



## **Hamersley Iron Pty Ltd**

### **2023 Operational Audit and Asset Management System Review Water Services Licence WL33**

### **Report**

**Economic Regulation Authority  
November 2023**

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### **Limitations of this Report**

This report was prepared for distribution to the Economic Regulation Authority and Hamersley Iron Pty Ltd for the purpose of fulfilling Hamersley Iron's operational audit and asset management system review obligations under its Water Services Licence. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the Economic Regulation Authority and Hamersley Iron Pty Ltd, or for any purpose other than that for which it was prepared.

Because of the inherent limitations of any internal control environment, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the procedures and controls over the licence obligations of the Water Services Licence, since we do not examine all evidence and every transaction. The audit and review conclusions expressed in this report have been formed on this basis.

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## 1. Independent Auditor's Report

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### Scope

Hamersley Iron Pty Ltd ('Hamersley Iron') has a Water Services Licence, issued by the Economic Regulation Authority ('ERA') under the *Water Services Act 2012* ('Act'), for the provision of potable water supply and sewerage services in the towns of Dampier, Paraburdoo and Tom Price and potable water at Bungaroo Creek and is required to comply with the terms and conditions of the licence.

In this audit period, there were the following versions of the licence:

- Version 8 (from 1 July 2016 to 30 April 2020)
- Version 9 (from 1 May 2020 to current) (Updated for general changes per Water licence review 2019).

We have performed a reasonable assurance engagement on Hamersley Iron's compliance, in all material respects, with the conditions of WL33 and the *Water Services Act 2012* for the period from 1 July 2019 to 30 June 2023.

Our evaluation was made against the licence obligations listed in the Water Compliance Reporting Manual 2021 and in accordance with the ERA's 2019 Audit and Review Guidelines: Water Licences (updated August 2022). The scope of this assurance work relates to assessing Hamersley Iron's systems and effectiveness of processes and regulatory controls to ensure compliance with the obligations, standards, outputs and outcomes required by the Licence issued under the Act.

### Opinion

In our opinion, based on the procedures performed as outlined in the Audit Plan approved by the Economic Regulation Authority and the evidence we have obtained, Hamersley Iron has complied, in all material respects, with its licence conditions and relevant legislative obligations for the period 1 July 2019 to 30 June 2023.

We conducted our engagement in accordance with Australian Standard on Assurance Engagements ASAE 3100 Compliance Engagements (ASAE 3100). We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In accordance with ASAE 3100 we have:

- Used our professional judgement to plan our procedures and assess the risks that may cause material non-compliance with each of the compliance requirements to be concluded upon;
- Considered internal controls implemented to meet the compliance requirements; however, we do not express a conclusion on their effectiveness; and
- Ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

### Summary of Procedures

Our procedures consisted primarily of:

- Utilising ERA's 2019 Audit and Review Guidelines: Water Licences ('the Guidelines') to develop a risk assessment;
- Developing an Audit and Review Plan and an associated work program, approved by the ERA on 17 August 2023;
- Interviewing relevant Hamersley Iron staff to gain an understanding of systems and process controls;
- Onsite visit to the water treatment facilities at Paraburdoo and conduct various meetings with stakeholders, including contract personnel, to determine the effectiveness of systems and procedures in place and to compare actual performance against the licence standards. The onsite visit included our Engineer.
- Assessing documents and performing walkthroughs of processes and controls to support the assessment of compliance and the effectiveness of the control environment in accordance with Licence obligations; and
- Performing procedures and testing based on the procedures listed in the approved Audit and Review Plan.

## How We Define Reasonable Assurance and Material Non-Compliance

Reasonable assurance is a high level of assurance but is not a guarantee that it will always detect a material non-compliance with the compliance requirements.

Instances of non-compliance are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the intended users taken on the basis of the Licensee's compliance with the compliance requirements.

## Inherent Limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error, or non-compliance with the compliance requirements may occur and not be detected. A reasonable assurance engagement throughout the specified period does not provide assurance on whether compliance with the compliance requirements will continue in the future.

## Use of this Assurance Report

This report has been prepared for Hamersley Iron and the ERA for the purpose of assessing compliance with the requirements of the License and may not be suitable for another purpose.

We understand that a copy of this report will be provided to the ERA for the purpose of reporting on the reasonable assurance engagement for the Licensee. We agree that a copy of this report may be provided to the ERA in connection with this purpose, but only on the basis that we accept no duty, liability or responsibility to the ERA in relation to the report.

We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Licensee and the ERA, or for any other purpose other than that for which it was prepared.

## Management's responsibility

Hamersley Iron's management are responsible for:

- The compliance activities undertaken to meet the requirements of the Licence;
- Identifying risks that threaten the compliance requirements identified above being met and identifying, designing and implementing controls to enable the compliance requirements to be met and, monitoring ongoing compliance;
- Ensuring that it has complied in all material respects with the requirements of the Licence;
- Establishing and maintaining an effective system of internal control over its systems designed to achieve its compliance with the Licence requirements;
- Implementing processes for assessing its compliance requirements and for reporting its level of compliance to the ERA; and
- Implementing corrective actions for instances of non-compliance (if any).

## Our responsibility

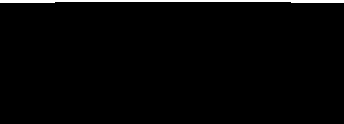
Our responsibility is to perform a reasonable assurance engagement in relation to Hamersley Iron's compliance with its License requirements throughout the period and to issue an assurance report that includes our conclusion.

## Our Independence and Quality Control

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Australian Professional and Ethical Standards Board and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.

*We confirm that the ERA's 2019 Audit and Review Guidelines: Water Licenses have been complied with in the conduct of this audit/review and the preparation of the report, and that the audit findings reflect our professional opinion.*

## Quantum Assurance



Geoff White CA  
Director

22 November 2023

## 2. Executive Summary

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### 2.1 Background

The Economic Regulation Authority ('ERA') is responsible for administering the licensing scheme in the Water Services Act 2012 ('the Act'). Under the Act, water services licensees are required to provide reports on an operational audit ('audit') and an effectiveness review of their asset management system ('review') once every 24 months, or another period that has been specified by the ERA.

The licence authorises Hamersley Iron to provide potable water and sewerage services in the operating area specified in the licence. The operating area includes the towns of Dampier, Paraburdoo and Tom Price for potable water and sewerage services and Bungaroo Creek for potable water.

In this audit period, there were the following versions of the licence:

- Version 8 (from 1 July 2016 to 30 April 2020)
- Version 9 (from 1 May 2020 to current) (Updated for general changes per Water Licence Review 2019).

### 2.2 Operational Audit

This audit has been conducted to assess the licensee's level of compliance with the conditions of its licence. Through the execution of the Audit Plan and assessment and testing of the control environment, the information system, control procedures and compliance attitude, the audit team members have gained reasonable assurance that Hamersley Iron has fully complied with its Water Services Licence obligations during the audit period from 1 July 2019 to 30 June 2023.

Out of 192 applicable compliance obligations, the audit found:

- 87 obligations were rated compliant (68 with adequate controls and 19 compliant with controls not reviewed).
- 105 were not rated for compliance, as no relevant activity took place during the audit period (79 with adequate controls and 26 where controls were not reviewed).

The audit confirmed that Hamersley Iron has complied with its information reporting obligations for the period from 1 July 2019 to 30 June 2023.

The control environment is considered to be effective to manage compliance with the licence conditions.

### 2.3 Asset Management System Review

This review has been conducted to assess the effectiveness of the Licensee's asset management system.

Through the execution of the Review Plan and assessment and testing of the control environment, the information system, control procedures and compliance attitude, the audit team members have gained reasonable assurance that Hamersley Iron has operated the scheme in a reliable manner and provided a good level of service to the towns of Dampier, Paraburdoo and Tom Price, and Bungaroo Creek.

The review found that Hamersley Iron has established an effective asset management system and an adequate control environment for ongoing compliance in respect of the asset management system.

For the review period from 1 July 2019 to 30 June 2023, the potable water supply and sewerage services provided under Water Services Licence WL33, are considered to be operated with a professional and comprehensive approach.

Out of 12 components of the asset management system, all were rated as performing effectively.

Out of 58 effectiveness criteria for the asset management system, the review found that all criteria were rated as performing effectively. There were no recommended improvements.

## 3. Operational Audit

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### 3.1 Introduction

Hamersley Iron Pty Ltd ('HIPL') is required to comply with the terms and conditions of their license. There were two versions of the Water Services License WL33 in operation over the audit period:

- Version 8 (from 1 July 2016 to 30 April 2020)
- Version 9 (from 1 May 2020 to current) (Updated for general changes per Water licence review 2019).

Under the Act, water services' licensees are required to provide reports on an operational audit ('audit') and an effectiveness review of their asset management system ('review') once every 24 months, or another period that has been specified by the ERA.

The ERA engaged Quantum Management Consulting and Assurance ('The auditor') to complete an audit and review of HIPL's water supply services, to comply with the licensing requirements of the ERA.

This audit covers the period from the previous audit, being 1 July 2019 to 30 June 2023.

The audit approach is based on the compliance obligations set out in the Licence, applicable legislation, regulatory guidelines (Water Compliance Reporting Manual 2021) and the 2019 Audit and Review Guidelines: Water Licences (updated August 2022).

### 3.2 Objectives and Scope

The objective was to provide the ERA with an independent assessment of the licensee's compliance with relevant obligations under the licence.

