

**POST-AUDIT ACTION PLAN
EGL04 PERFORMANCE AUDIT FINDINGS**


Performance audit recommendations

Reference Item	Compliance Manual Ref #	Requirement	Audit Priority	Compliance Rating	Auditor Recommendation	Proposed Action
CURRENT (2022) AUDIT NON-COMPLIANCES AND RECOMMENDATIONS						
1/2022	103	A licensee must notify details of the asset management system and any substantial changes to it to the ERA.	4	B2	<p>In order to facilitate more effective completion and implementation of improvement plans/corrective actions it is recommended, further review the Compliance Register to ensure the information contained within it to ensure it:</p> <ul style="list-style-type: none"> ➤ Contains accurate, complete (noted some compliance obligations do not have information in the fields such as source, departments, action required, etc), current and effective information to support the ongoing compliance of the organisation with its generation licence. ➤ Details responsible personnel who are trained and aware of their obligations (i.e. include a RACI matrix). ➤ Can be used to monitor compliance and assess the effectiveness of corrective actions/compliance outcomes (i.e. provide framework for internal audits to determined compliance ➤ Linked to reporting requirements 	<p>Action Plan 1A/2022/EGL04 Bluewaters has allocated resources to review the Compliance Register to address Auditor's recommendation. Responsible Person: Tamra Marshall Target Date: 31 November 2023</p> <p>Action Plan 1B/2022/EGL04 Develop compliance process/internal audit for the Generation Licence obligations contained in the Compliance Register Responsible Person: Dimitri Lorenzo Target Date: 31 October 2023</p>
2/2022	106	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.	2	B2	<p>It is recommended that the organisation undertake a review of the Compliance Register (refer recommendation 01/2022) and also review the risk management processes to ensure the risk register is:</p> <ul style="list-style-type: none"> ➤ Fit for purpose ➤ Contains accurate information ➤ Is complete (i.e. fields that are required are not left empty, refer examples observed:) <ul style="list-style-type: none"> - Active/Inactive, - Date Risk Identified, - Strategic Risk Owner, - Risk Owner, - Describe the controls we already have in place, - Strategic Controls Owner, 	<p>Action Plan 2A/2022/EGL04 Bluewaters is in the process of reviewing the Risk Register to ensure is fit for purpose, contains accurate information, is complete and contains measurable controls that can be independently assessed and is included in the audit plan.</p> <p>Bluewaters will prepare a training matrix to ensure the users of the Risk Register are trained in its use and the reviews and amendments to risks are tracked. Blue Waters will nominate a responsible person to monitor the risk register and the risk mitigation plans.</p>

**POST-AUDIT ACTION PLAN
EGL04 PERFORMANCE AUDIT FINDINGS**

Reference Item	Compliance Manual Ref #	Requirement	Audit Priority	Compliance Rating	Auditor Recommendation	Proposed Action
					<ul style="list-style-type: none"> - Controls Owner, - What are the potential impacts with the controls applied?, - Residual Risk Rating, - Is this risk acceptable? - Treatment Option, - Treatment Plan Required - Effective in mitigating risks <ul style="list-style-type: none"> ➤ Contains measurable controls that can be independently assessed (i.e include specifics such as document number, SAP routine, compliance obligation references, etc) ➤ Is included in an audit program (i.e. monitored for effectiveness) ➤ Is communicated and users trained in its use ➤ Reviews and amendments to risks are tracked <p>The reconvening of the RACC to oversee the risk management process is recommended to proceed as planned by the Licensee in February 2023.</p> <p>The SAMP detailed the role of risk as an input to the Asset Management Planning Cycle (refer SAMP 2019-2024 figure 5) but did not specifically highlight compliance processes. The interdependence of the Risk and Compliance Register should also be considered in the review process, and this could be achieved through interrogating the Risk Register for risks with compliance inherent risk rating and ensuring these are captured in the Compliance register and vice versa.</p>	<p>Responsible Person: Tamra Marshall Target Date: 31 October 2023</p> <p>Action Plan 2B/2022/EGL04 RACC reconvened to monitor process Responsible Person: Kelly Hetherington Target Date: 17 May 2023 Update: Item closed, RACC met on 13th February 2023 and will continue on established timelines.</p>
3/2022	124	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.	4	B2	Develop a more effective process for preparation of Compliance reports to ensure the integrity of data report. Additionally, training requirements should be reviewed to ensure understanding and awareness of the legislative requirements relating to EGL4.	<p>Action Plan 3/2022/EGL04 Bluewaters will update the compliance register to ensure it accurately reflects the compliance obligations of the generation licence and serves as an auditable framework to determine compliance</p>

