Steering Committee which was the put to the Board for approval. 			
<p>Recommendation:</p> <ul style="list-style-type: none"> • None 		<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
11.3	OBLIGATION: The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan	P&P* Rating: A	Performance Rating: 1
<p>Findings – All CAPEX and OPEX were in line with the assets financial plan to 2030.</p> <p>Documents/Evidence – 1,3,5,11,12,13,27,34,38,57,67,78,80,81</p> <p>Observations:</p> <ul style="list-style-type: none"> • AMPs were reviewed annually and financial plan was updated accordingly. • AMPs and financial budgets were approved by Board. 			
<p>Recommendation:</p> <ul style="list-style-type: none"> • None 		<p>Action:</p> <ul style="list-style-type: none"> • Nil 	
11.4	OBLIGATION: There is an adequate process to ensure the capital expenditure plan is regularly updated and implemented	P&P* Rating: A	Performance Rating: 1

	<p>Findings – Capital expenditure processes were detailed in the AMP and updated in the year plans and monitored via the monthly reports. Quarterly reports were submitted to the Board.</p> <p>Documents/Evidence 1,3,5,11,12,13,27,34,38,57,67,78,80,81, Site Interview</p> <p>Observations:</p> <ul style="list-style-type: none"> The Licensee indicated no further significant CAPEX was anticipated at the time of the review. 	
	<p>Recommendation:</p> <ul style="list-style-type: none"> None 	<p>Action:</p> <ul style="list-style-type: none"> Nil

12. REVIEW OF AMS		PROCESS & POLICY RATING*	PERFORMANCE RATING
<input type="checkbox"/> Determine when the asset management plan was last updated and assess whether any substantial changes have occurred <input type="checkbox"/> Determine whether any independent reviews have been performed. If so, review the results and action taken <input type="checkbox"/> Consider the need to update the asset management plan based on the results of this review <input type="checkbox"/> Determine when the asset management system was last reviewed. Key Process – <i>The asset management system is regularly reviewed and updated.</i> Outcome – <i>The asset management system is regularly reviewed and updated.</i>		A	1
No.	2021 AUDIT REPORT EVIDENCE/ VERIFICATION/FINDING/ACTION		
12.1	OBLIGATION: A review process is in place to ensure the asset management plan and the asset management system described in it remain current		P&P* Rating: A
	<p>Findings AMS and AMP were reviewed annually. This frequency was monitored by the compliance functions of Risk Wizard.</p> <p>Documents/Evidence – 1,2,3,4,5,6 and Risk Wizard</p> <p>Observations:</p> <ul style="list-style-type: none"> O&M Contractor reviewed their AMP annually and submitted to Licensee for approval as per the O&M Agreement and scheduled in Risk Wizard Completed on time and monitored through monthly meetings 		Performance Rating: 1
	<p>Recommendation:</p> <ul style="list-style-type: none"> None- 		<p>Action:</p> <ul style="list-style-type: none"> Nil
12.2	OBLIGATION: Independent reviews (e.g. internal audit) are performed of the asset management system		P&P* Rating: A
	<p>Findings – The Licensee had undertaken internal audit of the AMP and AMS of the O&M Contractor. Additionally, the Licensee had reviewed its own AMPs and AMS plans by Iberdrola Australia</p> <p>Documents/Evidence – 1,2,3,4,5,6 and Risk Wizard</p> <p>Observations:</p>		Performance Rating: 1

	<ul style="list-style-type: none">• The Licensee and the O&M contractor carried out internal reviews of the AMS and AMP with improvement opportunities identified.• The opportunities identified were aimed at improving the AMS process.	
	Recommendation: <ul style="list-style-type: none">• None	Action: <ul style="list-style-type: none">• Nil

APPENDIX 3 – AUDIT & REVIEW PLAN ASSET REVIEW PRIORITIES

Table 17 - Effectiveness Criteria Pre-Audit Review

Ref	Asset Management System Component	Consequence	Risk Likelihood	Inherent Risk Low, Medium, High	Adequacy of Existing Controls	Review Priority					
						1	2	3	4	5	N/A
1	ASSET PLANNING					0	0	0	7	2	0
1.1	Asset management plan covers the processes in this table	Minor	Unlikely	Low	Strong					5	
1.2	Planning processes and objectives reflect the needs of all stakeholders and are integrated with business planning	Moderate	Probable	Medium	Strong				4		
1.3	Service levels are defined in the asset management plan	Minor	Unlikely	Low	Strong					5	
1.4	Non-asset options (e.g. demand management) are considered	Minor	Unlikely	Medium	Moderate				4		
1.5	Lifecycle costs of owning and operating assets are assessed	Moderate	Probable	Medium	Moderate				4		
1.6	Funding options are evaluated	Moderate	Probable	Medium	Moderate				4		
1.7	Costs are justified and cost drivers identified	Moderate	Probable	Medium	Moderate				4		
1.8	Likelihood and consequences of asset failure are predicted	Moderate	Probable	Medium	Moderate				4		
1.9	Asset management plan is regularly reviewed and updated	Minor	Unlikely	Medium	Strong				4		