The audit applied a risk-based audit approach. The scope of the audit included the adequacy and effectiveness of performance against the requirements of the licence by considering:

- **process compliance** - the effectiveness of systems and procedures in place throughout the audit period, including the adequacy of internal controls;
- **outcome compliance** – the actual performance against standards prescribed in the licence throughout the audit period;
- **output compliance** – the existence of the output from systems and procedures throughout the audit period (that is, proper records exist to provide assurance that procedures are being consistently followed and controls are being maintained);
- **integrity of reporting** – the completeness and accuracy of the compliance and performance reports provided to the ERA; and
- **compliance with any individual licence conditions** - the requirements imposed on the specific licensee by the ERA or specific issues that are advised by the ERA.

When assessing if a licensee has complied with its licence obligations, the auditor must apply a level of scrutiny that corresponds to a 'reasonable assurance engagement'. A reasonable assurance engagement is:

*"An assurance engagement in which the assurance practitioner reduces engagement risk to an acceptably low level in the circumstances of the engagement as the basis for the assurance practitioner's conclusion. The assurance practitioner's conclusion is expressed in a form that conveys the assurance practitioner's opinion on the outcome of the measurement or evaluation of the underlying subject matter against criteria." (ASAE3000)*

The highest priority areas (priority 1, 2 or 3) based on inherent risk were:

- Cut off water supply to occupied dwelling (obligation 21); and
- Preserved water supply register and restrictions on reduced supply (obligations 154B, 154C and 154D).

The audit aimed to identify any areas where improvement is required and recommend corrective action as necessary.

### 3.3 Audit Compliance and Controls Rating Scale

The adequacy of controls and compliance with the legislative obligations was assessed using the following ratings.

Adequacy of Controls Rating		Compliance Rating	
Rating	Description	Rating	Description
A	Adequate controls – no improvement needed	1	Compliant
B	Generally adequate controls – improvement needed	2	Non-compliant – minor impact on customers or third parties
C	Inadequate controls – significant improvement required	3	Non-compliant – moderate impact on customers or third parties
D	No controls evident	4	Non-compliant – major impact on customers or third parties
NP	Not performed – controls not assessed in the audit.	NR	Not rated – no activity in current period

### 3.4 Summary of Audit Ratings of Controls and Compliance

The current audit assessment of the ratings for the adequacy of controls and compliance with the 192 applicable legislative obligations is shown below in the summary table and detailed obligations table in section 3.6.

**Summary of Audit Ratings of Control and Compliance**

Controls rating	Compliance Rating						
	Rating	1 Compliant	2 Non-compliant (minor impact)	3 Non-compliant (moderate impact)	4 Non-compliant (major impact)	NR Not rated	Total
A - Adequate		68	-	-	-	79	147
B – Generally adequate		-	-	-	-	-	-
C - Inadequate		-	-	-	-	-	-
D – No controls		-	-	-	-	-	-
NP – Not performed		19	-	-	-	26	45
<b>Total</b>		<b>87</b>	-	-	-	<b>105</b>	<b>192</b>



### Detailed Audit Ratings of Control and Compliance by Obligation

The current audit assessment of the ratings for the adequacy of controls and compliance with the legislative obligations is shown below. Check to detailed obligations list

c	Brief Description	Legislative Reference	Audit Priority applied  (rated 1 = High to 5 = Low)	Adequacy of Controls Rating <sup>1</sup>  (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating  (1=Compliant, 2=Non-compliant - minor impact, 3=Non-compliant - moderate impact, 4=Non-compliant - major impact, NR=Not rated)				
				A	B	C	D	NP	1	2	3	4	NR
<b>Water Services Act 2012</b>													
2	Terms of service	Sec. 21(1)(b)	4	✓						✓			
3	Provision of services	Sec. 21(1) (c)	4	✓						✓			
4	Operating area	Sec. 22	4					✓				✓	
5	Outsourcing of services	Sec. 23	4					✓		✓			
6	Asset management system	Sec. 24(1)(a) & 24(2)	4	✓						✓			
8	Asset management system review	Sec. 24(1)(c)	4	✓						✓			
9	Operational audit	Sec. 25	4	✓						✓			
10	Code of practice	Sec. 26(3)	4					✓		✓			
13	Termination of service	Sec. 36	4					✓				✓	
14	Supplier of last resort	Sec. 60	4					✓				✓	
15	Ombudsman scheme	Sec. 70(2)	4	✓						✓			
16	Interruption of water supplies	Sec. 77(3)	4	✓						✓			
17	Notification of building works	Sec. 82(4) & (5)	4	✓								✓	
18	Ensuring water service works are done	Sec. 84(2)	4					✓				✓	
19	Review of decisions	Sec. 87(2)	4					✓				✓	
20	Construction near water service works	Sec. 90(7)	4	✓								✓	
21	Cut off water supply	Sec. 95(3)	2	✓								✓	
22	Fire hydrants for reticulation works	Sec. 96(1)	4	✓								✓	
23	Requests from FESA or local government	Sec. 96(5)	4	✓								✓	
24	Connect wastewater inlet	Sec. 98(3)	4					✓				✓	
25	Compliance notice re sewerage	Sec. 106(2)	4	✓								✓	
28	Compliance notice issued by licensee re building works	Sec. 119(2)	4	✓								✓	
29	Review of decisions	Sec. 122(2)	4					✓				✓	
30	Apportionment of fees between properties	Sec. 125(2)	4	✓								✓	
31	Lodging memorial to secure fees owing	Sec. 128(4)	4					✓				✓	
32	Notice to property owner - entry	Sec. 129(5)	4	✓						✓			

<sup>1</sup> Refer Controls and Compliance Rating Scales in Section 3.3.

c	Brief Description	Legislative Reference	Audit Priority applied  (rated 1 = High to 5 = Low)	Adequacy of Controls Rating <sup>1</sup>  (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating  (1=Compliant, 2=Non-compliant - minor impact, 3=Non-compliant - moderate impact, 4=Non-compliant - major impact, NR=Not rated)					
				A	B	C	D	NP	1	2	3	4	NR	
33	Notice to property owner – removal of fence	Sec. 139(3)	4	✓										✓
34	Notice to roads authority	Sec. 141(1)	4	✓						✓				
35 36 37 38 39	Proposal for major works	Sec. 142, 143(2) &(3), 144(3), 145(2)	4	✓										✓
40 41	Proposal for general works – Minister notices	Sec. 147(3) & (4)	4	✓										✓
42 43 44 45	Proposal for general works	Sec. 151(1) - (3), 153(3),	4	✓										✓
46 47 48	Interest in land	Sec. 166(5) - (6), 170	4					✓						✓
49 50	Notice of entry to property and authority to enter	Sec. 173(4) & 174 (1)	4	✓						✓				
51	Notice of entry after entry without notice	Sec. 174 (3)	4	✓										✓
52 53 54 55 56 57	Notice of entry to property and authority to enter	Sec. 175(2) & (5), 176(1), (3) & (4) 181	4	✓										✓
58 59 60 61	Warrant to enter property	Sec. 186, 187(1) - (3), 190(4) - (5)	4	✓										✓
62	Compliance Officer	Sec. 210(5)	4	✓						✓				
63	Minimum disruption	Sec. 218(2)	4	✓										✓
64	Physical damage	Sec. 218(3)	4					✓						✓
<b>Water Services Regulations 2013</b>														
65	Meter testing – multi-unit	Reg. 23(2)	4	✓										✓
66	Meter testing - compliance	Reg. 24(4)	4	✓										✓
67	Meter access - compliance	Reg. 26(3)	4					✓						✓
68	Meter testing tolerance	Reg. 26(5)	4	✓										✓
69	Lot development	Reg. 29(1)	4					✓						✓
70	Backflow prevention devices	Reg. 42(2), 43(3), 43(6).	4	✓										✓

c	Brief Description	Legislative Reference	Audit Priority applied  (rated 1 = High to 5 = Low)	Adequacy of Controls Rating <sup>1</sup>  (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating  (1=Compliant, 2=Non-compliant - minor impact, 3=Non-compliant - moderate impact, 4=Non-compliant - major impact, NR=Not rated)					
				A	B	C	D	NP	1	2	3	4	NR	
71 72														
74	Work affecting roads	Reg. 60(2)	4	✓										✓
75	Breaks to road surface	Reg. 63	4	✓										✓
89	Compliance notice information	Reg. 85	4	✓										✓
<b>Water Services Code of Conduct (Customer Service Standards) 2018</b>														
92	Information for customers	Cl. 8(1)-(3)	4	✓						✓				
93	Service connections period	Cl. 9(2) & (4)	4	✓						✓				
94	Annual service charges	Cl. 10(2)	4	✓						✓				
95 96	Usage bills at least 4 monthly	Cl.11(2) & (3)	4	✓						✓				
97	Estimated meter reading	Cl. 11(4)	4	✓						✓				
98	Estimated Bill of Usage	Cl. 11(5)	4	✓						✓				
98A	Estimated Bill at least every 12 months	Cl. 11(6)	4	✓						✓				
99	Address for billing	Cl. 12	4	✓						✓				
100	Billing information	Cl. 13(1)	4	✓						✓				
100A	Billing information – more than one service	Cl. 13(3)	4					✓						✓
101	Billing information - usage	Cl. 13(4)	4					✓		✓				
101A	Billing information - estimate	Cl. 13(5)	4					✓		✓				
102A	Billing information – prescribed information	Cl. 13(6)	4					✓		✓				
103 104	Basic of billing estimate	Cl. 14(1) & (2)	4	✓						✓				
104A	Tariff information	Cl. 15(3)	4					✓		✓				
105	Request for meter reading	Cl. 16(1)	4	✓										✓
106	Higher than normal charge	Cl. 17(2) & (3)	4	✓						✓				
107 108 109 110	Under and over charges	Cl. 18(2) - (5).	4	✓										✓
111A	Over charges - refunds	Cl. 19(2)	4	✓										✓
112A 112B 112C	Over charges - refunds	Cl. 19(3)-(5)	4	✓										✓
113	Review of bill upon request	Cl. 20(1)	4	✓						✓				
114	Review of bill procedure – written procedure	Cl. 20(2)	4	✓						✓				