POST-AUDIT ACTION PLAN
EGL04 PERFORMANCE AUDIT FINDINGS

Reference Item	Compliance Manual Ref #	Requirement	Audit Priority	Compliance Rating	Auditor Recommendation	Proposed Action
					<p>Revise the Compliance Register to ensure:</p> <ul style="list-style-type: none"> ➤ the Obligations are referenced accurately against the current Electricity Compliance Reporting Manual (i.e. there is a process established for updating obligations) ➤ include Reportable Field or use "Impact of Non-Compliance" column as only type 1 and 2 obligations are reportable (i.e. obligation type (NR, 1 or 2) ➤ include compliance criteria field in Compliance Register to allow internal audit process to be established and create a time dependent audit schedule (i.e. prior to the submission of the Annual Compliance Report 31 August annually to ensure information reported is correct). <p> Ensure a record of the review is able to be recorded.</p>	<p>Responsible Person: Dimitri Lorenzo Target Date: 31 August 2023</p>

**POST-AUDIT ACTION PLAN
EGL04 PERFORMANCE AUDIT FINDINGS**

Asset Management System recommendations

Reference Item	Compliance Manual Ref #	Requirement	Audit Priority	Compliance Rating	Auditor Recommendation	Proposed Action
CURRENT (2022) AUDIT NON-COMPLIANCES AND RECOMMENDATIONS						
4/2022	1.1	<p>Asset management plan covers the processes in this table*</p> <p>*Table 23 of the 2019 Audit and Review Guidelines – Electricity and Gas Licences</p>	4	B3	<p>Whilst the AMPS platform has been established and has significant potential to facilitate an effective AMS, it was noted that the AMP and the SAMP included some obsolete, incomplete, inaccurate and out of date content. Additionally, the Plant Area AMPs FMECAs were undertaken outside the AMP and were not referenced or documented. There was no review process implemented to critically assess the performance of the AMS.</p> <p>In order to ensure completeness and accuracy if the AMP (and SAMP), maximise the benefits and effectiveness of the AMS and the AMPS platform the following recommendations are made:</p> <ul style="list-style-type: none"> ➤ Review and update the AMP and the SAMP with consideration of the requirements of Table 23 (refer Audit Guideline) ➤ Undertake Gap Analysis of BW1 AMS to the requirements of ISO 55000 as a minimum (not contractual agreements with Western Power and Customer require good electricity industry practice which incorporates the requirements of ISO 55000) ➤ Complete the Plant Area AMPs and ensure they contain adequate detail ➤ Link AMPS platform to FMECA, SAP (CMMS) and VIKING/MYOSH (HSEQ Management Software) ➤ Ensure all AMPs have clearly defined responsible persons ➤ Establish version control to better track changes within the dynamic environment Develop an internal and/or external audit process to maintain transparency, accuracy and accountability within the organisation. 	<p>Action Plan 4/2022/EGL04 Bluewaters will allocate resources to:</p> <ul style="list-style-type: none"> ➤ Review and update the AMP and the SAMP with consideration of the requirements of Table 23 (refer Audit Guideline) Responsible Person: Stuart Hair Target Date: 30 September 2023 ➤ Undertake Gap Analysis of BW1 AMS to the requirements of ISO 55000 as a minimum (not contractual agreements with Western Power and Customer require good electricity industry practice which incorporates the requirements of ISO 55000) Responsible Person: Stuart Hair Target Date: 30 September 2023 ➤ Complete the Plant Area AMPs and ensure they contain adequate detail Responsible Person: Todd Shepherdson Target Date: 31 December 2023 ➤ Link AMPS platform to FMECA, SAP (CMMS) and VIKING/MYOSH (HSEQ Management Software) Responsible Person: Stuart Hair Target Date: 30 September 2023

**POST-AUDIT ACTION PLAN
EGL04 PERFORMANCE AUDIT FINDINGS**

Reference Item	Compliance Manual Ref #	Requirement	Audit Priority	Compliance Rating	Auditor Recommendation	Proposed Action
					<ul style="list-style-type: none"> ➤ Review AMS processes and develop and an AMS maturity roadmap to better align the corporate and site objectives. 	<ul style="list-style-type: none"> ➤ Ensure all AMPs have clearly defined responsible persons Responsible Person: Stuart Hair Target Date: 31 August 2023 ➤ Establish version control to better track changes within the dynamic environment Develop an internal and/or external audit process to maintain transparency, accuracy and accountability within the organisation. Responsible Person: Stuart Hair Target Date: 31 August 2023 ➤ Review AMS processes and develop and an AMS maturity roadmap to better align the corporate and site objectives. Responsible Person: Todd Shepherdson Target Date: 30 September 2023
5/2022	1.9	Asset management plan is regularly reviewed and updated	4	B3	BWPS finalise its development and implementation of the AMPS Platform and its review processes as per the ERA guidelines. Ensure the review processes for the AMS and AMPs are documented and aligned with ISO 55000 or similar as a minimum standard.	Action Plan 5/2022/EGL04 Bluewaters will allocate resources to finalise the development and implementation of the AMPS Platform in line with ISO 55000 or similar as a minimum standard. Responsible Person: Stuart Hair Target Date: 31 March 2024
6/2022	2.5	Ongoing legal / environmental / safety obligations of the asset owner are assigned and understood	4	B3	See recommendation 2/2022	Action Plan 6/2022/EGL04 Please refer to action plan 2/2022/EGL04 Responsible Person: Daniel Kurz Target Date: 30 November 2023
7/2022	4.1	Opportunities and threats in the asset management system environment are assessed	2	B3	See recommendation 2/2022	Action Plan 7/2022/EGL04 Please refer to action plan 2/2022/EGL04 Responsible Person: Stuart Hair