Ref	Asset Management System Component	Consequence	Risk Likelihood	Inherent Risk Low, Medium, High	Adequacy of Existing Controls	Review Priority					
						1	2	3	4	5	N/A
2	ASSET CREATION AND ACQUISITION					0	0	0	5	0	0
2.1	Full project evaluations are undertaken for new assets, including comparative assessment of non-asset options	Moderate	Unlikely	Medium	Strong				4		
2.2	Evaluations include all life-cycle costs	Moderate	Unlikely	Medium	Strong				4		
2.3	Projects reflect sound engineering and business decisions	Moderate	Unlikely	Medium	Strong				4		
2.4	Commissioning tests are documented and completed	Moderate	Unlikely	Medium	Strong				4		
2.5	Ongoing legal / environmental / safety obligations of the asset owner are assigned and understood	Moderate	Unlikely	Medium	Strong				4		
3	ASSET DISPOSAL					0	0	0	4	0	0
3.1	Under-utilised and under-performing assets are identified as part of a regular systematic review process	Minor	Unlikely	Medium	Strong				4		
3.2	The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken	Moderate	Unlikely	Medium	Strong				4		
3.3	Disposal alternatives are evaluated	Minor	Unlikely	Medium	Strong				4		

Ref	Asset Management System Component	Consequence	Risk Likelihood	Inherent Risk Low, Medium, High	Adequacy of Existing Controls	Review Priority					
						1	2	3	4	5	N/A
3.4	There is a replacement strategy for assets	Moderate	Unlikely	Medium	Moderate				4		
4	ENVIRONMENTAL ANALYSIS					0	0	0	4	0	0
4.1	Opportunities and threats in the asset management system environment are assessed	Moderate	Unlikely	Medium	Moderate				4		
4.2	Performance standards (availability of service, capacity, continuity, emergency response, etc.) are measured and achieved	Moderate	Probable	Medium	Moderate				4		
4.3	Compliance with statutory and regulatory requirements	Moderate	Unlikely	Medium	Moderate				4		
4.4	Service standard (customer service levels etc) are measured and achieved.	Moderate	Unlikely	Medium	Moderate				4		
5	ASSET OPERATIONS					0	0	0	6	0	0
5.1	Operational policies and procedures are documented and linked to service levels required	Moderate	Unlikely	Medium	Strong				4		
5.2	Risk management is applied to prioritise operations tasks	Moderate	Unlikely	Medium	Strong				4		
5.3	Assets are documented in an asset register including asset type, location, material, plans of components, and an assessment of assets' physical/structural condition	Moderate	Unlikely	Medium	Strong				4		

Ref	Asset Management System Component	Consequence	Risk Likelihood	Inherent Risk Low, Medium, High	Adequacy of Existing Controls	Review Priority					
						1	2	3	4	5	N/A
5.4	Accounting data is documented for assets	Moderate	Unlikely	Medium	Moderate				4		
5.5	Operational costs are measured and monitored	Moderate	Unlikely	Medium	Moderate				4		
5.6	Staff resources are adequate and staff receive training commensurate with their responsibilities.	Moderate	Unlikely	Medium	Strong				4		
6	ASSET MAINTENANCE					0	0	0	6	0	0
6.1	Maintenance policies and procedures are documented and linked to service levels required	Moderate	Unlikely	Medium	Strong				4		
6.2	Regular inspections are undertaken of asset performance and condition	Moderate	Unlikely	Medium	Strong				4		
6.3	Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule	Moderate	Probable	Medium	Moderate				4		
6.4	Failures are analysed and operational/maintenance plans adjusted where necessary	Moderate	Unlikely	Medium	Moderate				4		
6.5	Risk management is applied to prioritise maintenance tasks	Moderate	Unlikely	Medium	Moderate				4		
6.6	Maintenance costs are measured and monitored	Moderate	Unlikely	Medium	Moderate				4		