c	Brief Description	Legislative Reference	Audit Priority applied  (rated 1 = High to 5 = Low)	Adequacy of Controls Rating <sup>1</sup>  (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating  (1=Compliant, 2=Non-compliant - minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated)					
				A	B	C	D	NP	1	2	3	4	NR	
115	Review of bill procedure – information	Cl. 20(3) & (6)	4	✓						✓				
116	Review of bill procedure – ombudsman	Cl. 20(4)	4	✓						✓				
117	Review of bill procedure – timeframe	Cl. 20(5)	4	✓						✓				
117A	Notification of change in water service charge	Cl. 21	4	✓						✓				
118	At least 14 days for payment	Cl. 4.1.1	4	✓						✓				
119	Payment methods - options	Cl. 24(1)	4	✓						✓				
120	Payment methods - fees	Cl. 24(2)	4	✓						✓				
121	Payment methods- direct debit authority	Cl. 25(1)	4					✓						✓
122	Payment in advance	Cl. 26(1)	4	✓										✓
123	Redirection of bills	Cl. 27	4	✓										✓
124A 124B 124C	Payment plan	Cl. 28(2), (3) & (4).	4	✓										✓
125 126A 126B 127	Financial hardship policy	Cl. 29(1) - (5)	4	✓						✓				
128	Financial hardship policy - publicly available	Cl. 29(6)	4	✓						✓				
129A	Financial hardship policy – review	Cl. 29(7)	4					✓		✓				
129B	Financial hardship policy – review if directed	Cl. 29(8)	4					✓						✓
129C	Financial hardship – payment variations	Cl. 29(9)	4					✓		✓				
130A 130B 131A 131B 131C	Financial hardship – payment variations	Cl. 30(2) & (3), 30(4)(a)-(c)	4	✓										✓
133	Written information re payment assistance	Cl. 31 (4) & (5)	4	✓						✓				
133A	No interest in some circumstances	Cl. 32	4	✓										✓
134	Debt recovery - complaint	Cl. 33(1)(a) – (c)	4	✓										✓
134A	Debt recovery – payment plan	Cl. 33(1)(d) – (e)	4	✓										✓
135 136	Restoring water supply	Cl. 40(1) & (2)	4	✓										✓
137A 137B	Water supply restriction	Cl. 36(1)-(3), 37(1)(a)-(h) & 38	4	✓										✓

c	Brief Description	Legislative Reference	Audit Priority applied  (rated 1 = High to 5 = Low)	Adequacy of Controls Rating <sup>1</sup>  (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating  (1=Compliant, 2=Non-compliant - minor impact, 3=Non-compliant - moderate impact, 4=Non-compliant - major impact, NR=Not rated)					
				A	B	C	D	NP	1	2	3	4	NR	
137C 138 138A 138B														
139	Rate of flow	Cl. 39	4	✓										✓
142	Restoring water supply	Cl. 41(4)	4	✓										✓
144	Compliance rate	Cl. 41(6)	4	✓										✓
144A 144B	Notice of planned service interruptions	Cl. 43(1)-(2)	4	✓						✓				
144C 144D	Policy for dealing with leaks and blockages	Cl. 44(1) - (2)	4	✓						✓				
144E	24 hour information line	Cl. 45	4	✓						✓				
145 146	Complaints procedure - written	Cl. 46(1) - (2)	4	✓						✓				
147	Complaints procedure - details	Cl. 46(3)	4	✓						✓				
148A	Complaints procedure - Ombudsman	Cl. 46(4)	4	✓						✓				
149	Complaints procedure publicly available	Cl. 46(5)	4	✓						✓				
149A	Resolution of complaints	Cl. 47	4	✓						✓				
150	No charge for information	Cl. 48(1)	4	✓						✓				
152	Access to customer information	Cl. 48(2)	4	✓						✓				
153	Code of Conduct publicly available in hardcopy and on website	Cl. 49(1)	4	✓						✓				
154	Bill information on website	Cl. 49 (2)	4	✓						✓				
154A	Link to WA website	Cl. 49(3)	4	✓						✓				
154B	Preserved supply register	Cl. 51(1),(3)	2	✓						✓				
154C 154D	Preserved supply register	Cl. 52 & 53	2	✓										✓
<b>Other Licence Conditions</b>														
155	Fees to regulator	Cl. 4.2.1	4	✓						✓				
159	Direction from ERA	Cl. 4.1.2	4					✓						✓
160	Compliance with Accounting Standards	Cl. 4.6.1	4	✓						✓				
161	Compliance with performance standards	Cl. 5.2.1	4	✓						✓				
162	Operational audit	Cl. 5.3.4	4	✓						✓				
163	External administration	Cl. 4.7.1(a)-(c)	4					✓						✓
165	Provision of information to ERA	Cl. 4.8.1	4	✓						✓				

c	Brief Description	Legislative Reference	Audit Priority applied  (rated 1 = High to 5 = Low)	Adequacy of Controls Rating <sup>1</sup>  (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating  (1=Compliant, 2=Non-compliant - minor impact, 3=Non-compliant - moderate impact, 4=Non-compliant - major impact, NR=Not rated)					
				A	B	C	D	NP	1	2	3	4	NR	
167	Performance reporting to ERA	Cl. 4.8.2	4	✓						✓				
168	Publishing information	Cl. 3.8.1 & 3.8.2	4	✓										✓
169	Notices in writing	Cl. 3.7.1	4					✓						✓
170A	Notify ERA of asset management system (AMS)	Cl. 5.1.1 (a) & (b)	4					✓		✓				
171	Notify ERA of material change to AMS	Cl. 5.1.3	4	✓										✓
172	AMS review	Cl. 5.1.7	4	✓						✓				
172A 172B	ERA direction re condition of service	Cl. 6.1.1-6.1.2	4					✓						✓
181	Obligations of supplier of last resort	Cl. 6.3.1	4					✓						✓
182	No services outside operating area	Cl. 4.4.1(b)	4					✓						✓
184	MOU with Department of Health (water)	Cl. 7.1.1	4	✓						✓				
184A	MOU with Department of Health (sewerage)	Cl. 7.1.2 7.1.3	4	✓						✓				
184B	MOU with Department of Health (water separate to sewerage)	Cl. 7.1.3	4	✓						✓				
185	MOU legal compliance	Cl. 7.1.4	4					✓		✓				
186	MOU compliance	Cl. 7.1.5	4					✓		✓				
187	MOU published	Cl. 7.1.6	4					✓		✓				
188	MOU - audit reports published	Cl. 7.1.7	4					✓						✓
189	MOU – other reports published	Cl. 7.1.8	4					✓		✓				
190	Service and performance standards	Schedule 2	4	✓						✓				
<b>Water Services Code of Practice (Family Violence) 2020</b>														
191	Family violence policy (191 to 198 from March 2021)	Cl. 5(1)	4					✓		✓				
192	Family violence policy before the end of the six-month period	Cl. 5(2)	4					✓		✓				
193	Publish family violence policy on website	Cl. 6	4					✓		✓				
194	Review of family violence policy once every 5-year period	Cl. 7	4					✓						✓
195	Records of compliance with this code	Cl. 8(1)	4					✓		✓				

c	Brief Description	Legislative Reference	Audit Priority applied  (rated 1 = High to 5 = Low)	Adequacy of Controls Rating <sup>1</sup>  (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating  (1=Compliant, 2=Non-compliant - minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated)				
				A	B	C	D	NP	1	2	3	4	NR
196	Retain records for at least 7 years	Cl. 8(2)	4					✓	✓				
197	Inform customers of complaints procedure	Cl. 9	4	✓									✓
198	Website link to current copy of this Code	Cl. 10	4					✓	✓				

### 3.5 Status of Previous Audit Recommendations

The previous audit covered the period from 1 July 2016 to 30 June 2019 and was reported in November 2019. There was one recommendation from the previous audit that has been completed as shown below.

Reference (no./year)	Previously Assessed Non-Compliance/Controls Improvement	Previous Auditor's Recommendation and <i>Action Taken</i>	Date Resolved	Further action required
<b>A. Resolved before end of previous review</b>				
	Nil			
<b>B. Resolved during current review period</b>				
1/2021	<p><b>Bill Information</b> Rating: A3 <i>Obligation 104A - Each bill for usage to which clause 15 applies must, in addition to the requirements of clause 13, contain the prescribed information.</i></p> <p>The auditor notes the 2019 Compliance Datasheet records regarding this obligation: "Water tariff changes per kl are provided on invoice".</p> <p>The date on which the customers tariff year restarts is not included on the bills for 2018/19. Customer Services are currently updating invoices to include this information.</p>	<p>HIPL should ensure its bills disclose, in compliance with section 15(3)(d) of the 2018 Customer Service Standards: <i>"the day on which the tariff for water supplied to the customer will revert to the lowest tariff (i.e. the day on which the customer's next consumption year starts."</i></p>	September 2019	No further action required.