**POST-AUDIT ACTION PLAN
EGL04 PERFORMANCE AUDIT FINDINGS**

Reference Item	Compliance Manual Ref #	Requirement	Audit Priority	Compliance Rating	Auditor Recommendation	Proposed Action
						Target Date: 30 September 2023
8/2022	4.3	Compliance with statutory and regulatory requirements	4	B3	See Recommendation 1/2022.	Action Plan 8/2022/EGL04 Please refer to action plan 1/2022/EGL04 Responsible Person: Daniel Kurz Target Date: 30 November 2023
9/2022	8.1	Risk management policies and procedures exist and are applied to minimise internal and external risks	4	B3	See recommendation 2/2022	Action Plan 9/2022/EGL04 Please refer to action plan 2/2022/EGL04 Responsible Person: Tamra Marshall Target Date: 31 October 2023
10/2022	8.2	Risks are documented in a risk register and treatment plans are implemented and monitored	4	B3	See recommendation 2/2022	Action Plan 10/2022/EGL04 Please refer to action plan 2/2022/EGL04 Responsible Person: Tamra Marshall Target Date: 31 October 2023
11/2022	9.1	Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks	2	B3	Review the Contingency Planning process to ensure: <ul style="list-style-type: none"> ➤ Risk Register and ensure all High/Critical risks requiring mitigation have accurate contingencies or plant redundancies documented, for example reference the bores for the water supply. ➤ Contingency Plans are consistent with the Strategic Plan ➤ the AMPS platform is reviewed to ensure all applicable Asset Area Plans to include contingency plans. ➤ Schedule and carry-out testing and training of each contingency plan. ➤ Update the BCDRF, BCP and develop the Crisis Management Plan and Business Unit Recovery Plans or capture in the AMPS, where appropriate. ➤ Ensure all personnel listed in the Contingency Plans are trained as per requirements and records reflected in the Training register. ➤ Testing of the contingency plans should form part of an internal monitoring/auditing program (i.e. the review of controls for risks/compliance) 	Action Plan 11/2022/EGL04 Bluewaters will allocate resources to: <ul style="list-style-type: none"> ➤ Review Risk Register following completion of Action Plan 2A/2022/EGL04 to determine gaps between high/critical risks and existing Contingency Plans Responsible Person: Stuart Hair Target Date: 30 November 2023 ➤ Review existing Contingency Plans and Develop additional Contingency Plans based on gap review and cover all requirements Responsible Person: Stuart Hair Target Date: 31 December 2023

**POST-AUDIT ACTION PLAN
EGL04 PERFORMANCE AUDIT FINDINGS**

Reference Item	Compliance Manual Ref #	Requirement	Audit Priority	Compliance Rating	Auditor Recommendation	Proposed Action
						<ul style="list-style-type: none"> ➤ Review AMP to ensure contingency plans are integrated into AMP Responsible Person: Stuart Hair Target Date: 31 December 2023 ➤ Schedule training and internal audit program for ongoing review and testing of contingency planning Responsible Person: Tamra Marshall Target Date: 31 January 2024
12/2022	12.1	A review process is in place to ensure the asset management plan and the asset management system described in it remain current	4	B3	A review process to ensure the AMP and the AMS remain current is required. It was noted that the nature of the dynamic AMS should support this requirement moving forward. However, the quality of the information contained within the AMP should be reviewed to ensure they are effective. As such a formalised process to ensure independent reviews (e.g. internal or third party audits) are performed of the asset management system an annual basis is required. Consideration as to the requirement from the AMPs platform to enable document and version control is recommended to enable BW1 to demonstrate the approved AMP in place at any point in time.	Action Plan 12/2022/EGL04 Please refer to action plan 2/2022/EGL04 for broad AMP and AMS finalisation and review also incorporating the reviews from 11/2022/EGL04 Responsible Person: Stuart Hair Target Date: 31 December 2023
13/2022	12.2	Independent reviews (e.g. internal audit) are performed of the asset management system	4	B3	Refer 12.1 Recommendation 12/2022	Action Plan 13/2022/EGL04 Please refer to action plan 12/2022/EGL04 Responsible Person: Stuart Hair Target Date: 31 December 2023