Ref	Asset Management System Component	Consequence	Risk Likelihood	Inherent Risk Low, Medium, High	Adequacy of Existing Controls	Review Priority					
						1	2	3	4	5	N/A
7	ASSET MANAGEMENT INFORMATION SYSTEM					0	0	0	8	0	0
7.1	Adequate system documentation for users and IT operators	Moderate	Unlikely	Medium	Strong				4		
7.2	Input controls include suitable verification and validation of data entered into the system	Moderate	Unlikely	Medium	Moderate				4		
7.3	Security access controls appear adequate, such as passwords	Moderate	Unlikely	Medium	Moderate				4		
7.4	Physical security access controls appear adequate	Moderate	Unlikely	Medium	Moderate				4		
7.5	Data backup procedures appear adequate and backups are tested	Moderate	Unlikely	Medium	Moderate				4		
7.6	Computations for licensee performance reporting are accurate	Moderate	Probable	Medium	Moderate				4		
7.7	Management reports appear adequate for the licensee to monitor licence obligations	Moderate	Probable	Medium	Moderate				4		
7.8	Adequate measures to protect asset management data from unauthorised access or theft by persons outside the organisation	Moderate	Unlikely	Medium	Moderate				4		
8	RISK MANAGEMENT					0	0	0	3	0	0

Ref	Asset Management System Component	Consequence	Risk Likelihood	Inherent Risk Low, Medium, High	Adequacy of Existing Controls	Review Priority					
						1	2	3	4	5	N/A
8.1	Risk management policies and procedures exist and are applied to minimise internal and external risks	Moderate	Unlikely	Medium	Moderate				4		
8.2	Risks are documented in a risk register and treatment plans are implemented and monitored	Moderate	Unlikely	Medium	Moderate				4		
8.3	Probability and consequences of asset failure are regularly assessed	Moderate	Probable	Medium	Moderate				4		
9	CONTINGENCY PLANNING					0	0	0	1	0	0
9.1	Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks	Moderate	Probable	Medium	Moderate				4		
10	FINANCIAL PLANNING					0	0	0	6	0	0
10.1	The financial plan states the financial objectives and identifies strategies and actions to achieve those	Moderate	Unlikely	Medium	Moderate				4		
10.2	The financial plan identifies the source of funds for capital expenditure and recurrent costs	Moderate	Unlikely	Medium	Moderate				4		

Ref	Asset Management System Component	Consequence	Risk Likelihood	Inherent Risk Low, Medium, High	Adequacy of Existing Controls	Review Priority					
						1	2	3	4	5	N/A
10.3	The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets)	Moderate	Unlikely	Medium	Moderate				4		
10.4	The financial plan provides firm predictions on income for the next five years and reasonable predictions beyond this period	Moderate	Unlikely	Medium	Moderate				4		
10.5	The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services	Moderate	Unlikely	Medium	Moderate				4		
10.6	Large variances in actual/budget income and expenses are identified and corrective action taken where necessary	Moderate	Unlikely	Medium	Moderate				4		
11	CAPITAL EXPENDITURE PLANNING					0	0	0	4	0	0
11.1	There is a capital expenditure plan covering works to be undertaken, actions proposed, responsibilities and dates	Moderate	Unlikely	Medium	Moderate				4		

Ref	Asset Management System Component	Consequence	Risk Likelihood	Inherent Risk Low, Medium, High	Adequacy of Existing Controls	Review Priority					
						1	2	3	4	5	N/A
11.2	The capital expenditure plan provides reasons for capital expenditure and timing of expenditure	Moderate	Unlikely	Medium	Moderate				4		
11.3	The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan	Moderate	Unlikely	Medium	Moderate				4		
11.4	There is an adequate process to ensure the capital expenditure plan is regularly updated and implemented	Minor	Unlikely	Medium	Moderate				4		
12	REVIEW OF AMS					0	0	0	2	0	0
12.1	A review process is in place to ensure the asset management plan and the asset management system described in it remain current	Moderate	Probable	Medium	Moderate				4		
12.2	Independent reviews (e.g. internal audit) are performed of the asset management system	Moderate	Unlikely	Medium	Moderate				4		
						0	0	0	56	2	0