### 3.6 Detailed Audit Observations

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
<b>Water Services Act 2012</b>							
2	Section 21(1)(b)	Clause 4.3.1(b)	The licensee must if requested, offer to provide the water service authorised by the licence to any other person (not covered by section 21(1)(a) of the Act) within the operating area of the licence on reasonable terms, unless provision of the service is not financially viable or is otherwise not practicable.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL has provided the water service to any person in the operating area. This obligation is stated in the Rio Tinto (WA) Utilities Statutory Compliance & Assurance Schedule.	A	1
3	Section 21(1)(c)	Clauses 4.1.1	The licensee must provide, operate and maintain the water service works specified by the ERA in the licence for the purpose of section 11(3).	4	The auditor confirmed by this audit HIPL has provided, operated and maintained the water service works specified in the licence. This obligation is stated in the Rio Tinto (WA) Utilities Statutory Compliance & Assurance Schedule.	A	1
4	Section 22	Clause 4.4.1(a)	The licensee must notify the ERA as soon as practicable before commencing to provide the water service outside of the operating area of the licence.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not provide a water service outside of the outside operating area of WL33.	NP	NR
5	Section 23	Clause 4.5.1	All water service works used by the licensee in the provision of a water service must be held by the licensee or	4	The auditor confirmed with the HIPL Representative that during the audit period HIPL owned all water service works it used in the provision of water services.	NP	1

<sup>2</sup> The number refers to the item reference in the Water Compliance Reporting Manual 2021.

<sup>3</sup> The highest priority areas (priority 1, 2 or 3) based on inherent risk and expected controls/processes are highlighted in RED.

<sup>4</sup> Controls Rating Scale: A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed.

<sup>5</sup> Compliance Rating Scale: 1=Compliant, 2=Non-compliant (minor impact), 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated.

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
			must be covered by a works holding arrangement.				
6	Sections 24(1)(a) & 24(2)	Clause 5.1.1	The licensee must provide for an asset management system in respect of the licensee's water service works.	4	This audit and review confirmed HIPL has an asset management system. This obligation is stated in the Rio Tinto (WA) Utilities Statutory Compliance & Assurance Schedule.	A	1
8	Section 24(1)(c)	Clause 5.1.4	A licensee must provide the ERA with a report by an independent expert as to the effectiveness of its asset management system every 24 months, or such longer period as determined by the ERA.	4	This audit and asset management system review has been completed. This obligation is stated in the Rio Tinto (WA) Utilities Statutory Compliance & Assurance Schedule.	A	1
9	Section 25	Clause 5.3.1	A licensee must, not less than once every 24 months, or such longer period as determined by the ERA, provide the ERA with an operational audit conducted by an independent expert appointed by the ERA.	4	Refer obligation 8 above.	A	1
10	Section 26(3)	Clause 4.1.1	The licensee must comply with each code of practice made by the Minister to the extent to which it applies to the licensee.	4	The audit confirmed that HIPL complies with the Water Services Code of Practice (Family Violence) 20202 issued by the Minister. Refer obligations 191 to 194 below.	NP	1
13	Section 36	Clause 4.1.1	If the licensee ceases to provide a water service in an area, the licensee must ensure that the water service works are left in a safe condition and must not remove any part of the works except with the approval of the Minister.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not cease to provide a water service in the operating area.	NP	NR

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
14	Section 60	Clause 6.3.1	If the licensee is the supplier of last resort for a designated area in relation to the provision of a particular water service, the licensee must perform the functions of the supplier of last resort and must comply with the relevant duties and carry out the relevant operations prescribed.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL was not a supplier of last resort.	NP	NR
15	Section 70(2)	Clause 6.2.1	The licensee must not supply water services to customers unless the licensee: is a member of the water services ombudsman scheme; and is bound by the scheme; and will comply with any decision or direction of the water services ombudsman under the scheme.	4	The auditor confirmed by review of the website and the fee payment to the Ombudsman that HIPL is a member of the scheme. This obligation is stated in the Rio Tinto (WA) Utilities Statutory Compliance & Assurance Schedule.	A	1
16	Section 77(3)	Clause 4.1.1	The licensee must take reasonable steps to minimise the extent or duration of any interruption of water services it is responsible for.	4	The auditor confirmed with HIPL Representative during the audit period, HIPL took reasonable steps to minimise the extent or duration of any interruption of water services it was responsible for. There were no complaints in the Complaints Register concerning service interruptions. The Compliance Datasheets include this obligation.	A	1
17	Sections 82(4) & (5)	Clause 4.1.1	If a person must give the licensee notice of any building work to be carried out on land in the operating area of a license, the licensee must return a copy of the plans and specifications contained in the notice with any written directions about the proposed building work that the licensee considers necessary to ensure the safety and efficacy of the provision of water services provided, or	4	The auditor confirmed with HIPL Representative during the audit period, no persons gave HIPL notice of any building works. The RTIO-AM-0121019 - Utilities Division and Development Guidance Note sets out the procedures for HIPL to review and provide directions on any planned building work in the licence operating area to comply with this obligation.	A	NR

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
			to be provided. The licensee must do this within 7 days of receiving the fee for dealing with the notification.				
18	Section 84(2)	Clause 4.1.1	If the licensee has given a notice under section 83(3)(a) of the Act, and the licensee is satisfied that the person given the notice is not going to comply with the notice within a reasonable time, the licensee must give the person 21 days' notice of its intention to commence the works.	4	Refer obligation 17 above.	NP	NR
19	Section 87(2)	Clause 4.1.1	If a person makes an application with the State Administrative Tribunal for a review of a decision in respect of the licensee providing additional water services when a person has not responded to the licensee's notice, the licensee cannot provide the works until the application has been finally dealt with, except in limited circumstances.	4	The auditor confirmed with HIPL Representative during the audit period, there were no applications to the State Administrative Tribunal for review of any decisions.	NP	NR
20	Section 90(7)	Clause 4.1.1	If the licensee gives a compliance notice to a person who is undertaking construction or carrying out similar works in the vicinity of water service works, the licensee must, to the extent practicable, consult with the owner of the land on which the obstruction is located or the activity is taking place if the person to be given the notice is not the owner of the land.	4	The auditor confirmed with HIPL Representative during the audit period, there were no compliance notices issued.  This obligation is stated in the RTIO-AM-0137981 – Iron Ore (WA) Pilbara Utilities Compliance Officers (water) – internal guidance.	A	NR

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
21	95(3)	Clause 4.1.1	The licensee cannot cut off the supply of water to an occupied dwelling unless the occupier agrees to that.	2	The auditor confirmed with HIPL Representative during the audit period, there was no cut off of water supply to occupied dwellings.  The Rio Tinto document "Standard connections for water, sewerage and electricity supply" includes a section "Interruption to supply" which states: "We will not cut off the supply of water to an occupied dwelling unless the occupier has agreed to this...".	A	NR
22	96(1)	Clause 4.1.1	If the licensee provides water supply reticulation works or enters into an agreement for the provision of water supply reticulation works, the licensee must install fire hydrants attached to those works in accordance with the requirements of FESA, or the relevant local government as to the location and type of hydrant.	4	The auditor confirmed with HIPL Representative during the audit period, HIPL did not receive any requests from FESA to install fire hydrants and was not obligated to install fire hydrants.  The RTIO-AM-0162953 - SS-M123 - Fire Mitigation Systems Maintenance Standard notes the fire prevention actions.	A	NR
23	96(5)	Clause 4.1.1	The licensee must comply with requests made by FESA or a local government under sections 96(3) and 96(4) of the Act to the extent practicable and within a reasonable time.	4	The auditor confirmed with HIPL Representative during the audit period, there were no requests from FESA or a local government authority.  The RTIO-AM-0162953 - SS-M123 - Fire Mitigation Systems Maintenance Standard notes the fire prevention actions.	A	NR
24	Section 98(3)	Clause 4.1.1	If required to by the Minister, the licensee must connect a wastewater inlet on land to the <b>sewerage</b> works of the licensee.	4	The auditor confirmed with HIPL Representative during the audit period, there were no requests from the Minister.	NP	NR
25	Section 106 (2)	Clause 4.1.1	The licensee must include the information specified in a compliance notice given in relation to failure to	4	The auditor confirmed with HIPL Representative during the audit period, there were no compliance notices issued.	A	NR

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
			maintain fittings, fixtures and pipes <b>(sewerage)</b> .		This obligation is stated in the RTIO-AM-0137981 – Iron Ore (WA) Pilbara Utilities Compliance Officers (water) – internal guidance.		
28	Section 119(2)	Clause 4.1.1	The licensee must include the information specified in a compliance notice given in relation to the matters set out in section 119(1).	4	The auditor confirmed with HIPL Representative during the audit period, there were no compliance notices issued.  This obligation is stated in the RTIO-AM-0137981 – Iron Ore (WA) Pilbara Utilities Compliance Officers (water) – internal guidance.	A	NR
29	Section 122(2)	Clause 4.1.1	If a person makes an application to the State Administrative Tribunal under section 122(1), the licensee cannot take, or continue to take, action against the person except in the circumstances specified.	4	The auditor confirmed with HIPL Representative during the audit period, there were no applications to the State Administrative Tribunal for review of any decisions.	NP	NR
30	Section 125(2)	Clause 4.1.1	If the licensee provides a water supply, sewerage or drainage service to 2 or more dwellings on land by a single property connection, the licensee may apportion fees. The licensee cannot apportion fees to the extent inconsistent with any agreement related to such a provision of services, or section 66 of the Strata Titles Act 1985.	4	The auditor confirmed with HIPL Representative during the audit period, each property had a separate meter which was used to measure consumption. Thus, HIPL did not apportion fees to 2 or more dwellings with a single connection.  This obligation is included in the RTIO-AM-0118746 - Development and planning policy.	A	NR
31	Section 128(4)	Clause 4.1.1	If the licensee has previously lodged a memorial with the Registrar, the licensee must lodge a withdrawal of memorial with Registrar along with the prescribed fee (if any) if the charge or contribution has been paid.	4	The auditor confirmed with HIPL Representative during the audit period, there were no memorials lodged with the Registrar.	NP	NR

