

**POST-AUDIT ACTION PLAN**  
**ERL12 PERFORMANCE AUDIT FINDINGS**

| Reference Item                                                  | Compliance Manual Ref # | Requirement                                                                                                                                                                                                | Audit Priority | Compliance Rating | Auditor Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Proposed Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------------------------------|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CURRENT (2018) AUDIT NON-COMPLIANCES AND RECOMMENDATIONS</b> |                         |                                                                                                                                                                                                            |                |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 1/2022/ERL12                                                    | 29                      | Clause 4.7 - A retailer must nominate a transfer date in a customer transfer request in accordance with specified timeframes, except if the customer transfer request is to reverse an erroneous transfer. | 4              | B2                | <p>In order to facilitate compliance with the Retail Licence and the obligation to ensure the nominated transfer date is compliant with the specified times frames in the <i>Customer Transfer Code</i>, the Licensee should:</p> <ul style="list-style-type: none"> <li>▪ Strengthen control processes, for example development of a flow chart, control procedure or reference to the Western Power Build Pack (Refer <a href="http://westernpower.com.au">Western Australian Electricity Market Build Pack - Customer Transfer and Standing Data Procedure (westernpower.com.au)</a> section 4)</li> <li>▪ Review the possibility of developing a macro as an embedded control to the Addition to Connection Point Schedule which would allow the specified timeframes to be considered, specifically utilising the following columns of the spreadsheet: <ul style="list-style-type: none"> <li>○ NMI</li> <li>○ Connection Point Location</li> <li>○ Proposed Transfer Date</li> <li>○ Request COMMS</li> <li>○ Meter Type</li> </ul> </li> <li>▪ Ensure that the control procedure developed details parameters for the timely the scheduling of tasks, i.e. on the receipt of the Water Corp instructions enter the details to the Addition to Connection Point Schedule at least 15 business days prior to requested transfer date in order to account for potential human error such as requests aligning with end of month work demands, public holidays or responsible person's annual leave, etc.</li> </ul> | <p><b>Action Plan 1/2022/ERL12</b><br/>Bluewater will review the current overarching process to strengthen controls and address auditor's recommendations.</p> <p>1A/2022/ERL12 - Bluewater will review the current overarching process to strengthen controls<br/><b>Responsible Person:</b> Daniel Kurz<br/><b>Target Date:</b> 31 August 2023</p> <p>1B/2022/ERL12 - Investigate whether macro can be developed as an embedded control to the Addition to Connection Point Schedule which would allow the specified timeframes to be considered, specifically utilising the following columns of the spreadsheet:</p> <ul style="list-style-type: none"> <li>○ NMI</li> <li>○ Connection Point Location</li> <li>○ Proposed Transfer Date</li> <li>○ Request COMMS</li> <li>○ Meter Type</li> </ul> <p><b>Responsible Person:</b> Daniel Kurz<br/><b>Target Date:</b> 30 September 2023</p> |

**POST-AUDIT ACTION PLAN**  
**ERL12 PERFORMANCE AUDIT FINDINGS**

| Reference Item | Compliance Manual Ref # | Requirement                                                                                                                                                                | Audit Priority | Compliance Rating | Auditor Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Proposed Action                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                |                         |                                                                                                                                                                            |                |                   | <ul style="list-style-type: none"> <li>▪ Establish a compliance process to ensure non-compliances with Retail Licence obligations are monitored and mitigated, for example development of a compliance framework that facilitates internal audit.</li> <li>▪ Ensure the internal audit process supports the integrity of reporting of non-compliances to the ERA, specifically ensure the audit is undertaken prior to June 30 annually in order to identify any non-compliances relating to the reporting year. Noting the Annual Reports are due August 31 which would allow for corrective action if required.</li> <li>▪ Include the compliance requirements with the responsible personnels Training and Performance Review Process (i.e. SPARK) to encourage development of document processes and reduce risk to the business of loss of tacit knowledge.</li> </ul> |                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 2/2022/ERL12   | 4.5.1                   | 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. | 2              | B2                | <p>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 ERL12.</p> <p>Revise the Compliance Register to ensure:</p> <ul style="list-style-type: none"> <li>➤ The Retail Licence Obligations are referenced accurately against the current Electricity Compliance Reporting Manual (i.e. there is a process established for updating obligations)</li> <li>➤ 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))</li> <li>➤ include compliance criteria field in Compliance Register to allow internal audit process to be</li> </ul>                                   | <p><b>Action Plan 2A/2022/ERL12</b><br/> Update the Retail Licence Obligations in the Compliance Register.<br/> <b>Responsible Person:</b> Dimitri Lorenzo<br/> <b>Target Date:</b> 31 August 2023</p> <p><b>Action Plan 2B/2022/ERL12</b><br/> Develop compliance criteria/internal audit process for the Compliance Register.<br/> <b>Responsible Person:</b> Tamra Marshall<br/> <b>Target Date:</b> 31 December 2023</p> |

**POST-AUDIT ACTION PLAN**  
**ERL12 PERFORMANCE AUDIT FINDINGS**

| Reference Item | Compliance Manual Ref # | Requirement | Audit Priority | Compliance Rating | Auditor Recommendation                                                                                                                                                                                                                                                                               | Proposed Action |
|----------------|-------------------------|-------------|----------------|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
|                |                         |             |                |                   | <p>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> <ul style="list-style-type: none"> <li>➤ Ensure a record of the review is able to be recorded.</li> </ul> |                 |