APPENDIX 4 – AUDIT & REVIEW DOCUMENT LISTING

Documents Reviewed

Table 18 - Documents Reviewed and Assessment of Effectiveness

NUMBER	DOCUMENT ASSESSMENT	ASSET PLANNING	ASSET CREATION & ACQUISITION	ASSET DISPOSAL	ENVIRONMENTAL ANALYSIS	ASSET OPERATIONS	ASSET MAINTENANCE	A M INFORMATION SYSTEM	RISK MANAGEMENT	CONTINGENCY PLANNING	FINANCIAL PLANNING	CAPITAL EXPENDITURE PLANNING	REVIEW OF AMS	PERFORMANCE AUDIT	
															Current, Reviewed, implementation verified
															Requires some review, implementation not fully verified
	Requires review, document obsolete or not implemented														
1	Licensee Asset Management Policy														
2	Contractor Asset Management Policy														
3	Licensee Asset Management System														
4	Contractor Asset Management System														
5	Licensee Asset Management Plan														
6	Contractor Asset Management Plan														
7	Operational Schematic														
8	Schematic of the Contracts supporting Licensee														
9	Licensee Organisational Structure														
10	Contractor Organisational Structure														
11	Contractor Annual Maintenance Schedule														
12	Licensee Annual Maintenance Schedule														
13	Description of Licensee Maintenance System														
14	Description of Contractor Maintenance System														
15	Electricity Generation License														
16	Licensee Emergency Response Plan														
17	Contractor Emergency Response Plan														
18	Licensee Environment Compliance Plan														
19	Contractor Environment Compliance Plan														
20	Licensee Health and Safety Plan														
21	Contractor Health and Safety Plan														
22	Licensee Workplace Health & Safety System														
23	Contractor Workplace Health & Safety System														
24	Licensee Site Risk Register														
25	Contractor Site Risk Register														
26	MOU with FESA etc														
27	Licensee Risk Management Procedure														
28	Contractor Risk Management Procedure														
29	Licensee Computer & Information Management Plan														
30	Licensee Cyber Security														

NUMBER	DOCUMENT ASSESSMENT	ASSET PLANNING	ASSET CREATION & ACQUISITION	ASSET DISPOSAL	ENVIRONMENTAL ANALYSIS	ASSET OPERATIONS	ASSET MAINTENANCE	A M INFORMATION SYSTEM	RISK MANAGEMENT	CONTINGENCY PLANNING	FINANCIAL PLANNING	CAPITAL EXPENDITURE PLANNING	REVIEW OF AMS	PERFORMANCE AUDIT
31	Contractor Cyber Security													
32	Licensee Standard Operating Procedure Listing													
33	Contractor Standard Operating Procedure Listing													
34	Asset Management Agreement with Contractor – Applicable to Audit Period													
35	Licensee Outage Management Procedure													
36	PPA													
37	Overview of internal/external reporting processes													
38	O&M Agreement													
39	Licensee Management Reports – Applicable to Audit Period													
40	Asset Management Agreement Operational Reports – Applicable to Audit Period													
41	Western Power Operating Protocol													
42	Licensee Monthly/Weekly/Daily Meeting Minutes													
43	Contractor Monthly/Weekly/Daily Meeting Minutes													
44	Licensee Business Continuity Plan													
45	Licensee Procurement procedure													
46	ETAC (Western Power)													
47	Licensee – Asset Register (Including Financial/Physical Asset) Note: may be separate processes													
48	Leases													
49	Plant Modification Process													
50	Change Management													
51	Licensee Budget – Applicable to Audit Period													
52	Practical Completion Documentation (if applicable)													
53	Training Register													
54	Competency & Awareness Processes													
55	Compliance Schedule/Register													
57	OPEX&CAPEX Process													
58	Company Reports													
67	Financial Statements (Audited) – Applicable to Audit Period													
68	Board Reports													
69	ERA Correspondence – Applicable to Audit Period													

NUMBER	DOCUMENT ASSESSMENT	ASSET PLANNING	ASSET CREATION & ACQUISITION	ASSET DISPOSAL	ENVIRONMENTAL ANALYSIS	ASSET OPERATIONS	ASSET MAINTENANCE	A M INFORMATION SYSTEM	RISK MANAGEMENT	CONTINGENCY PLANNING	FINANCIAL PLANNING	CAPITAL EXPENDITURE PLANNING	REVIEW OF AMS	PERFORMANCE AUDIT
70	ERA Compliance Reporting													
71	ERA Generation Annual License Payment – Applicable to Audit Period													
72	ERA Compliance Report – Applicable to Audit Period													
73	ERA Standing Charges License Invoices & Payments – Applicable to Audit Period													
74	ERA Letter - Commencement of EGL02 performance audit and asset management system review													
75	ERA Letter - Approval of auditor – EGL02 performance audit and asset management system review													
76	Licensee Business Plan													
77	Licensee Policy manual													
78	Delegation of Authority													
79	Stakeholder Communication Processes/Policy													
80	Lifecycle Costing – If not included in the asset management plan													
81	Budget Approval Processes													
82	Condition Monitoring Processes													
83	Preventative Maintenance													
84	Critical Spares													
93	Other Regulatory Licenses													
94	Other Regulatory Reports													
95	Maintenance Checklists													
96	Data Backup Procedures													
97	Licensee Operational Contingency Plans													
98	Contractor Operational Contingency Plans													
99	Dispute Resolution Processes													
100	Previous Audit & Review Report (2016)													
101	Infigen Announcement 22/12/2020													