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
32	Section 129(5)	Clause 4.1.1	If a routine inspection or maintenance is likely to cause disruption to the occupants of a place at least 48 hours' notice of a proposed entry must be given to the occupier of the place unless the occupier agrees otherwise.	4	The auditor confirmed with HIPL Representative during the audit period, HIPL did give 48 hours' notice of routine inspection or maintenance which were likely to cause disruption to the occupants of a place. The Rio Tinto document "Standard connections for water, sewerage and electricity supply" which includes a section "Interruption to supply" which states: "If a routine inspection or maintenance is likely to cause disruption to an occupant, we will provide the occupier with at least 48 hours' notice of any proposed entry, unless the occupier agrees otherwise."	A	1
33	Section 139(3)	Clause 4.1.1	If the licensee removes or erects a fence or gate when exercising a works power conferred by the Act, the licensee must take all reasonable steps to notify the owner before doing so.	4	The auditor confirmed with HIPL Representative during the audit period, HIPL did not remove or erect any fences or gates. The Rio Tinto document "Standard connections for water, sewerage and electricity supply" includes a section entitled: "Other works" which states: "If we remove or erect a fence or gate when exercising any works power, we will take all reasonable steps to notify the owner before doing so."	A	NR
34	Section 141(1)	Clause 4.1.1	A person authorised by the licensee may enter a road and exercise a works power of the licensee without consent, notice or warrant unless the exercise of the power involves opening or breaking up the surface of the road, or would cause a major obstruction of the road or disruption of the traffic, in which case the licensee must give at least 48 hours' notice to the public authority that has control or management of the road.	4	The auditor confirmed with HIPL Representative during the audit period, there were no road works carried out. The Rio Tinto Standard Work Procedure "Working at premises and in roads" includes an appropriate reference to section 141(1) of the Act.	A	1

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
35	Sections 142	Clause 4.1.1	The licensee must comply with sections 143 and 144 of the Act in relation to the proposed major works and has given any notice required by section 148.	4	The auditor confirmed with HIPL Representative during the audit period, HIPL did not carry out any major works. The Rio Tinto Standard Work Procedure “Major and general works” includes appropriate references to the above-mentioned sections of the Act.	A	NR
36	Sections 143 (2)	Clause 4.1.1	Before the licensee submits a proposal for the provision of major works to the Minister, the licensee must prepare, publish and make available plans and details of those major works as specified.	4	Refer obligation 35 above.	A	NR
37	Sections 143 (3)	Clause 4.1.1	The licensee must, within 5 days of publishing the plans and details on the licensee’s website, give notice setting out the matters prescribed in section 143(4) to the persons and agencies specified.	4	Refer obligation 35 above.	A	NR
38	Section 144(3)	Clause 4.1.1	The licensee must have regard to an objection or submission lodged within the relevant period.	4	Refer obligation 35 above.	A	NR
39	Section 145(2)	Clause 4.1.1	If the licensee makes alterations to the plans or details referred to in section 143(2), the licensee must give written notice of the alterations to any person who is likely to be adversely affected by those alterations.	4	Refer obligation 35 above.	A	NR
40	Section 147(3)	Clause 4.1.1	The licensee must comply with a direction given by a Minister in respect of a proposal to provide water service	4	Refer obligation 35 above.	A	NR



No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
			works that are major works under section 143(3).				
41	Section 147(4)	Clause 4.1.1	If the Minister gives a direction that further notices in relation to the proposed major works be given under section 143(3), the licensee must resubmit the proposal.	4	Refer obligation 35 above.	A	NR
42	Section 151(1)	Clause 4.1.1	A licensee proposing to provide water service works that are general works must prepare plans and details of the proposed works and publish and make them available for inspection.	4	The auditor confirmed with HIPL Representative during the audit period, HIPL did not carry out any general works. The Rio Tinto Standard Work Procedure "Major and general works" includes appropriate references to the above-mentioned sections of the Act.	A	NR
43	Section 151(2)	Clause 4.1.1	The licensee must give a notice of general works setting out the matters referred to in section 151(3) to the persons and agencies specified.	4	Refer obligation 42 above.	A	NR
44	Section 152(3)	Clause 4.1.1	The licensee must have regard to an objection or submission lodged by the date specified in the notice given under section 151(2).	4	Refer obligation 42 above.	A	NR
45	Section 153(3)	Clause 4.1.1	If the licensee makes alteration to those plans or details referred to in section 151, the licensee must give written notice of the alterations to any person who is likely to be adversely affected by those alterations.	4	Refer obligation 42 above.	A	NR
46	Section 166(5)	Clause 4.1.1	On being advised by the Minister that an interest in land is appropriate to the licensee's needs, the licensee is required to acquire the interest.	4	The auditor confirmed with HIPL Representative during the audit period, there was no advice from the Minister.	NP	NR

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
47	Section 166(6)	Clause 4.1.1	Any costs incurred in taking an interest in land are to be paid by the licensee.	4	Refer obligation 46 above.	NP	NR
48	Section 170	Clause 4.1.1	The licensee must not sell an interest in land if the purchaser would hold a parcel of land that did not comply with the minimum lot size and zoning requirements under the Planning and Development Act 2005, unless the Minister permits the licensee to do so.	4	The auditor confirmed with HIPL Representative during the audit period, HIPL did not sell an interest in land.	NP	NR
49	Section 173(4)	Clause 4.1.1	In relation to entry to a place for the purposes of doing works, in the circumstances specified, the licensee is required to give 48 hours' notice of proposed entry to a place to the occupier or owner, as applicable, unless the occupier or owner agrees otherwise.	4	The auditor confirmed with HIPL Representative during the audit period, HIPL did give: 48 Hours' notice of proposed entry to a place for the purposes of doing works to the occupier.  The Rio Tinto Standard Work Procedure "Working at premises and in roads" includes appropriate references to sections 173(4) and 174(1) of the Act.	A	1
50	Section 174(1)	Clause 4.1.1	Notice of a proposed entry by the licensee must be in writing and must set out the purpose of the entry, including (if applicable) any work proposed to be carried out.	4	Refer obligation 49 above.	A	1
51	Section 174(3)	Clause 4.1.1	Even if in a particular instance the licensee may enter a place under the Act without having to give notice of proposed entry, the licensee must when practicable, and when it will not compromise the reason for entry, give notice of entry to the occupier.	4	The auditor confirmed with HIPL Representative during the audit period, no situation arose where HIPL was entitled to enter a place without having to give notice of proposed entry.  The Rio Tinto Standard Work Procedure "Working at premises and in roads" includes an appropriate reference to sections 174(3) of the Act.	A	NR
52	Section 175(2)	Clause 4.1.1	If an occupier is present when the licensee proposes to enter a dwelling, the licensee must perform the	4	The auditor confirmed with HIPL Representative during the audit period, no situation arose where	A	NR

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
			prescribed actions before entering the premises.		<p>HIPL entered a dwelling without giving notice of proposed entry.</p> <p>The Rio Tinto document “Compliance Officers (Water) – internal guideline” includes appropriate references to the obligations included in sections 175(2) and 175(5) of the Act in: Section 5.2.5.1 “Process for entering occupied Dwellings” and Section 5.2.5.2 “If the Dwelling entered is unoccupied”.</p>		
53	Section 175(5)	Clause 4.1.1	If the licensee enters a dwelling that is unoccupied, the licensee must leave a notice, which includes the prescribed information, or a copy of the warrant (as applicable) in a prominent position in the dwelling before leaving the dwelling.	4	Refer obligation 52 above.	A	NR
54	Section 176(1)	Clause 4.1.1	If the licensee has entered a place with or without consent, the licensee must leave the premises as soon as practicable after being notified that the owner or occupier has refused or withdrawn their consent.	4	<p>The auditor confirmed with HIPL Representative during the audit period, no owner or occupier refused or had withdrawn their consent for HIPL to enter a place.</p> <p>The Rio Tinto Standard Work Procedure “Working at premises and in roads” includes an appropriate reference to sections 176(1) of the Act.</p>	A	NR
55	Section 176(3)	Clause 4.1.1	The licensee must produce their certificate of authority if asked to do so, and must not perform, or continue to perform, a function under the Act if they are not able to do so.	4	<p>The auditor confirmed with HIPL Representative that in the audit period, there were no instances of entry to premises where the HIPL representative was requested to produce their certificate authority.</p> <p>HIPL has one designated Compliance Officer. The auditor sighted the certificate of authority.</p> <p>The Rio Tinto Standard Work Procedure “Working at premises and in roads” includes an appropriate reference to this obligation.</p>	A	NR

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
56	Section 176(4)	Clause 4.1.1	If the licensee enters or proposes to enter a place, and the owner or occupier requests the licensee produce evidence of authority for that entry, then the licensee must leave the place if they are unable to do so unless the owner or occupier agrees otherwise.	4	Refer obligation 55 above.	A	NR
57	Section 181	Clause 4.1.1	The licensee, or a person assisting the licensee, must, as far as is practicable comply with any reasonable request from the owner or occupier intended to limit interference with the lawful activities of the owner or occupier.	4	The auditor confirmed with HIPL Representative that in the audit period, HIPL representatives complied with any reasonable request from the owner or occupier intended to limit interference with the lawful activities of the owner or occupier.  The Rio Tinto Standard Work Procedure "Working at premises and in roads" includes an appropriate reference to section 181 of the Act.	A	NR
58	Section 186	Clause 4.1.1	If the licensee applies for a warrant, the application must contain the prescribed information.	4	The auditor confirmed with HIPL Representative that in the audit period, HIPL did not apply for warrants. The Rio Tinto document "Compliance Officers (Water) – internal guideline" includes appropriate references to these obligations in Section 5.2.6.1 Applying for a warrant and Section 5.2.6.3 Execution of warrant – section 190.	A	NR
59	Sections 187(1) – (3)	Clause 4.1.1	If the licensee applies for a warrant to enter, the application must be made in accordance with the procedures specified depending on the location of the applicant and the justice.	4	Refer obligation 58 above.	A	NR
60	Section 190(4)	Clause 4.1.1	Unless required to give a copy of the warrant, the licensee executing the warrant must produce the warrant for inspection by the occupier of the place	4	Refer obligation 58 above.	A	NR

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			concerned on entry (if practicable), and if requested to do so.				
61	Section 190(5)	Clause 4.1.1	On completing the execution of a warrant the licensee must record the prescribed information on that warrant.	4	Refer obligation 58 above.	A	NR
62	Section 210(5)	Clause 4.1.1	If the licensee designates a person as an inspector or compliance officer, the licensee must give that person a certificate of authority that includes certain prescribed information.	4	HIPL has one designated Compliance Officer. The auditor sighted the certificate of authority. The Rio Tinto document "Compliance Officers (Water) – internal guideline" includes an appropriate reference to section 210(5) of the Act.	A	1
63	Section 218(2)	Clause 4.1.1	In the exercise or purported exercise of a power under the Act, the licensee must ensure that, to the extent practicable, the free use of any place is not obstructed, and that as little damage, harm or inconvenience is caused as is possible.	4	The auditor confirmed with HIPL Representative that in the audit period, HIPL in the exercise or purported exercise of a power under the Act, did not obstruct the free use of a place or cause any damage, harm or inconvenience. The Rio Tinto Standard Work Procedure "Working at premises and in roads" includes an appropriate reference to section 218(2) of the Act.	A	NR
64	Section 218(3)	Clause 4.1.1	If the licensee does any physical damage in the exercise of a works power or a power of entry, the licensee must ensure that the damage is made good and pay compensation to the extent that it is not practicable to make good the damage.	4	The auditor confirmed with HIPL Representative that in the audit period, HIPL did not cause physical damage in the exercise of a works power or a power of entry and therefore HIPL was not required to make any damage good or pay compensation.	NP	NR

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<b>Water Services Regulations 2013</b>							
65	Regulation 23(2)	Clause 4.1.1	If the licensee provides a water supply service in respect of a multi-unit development, the licensee must, on the request of the owner or the strata company, assess whether a meter is satisfactory for measuring the quantity or flow of water passing through a pipe supplying water to the unit.	4	The auditor confirmed with HIPL Representative that in the audit period, HIPL did not provide a water supply service in respect of a multi-unit development.  The Rio Tinto document "Invoicing and meter reading policy" states under the heading: "Review of meter reading or estimation": "If you believe that your usage charge is inaccurate due to a faulty meter or unreasonable estimation, you may wish to request a meter reading or test to verify the usage charge on your bill."	A	NR
66	Regulation 24(4)	Clause 4.1.1	If the licensee gives a compliance notice to a person in respect of access to meters, the notice must specify the specified information.	4	The auditor confirmed with HIPL Representative that in the audit period, no compliance notices were issued.  The Rio Tinto document "Compliance Officers (Water) – internal guideline" includes this obligation.	A	NR
67	Regulations 26(3)	Clause 4.1.1	If the owner or occupier requests the licensee to test a meter and pays the charge (if any) for testing that type of meter, the licensee must test the meter in accordance with a procedure approved by the CEO for the purpose of this regulation.	4	The auditor confirmed with the HIPL Representative Utilities that in the audit period, no owner or occupier requested HIPL to test a meter.	NP	NR
68	Regulation 26(5)	Clause 4.1.1	If a meter test finds that the meter is outside the prescribed tolerance applicable, the licensee must take the specified actions, bear the costs of testing and refund or credit any charges paid under regulation 26(3).	4	The auditor confirmed with HIPL Representative Utilities that in the audit period, no owner or occupier requested HIPL to test a meter.  The Rio Tinto document "Bill Review Policy" refers to the obligations per regulation 26(3).	A	NR

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69	Regulation 29(1)	Clause 4.1.1	The licensee must, on the written request of a developer who is required to pay the licensee an infrastructure contribution in respect of a subdivided lot, defer the payment of the contribution unless regulations 29(3) or 29(4) applies.	4	The auditor reviewed the 2018 Regulations and found it stated in regulation 28A as included in "Subdivision 2 - Subdividing lots: deferring infrastructure contributions and concessions on water service charges": "This Subdivision applies to, and in respect of, water corporation licensees only." Therefore this obligation is not rated in this audit period.	NP	NR
70	Regulation 42(2)	Clause 4.1.1	The written order requiring the owner or occupier of land to install a backflow prevention device must set out the date which the device must be installed and tested (which must be at least 7 days after the order is given to the owner or occupier).	4	The auditor confirmed with HIPL Representative that in the audit period, HIPL did not give a written order or compliance notice requiring the owner or occupier of land to install a backflow prevention device. The "Property Owners and Plumbers Handbook", section 5.4 addresses this obligation.	A	NR
71	Regulation 43(3)	Clause 4.1.1	The compliance notice given by the licensee to the owner or occupier of land must specify that the backflow prevention device be tested or maintained in accordance with the standard and the date by which the testing or maintenance is required to be done (which must be at least 7 days after the day the notice is given to the owner or occupier).	4	Refer obligation 70 above.	A	NR
72	Regulation 43(6)	Clause 4.1.1	The compliance notice requiring the owner or occupier of land to have their backflow prevention device made good as specified in the notice must include the work that is required to be done, the manner in which the work is to be done and the date by which the work is to be done (which must be at least 7 days after	4	Refer obligation 70 above.	A	NR

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			the notice is given to the owner or occupier).				
74	Regulation 60(2)	Clause 4.1.1	If the licensee proposes to exercise a works power in a road and considers that it is necessary to alter the position of infrastructure, the licensee must notify the person who is responsible for the infrastructure and may request that the person make the alterations within the time specified in the notice.	4	The auditor confirmed with HIPL Representative that in the audit period, HIPL did not exercise a works power in a road which would have necessitated altering the position of infrastructure. The Rio Tinto document "Standard connections for water, sewerage and electricity supply" in the section "Other works" includes an appropriate reference to regulation 60(2) and 63.	A	NR
75	Regulation 63	Clause 4.1.1	If the licensee opens or breaks up the surface of a road, the licensee must complete the relevant work and reinstate and make good the road and must take all reasonable measures to prevent that part of the road from being hazardous.	4	Refer obligation 74 above.	A	NR
89	Regulation 85	Clause 4.1.1	Compliance notices issued by the licensee must include a brief description of the possible consequences under the Act of not complying with the notice, and the rights of review under the Act in relation to the notice and who may apply for review.	4	The auditor confirmed with HIPL Representative that in the audit period, HIPL did not issue any compliance notices. The Rio Tinto document "Compliance Officers (Water) – internal guideline" includes appropriate references to this obligation.	A	NR
<b>Water Services Code of Conduct (Customer Service Standards) 2018</b>							
92	Clauses 8(1)-(3)	Clause 4.1.1	The licensee must have written information for customers about the prescribed matters regarding connections and the information must be publicly available. (Note: the information required by clause 8(2)(a) applies to the Water Corporation, Bunbury Water	4	The Rio Tinto document "Standard connections for water, sewerage and electricity supply" (Connections Document) on the Rio Tinto website states regarding clauses 8(2)(a) and (b) of the 2018 Customer Service Standards: " We are licensed to provide water and sewerage services to Dampier, Pannawonica, Paraburdoo and Tom Price town	A	1



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			Corporation and Busselton Water Corporation only <b>and the information required by clause 8(2)(g) applies only to licensees that supply potable water</b> ). Note: The 2021 Water Compliance Manual included a requirement that for non-potable water supply, the licensee is to provide non-potable water on the basis that the customer is responsible for treatment of water fit for human drinking (obligations 92 to 139 and 144 to 154D).		properties...Further, we are committed to ensuring we comply with all relevant legislation, standards and principles, including the requirements set out in our water licence.". The Connections document includes the prescribed information.		
93	Clauses 9(2) and (4)		The licensee must ensure that, in any 12-month period, 90% of water supply service connections are completed before the end of 10 business days, starting on the day on which the customer has paid the relevant fees and complied with the relevant requirements. <b>Obligations 93 to 134 apply to potable water and sewerage services</b>	4	The Performance Reports to the ERA show that there were 27 additional connected properties in 2020/21 which is approximately 1% of 2,599 connected properties. The auditor confirmed with HIPL Representative that at least 90% of water connections were completed within the 10 business days from application. There were no customer complaints.  The Connections document states that "We will connect our water system to your premises and activate the service within 10 business days of receiving your payment or from the completion of any other pre-connection requirements, or at a later date with your express agreement in writing. This is subject to compliance with any conditions in our agreement and any other applicable law."	A	1
94	Clause 10(2)	Clause 4.1.1	If the licensee charges a fixed charge, the licensee must issue a bill for a fixed charge to each customer at least once in every 12-month period.	4	The auditor reviewed a sample of 20 invoices over the audit period and across residential and commercial customers and confirmed that the bill for a fixed charge is issued every quarter.  The Rio Tinto document "Invoicing and meter reading policy" states under the heading: "Invoicing	A	1

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					– Water bill” “We also will issue you separately with a quarterly (three months) invoice of the annual water service and wastewater charges four times a year.”		
95	Clause 11(2)	Clause 4.1.1	If the licensee charges a quantity charge, the licensee must issue a bill - for a quantity charge to each customer at least once in every 4-month period.	4	The auditor reviewed a sample of 20 invoices over the audit period and across residential and commercial customers and confirmed that the bill for quantity charges is based on meter readings and is issued every quarter.  The Rio Tinto document “Invoicing and meter reading policy” states under the heading: “Invoicing – Water bill”: “We take a reading of your meter every three months. We then issue you a quarterly invoice for your metered water use for that three month period.”	A	1
96	Clause 11(3)	Clause 4.1.1	A bill for usage must be based on a meter reading to ascertain the quantity supplied or discharged.	4	Refer obligation 95 above.	A	1
97	Clause 11(4)	Clause 4.1.1	If an accurate meter reading is not possible, a bill for usage must be based on an estimate, in accordance with the prescribed regulations (if any), of the quantity of water supplied or wastewater discharged. (Note: The Water Services Regulations 2013 did not address the estimation of bills at the time this Reporting Manual was published).		The auditor confirmed with HIPL Representative that HIPL issued bills where usage was based on an estimate. Examples were sighted.  The Rio Tinto document “Invoicing and meter reading policy” states under the heading: “Meter reading – (b) Estimations”: “While we use our best endeavours to ensure that metering data is obtained, occasionally we may be required to estimate the reading. Your bill will state whether the reading was an estimate, the basis of the estimate and the reason for the estimate. We will base your usage charge on a reasonable estimate by referring to an average usage in a previous period; or same time last year for the premise town average for	A	1

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					properties in same category / tariff type on a basis agreed with you.”		
98	Clause 11(5)	Clause 4.1.1	If an accurate meter reading is not possible and there are no applicable regulations, a bill for usage must be based on a reasonable estimate of supply or discharge using one of the prescribed methods.	4	Refer obligation 97 above.	A	1
98A	Clause 11(6)	Clause 4.1.1	Despite subclauses 11(4) and (5), a bill for usage based on a meter reading must be issued at least once in every 12-month period.	4	The auditor confirmed with HIPL Representative that HIPL issued bills where usage was based on the meter reading each quarter. Examples were sighted. The Rio Tinto document “Invoicing and meter reading policy” states We take a reading of your meter every three months. We then issue you a quarterly invoice for your metered water use for that three-month period.”	A	1
99	Clause 12	Clause 4.1.1	The licensee must send a bill to the address of the place where the water service is provided or, if the customer nominates another address, to the nominated address.	4	The auditor confirmed with HIPL Representative that HIPL issued bills to the customers’ nominated address. Examples were sighted. The Rio Tinto document “Invoicing and meter reading policy” states under the heading: “Invoicing”: “We will send bills to the address of the property connected to the service or to an address nominated by you.”	A	1
100	Clause 13(1)	Clause 4.1.1	Each bill must contain the prescribed information.	4	The auditor reviewed a sample of 20 invoices over the audit period and across residential and commercial customers and confirmed that the bills contained the prescribed information. The Rio Tinto document “Invoicing and meter reading policy” states the prescribed information.	A	1

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100A	Clause 13(3)	Clause 4.1.1	A bill issued for 2 or more water services must specify the charge payable for each water service.	4	The auditor reviewed a sample of 20 invoices over the audit period and across residential and commercial customers and confirmed that separate bills are issued for water and sewerage charges. Therefore, this obligation is not rated.	NP	NR
101	Clause 13(4)	Clause 4.1.1	Each bill for usage for a metered water service must contain the specified information.	4	The auditor reviewed a sample of 20 invoices over the audit period and across residential and commercial customers and confirmed that the bills contained the specified information.	NP	1
101A	Clause 13(5)	Clause 4.1.1	If a bill for usage for a metered water service was based on an estimate, the bill must inform the customer that the licensee will tell the customer the prescribed information on request.	4	The auditor reviewed examples of "Water Consumption Invoices" issued during the audit period based on estimated meter readings and found these invoices record the information stipulated in clause 13(5) of the 2018 Customer Service Standards.	NP	1
102A	Clause 13(6)	Clause 4.1.1	Each bill must contain the prescribed information.	4	The auditor reviewed a sample of 20 invoices over the audit period and across residential and commercial customers and confirmed that the bills contained the specified information.	NP	1
103	Clause 14(1)	Clause 4.1.1	If a bill is based on an estimate, the licensee must tell the customer on request the basis of the estimate and the reason for the estimate.	4	The auditor reviewed examples of "Water Consumption Invoices" issued during the audit period based on estimated meter readings and found these invoices included a statement that in cases of estimates, HIPL will inform customers upon request of the: Basis for the estimation; and Reason for the estimation.	A	1
104	Clause 14(2)	Clause 4.1.1	If a bill is based on an estimate, the licensee must make any adjustments to the next bill to take into account the	4	The auditor confirmed with HIPL Representative that all estimates of usage made by HIPL were reasonable. Thus, no adjustments were needed to	A	1

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			extent to which the estimate was not reasonable having regard to a subsequent and accurate meter reading.		subsequent bills. There were no customer complaints. The Rio Tinto document "Invoicing and meter reading policy" states under the heading: "Meter – reading – (b) Estimations": "We will provide you with a revised bill if it is found that the estimate was not reasonable having regard to a subsequent and accurate meter reading."		
104A	Clause 15(3)	Clause 4.1.1	Each bill for usage to which clause 15 applies must, in addition to the requirements of clause 13, contain the prescribed information.	4	The auditor reviewed a sample of 20 invoices over the audit period and across residential and commercial customers and confirmed that the bills include the prescribed information.	NP	1
105	Clause 16(1)	Clause 4.1.1	The licensee must provide to the customer on request a meter reading and a bill (or revised bill if applicable) for outstanding charges outside of the usual bill cycle, or in case the customer disputes an estimate.	4	The auditor confirmed with HIPL Representative that there were no bills issued outside of the normal billing cycle or estimated bill disputes. The Rio Tinto document "Invoicing and meter reading policy" states under the heading: "Invoicing – Water bill": "As a minimum standard, we are required to: Issue you, on request, in the case of a metered water service, a meter reading and bill to determine outstanding charges for a period that is not the same as the usual billing cycle."	A	NR
106	Clause 17(2) and (3)	Clause 4.1.1	The licensee must have a written policy, standard or set of guidelines (available on the licensee's website and a hardcopy provided to a customer upon request at no charge) in relation to granting a discount to a customer whose meter reading indicates a water usage that is higher than normal for the customer but is likely to have been	4	The auditor confirmed with HIPL Representative that there were no bills issued with a discount for higher than normal water usage charges due to water leaks. The Rio Tinto document "Bill review policy" states under the heading: "Water leak allowance policy": "A leak from a fitting, fixture or The pipe that you are responsible for may result in higher than expected water consumption. Once a leak has been detected and repaired by a licensed plumber, you may apply	A	1

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			wasted because of a leak from the customer's system.		to us for a leak allowance to offset a portion of the water wasted." The Bill review policy is available on the HIPL website and includes providing in hardcopy or large print upon customer request and no charge.		
107	Clause 18(2)	Clause 4.1.1	The licensee cannot recover an undercharged amount from a customer unless it is for water services provided in the 12-month period ending on the day on which the licensee informed the customer of the undercharging.	4	The auditor confirmed with HIPL Representative that there were no bills issued to recover undercharged amounts.  The Rio Tinto document "Bill review policy" states under the heading: "Our bill review process – (c) Undercharging": "We will not recover an undercharged amount from you unless it is for services provided in the 12 month period ending on the day we informed you that you had been undercharged".	A	NR
108	Clause 18(3)	Clause 4.1.1	An undercharged amount must be the subject of, and explained in, a special bill or a separate item in the next bill.	4	The auditor confirmed with HIPL Representative that there were no bills issued to recover undercharged amount and that any adjustments (undercharge, etc) would be shown separately on the bill.  The Rio Tinto document "Bill review policy" states under the heading: "Our bill review process – (c) Undercharging": "If it is found that you were undercharged, we will: issue you an interim bill for the undercharged amount; or include the amount as an item in your next bill."	A	NR
109	Clause 18(4)	Clause 4.1.1	The licensee must not charge interest or late payment fees on an undercharged amount.	4	The auditor confirmed with HIPL Representative that there were no bills issued to recover undercharged amounts.  The Rio Tinto document "Bill review policy" states under the heading: "Our bill review process – (c) Undercharging": "We will not charge interest or late payment fees on an undercharged amount."	A	NR

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110	Clause 18(5)	Clause 4.1.1	The licensee must allow a customer to pay an undercharged amount by way of a repayment plan that has effect for the duration of the shorter of the prescribed periods starting on the day that the bill in clause 18(3) is issued.	4	The auditor confirmed with HIPL Representative that there were no bills issued to recover undercharged amounts.  The Rio Tinto document "Bill review policy" states under the heading: "Our bill review process – (c) Undercharging": "We can offer you a repayment plan to pay off the undercharged amount. The length of the plan will be the lesser of the following periods (starting on the day on which the bill is issued): a period for the same amount of time in which the undercharging occurred; or a period of 12 months."	A	NR
111A	Clause 19(2)	Clause 4.1.1	The licensee must, within 15 business days of becoming aware of an overcharge, credit the overcharged amount to the customer's account or send the customer a notice informing the customer of the overcharging and recommending options for how the overcharged amount may be refunded or credited to the customer's account.	4	The auditor confirmed with HIPL Representative that HIPL did not overcharge any customers.  The Rio Tinto document "Bill review policy" states under the heading: "Our bill review process – (a) Overcharging": "If it is found that you were overcharged, we will proceed with the following within 10 business days of becoming aware of the error: If the amount is less than \$75, credit your account and advise you immediately; or Inform you of the overcharging and pay the amount in accordance with your instructions (this may include a request for a refund via cheque) within 12 business days."	A	NR
112A	Clause 19(3)	Clause 4.1.1	If the licensee sends the customer an overcharging notice and receives instructions from the customer about the refunding or crediting of the overcharged amount, the licensee must refund the overcharged amount, or credit the overcharged amount to the customer's account within 15 business days of the licensee receiving the instructions.	4	Refer obligation 11A above.	A	NR

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112B	Clause 19(4)	Clause 4.1.1	If instructions from the customer about the refunding or crediting of the overcharged amount have not been received by the licensee at the end of the period of 10 business days starting on the day an overcharging notice is sent, the licensee must credit the overcharged amount to the customer's account before the end of the period of the next 15 business days.	4	Refer obligation 11A above.	A	NR
112C	Clause 19(5)	Clause 4.1.1	The licensee must notify the customer immediately after crediting the overcharged amount to the customer's account under subclause (2)(a), (3) or (4).	4	Refer obligation 11A above.	A	NR
113	Clause 20(1)	Clause 4.1.1	The licensee must review a bill on the customer's request.	4	The auditor confirmed with HIPL Representative that HIPL did review bills upon customer request. The Rio Tinto document "Bill review policy" states under the heading: "Our bill review process": "If you believe your bill may contain an error, please contact us on 1800 992 777 or piics.utilities@riotinto.com to have your bill reviewed. We will review your bill in accordance with our Bill Review Procedure and will provide you with a revised bill if it is found that you were overcharged or undercharged."	A	1
114	Clause 20(2)	Clause 4.1.1	The license must have a written procedure for the review of a bill on the customer's request.	4	Refer obligation 113 above	A	1
115	Clause 20(3) and (6)	Clause 4.1.1	The review procedure in clause 20(2) must include the specified information and be available on the licensee's	4	The auditor confirmed with HIPL Representative that during the audit period, no customer requested a hardcopy of the "Bill review policy". The policy is available on the Rio Tinto website.	A	1



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			website and a hardcopy provided to a customer upon request at no charge.		The Rio Tinto document "Bill review policy" addresses the specified information under the heading: "Our bill review process – (a) Overcharging"; "Our bill review process – (b) Meter reading or testing"; "Our bill review process – (c) Undercharging"; and "Further information and complaints"		
116	Clause 20(4)	Clause 4.1.1	The review procedure must state that the customer may, but does not have to, use the licensee's complaints procedure mentioned in clause 46 before or instead of applying to the water services ombudsman or, if available, making an appeal from, or applying for a review of, the decision under regulations mentioned in section 222(2)(k) of the Act.	4	The auditor confirmed by review of the Bill Review Procedure that HIPL complies with this obligation.  The Rio Tinto document "Bill Review Procedure" states under the heading: "Appealing decisions": "If the customer does not wish to have their complaint handled by Rio Tinto, they may instead: (a) apply to the water services ombudsman by contacting 1800 754 004 ... (b) make an appeal, or apply for a review of, the decision that gave rise to the complaint, by contacting Pilbara Utilities on 1800 992 777...".	A	1
117	Clause 20(5)	Clause 4.1.1	The licensee must inform the customer of the outcome of a review of the customer's bill as soon as practicable or otherwise less than 15 business days from the day the customer's request for review was received.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL informed customers of bill review outcomes less than 15 business days from the day the customer's review request was received.  The Rio Tinto document "Bill review policy" which states under the heading: "Our bill review process": "We will inform you of the outcome of the bill review as soon as possible and will make all reasonable endeavours to ensure this is within 15 business days from the date we received your request for review."	A	1
117A	Clause 21	Clause 4.1.1	The licensee must notify each of its customers of any change to the amount or rate of a water service charge in	4	The auditor found the Compliance Datasheet records regarding this obligation: "Water quantity changes occur on the 1st of September each year. Notification occurs July each year. "Water rates	A	1

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			accordance with the requirements in clause 21(2).		changes occur on the 1st of October each year. Notification occurs July each year.” The Rio Tinto document “Tariff and Charges Policy” states that reasonable notice will be given of any tariff changes. As noted above, at least 30 days’ notice is given of rate changes.		
118	Clause 23	Clause 4.1.1	The time set by the licensee for the payment of a bill must be after 14 days from when the bill is issued.	4	The auditor reviewed a sample of 20 invoices over the audit period and across residential and commercial customers and confirmed that the payment due date is 30 days after the issue date. The Rio Tinto document “Invoicing and meter reading policy” states under the heading: “Invoicing”: “We require you to pay an invoice within 30 calendar days.” The auditor examined a sample of “Water Consumption Invoices” and found these invoices record a payment date thirty days or more after the bill issue date.	A	1
119	Clause 24(1)	Clause 4.1.1	The licensee must allow a customer to pay a bill using any of the prescribed methods selected by the customer.	4	The auditor reviewed a sample of 20 invoices and found they record the following stipulated payment options: CentrePay; Internet; Telephone; and Post.	A	1
120	Clause 24(2)	Clause 4.1.1	The licensee must, when offering bill payment method options, inform the customer of the fees and charges (if any) associated with each bill payment method offered.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not levy fees and charges on bill payment methods options.	A	1
121	Clause 25(1)	Clause 4.1.1	Before receiving a bill payment by direct debit, the licensee must obtain the express consent of the customer or of an adult person nominated by the customer to give consent.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not offer payment by direct debit. Therefore, this obligation is not rated.	NP	NR

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122	Clause 26(1)	Clause 4.1.1	The licensee must accept payment in advance from a customer on a customer's request.	4	The auditor confirmed with HIPL Representative that during the audit period, no customers requested HIPL to accept payment in advance and that any advance payments are accepted by the system.  The Rio Tinto document "Invoicing and meter reading policy" states under the heading: "Payment methods": "We accept payments in advance at your request".	A	NR
123	Clause 27	Clause 4.1.1	The licensee must on request and at no charge redirect a customer's bills because of the customer's absence or illness.	4	The auditor confirmed with HIPL Representative that during the audit period, no customers requested HIPL to redirect a customer's bills because of the customer's absence or illness.  The Rio Tinto document "Invoicing and meter reading policy" which states under the heading: "Invoicing": "In the event of your illness or absence, we will redirect your bill to another person at your request at no charge.".	A	NR
124A	Clause 28(2)	Clause 4.1.1	The licensee must advise a customer who has been assessed as experiencing payment difficulties that they have a right to pay the bill under a payment plan or other arrangement under which the customer is given more time to pay the bill or arrears, and the licensee must offer to enter into an appropriate plan or arrangement with the customer.	4	The auditor confirmed with HIPL Representative that to the best of her knowledge during the audit period, HIPL did not enter into payment arrangements with customers assessed as experiencing payment difficulties.  The Rio Tinto document "Invoicing and meter reading policy" states under the heading: "Late payment or failure to pay your bill – (b) Hardship": "A payment extension may be offered if you contact us on 1800 992 777 as soon as possible. If you are experiencing difficulty paying your bill, please speak to one of our customer service staff to determine whether further assistance is available. We will not collect debt or reduce/de-energise your service if you are in a payment plan or other arrangement in	A	NR

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					accordance with our Financial Hardship and Payment Difficulty policy".		
124B	Clause 28(3)	Clause 4.1.1	When formulating a payment plan or other arrangement for a customer that the licensee has assessed as experiencing payment difficulties, the licensee must take the customer's capacity to pay the bill into account. In the case of a bill for usage, the licensee must also take into account how much water has been supplied or wastewater has been discharged in previous billing periods.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not enter into payment arrangements with customers assessed as experiencing payment difficulties.  The "RTIO-AM-0118449 - Financial hardship and payment difficulty (Dampier, Tom Price and Paraburdoo customers) [HI]" helps HIPL comply with this obligation. The Policy states that "As part of our assessment we will take into account any information provided by you and, if applicable, your financial counsellor. We will also consider any information we may have on your payment history."	A	NR
124C	Clause 28(4)	Clause 4.1.1	The licensee must consider and decide whether or not the payment plan or other arrangement for a customer who has been assessed as experiencing payment difficulties should be interest-free, or fee-free, or both.	4	Refer obligation 124B above.  The Policy states: "We will work with you to set up an interest-free and fee-free payment plan or other arrangement under which you are given more time to pay the bill or to pay arrears (including any disconnection and reconnection charges)"	A	NR
125	Clause 29(1) and (2)	Clause 4.1.1 and Schedule 3, clause 1.1.1	The licensee must have a written policy in relation to financial hardship that is approved by the ERA.	4	The auditor sighted the Financial Hardship and Payment Difficulty Policy (October 2011) approved by the ERA and on the ERA's website.	A	1
126A	Clause 29(3)	Clause 4.1.1	Unless the ERA approves otherwise, the licensee's financial hardship policy must comply with the ERA's guidelines (if any) in relation to financial hardship policies.	4	Refer obligation 125 above.	A	1

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126B	Clause 29(4)	Clause 4.1.1	Unless the ERA approves otherwise, amendments to the licensee's financial hardship policy must be approved by the ERA and comply with the ERA's guidelines (if any) in relation to financial hardship policies.	4	The Policy has not been amended since approved by ERA in October 2021.	A	1
127	Clause 29(5)	Clause 4.1.1	The licensee's financial hardship policy must be in effect within 6 months of the day of the grant of the license.	4	The ERA granted HIPL a Water Services Licence (WL33) which commenced on 29 June 2001.	A	1
128	Clause 29(6)	Clause 4.1.1	The licensee's financial hardship policy must be available on the licensee's website and a hardcopy provided to a customer upon request at no charge.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not receive any requests for hard copies of the Financial Hardship and Payment Difficulty Policy. HIPL's Financial Hardship and Payment Difficulty Policy is available on the Rio Tinto website and in hardcopy at no charge.	A	1
129A	Clause 29(7)	Clause 4.1.1	The licensee must review its financial hardship policy at least once in every 5 year period.	4	The Financial Hardship and Payment Difficulty Policy was reviewed in October 2021.	NP	1
129B	Clause 29(8)	Clause 4.1.1	The licensee must review its financial hardship policy if directed to do so by the ERA.	4	The auditor confirmed with HIPL Representative that there were no further directions from the ERA to review the Policy.	NP	NR
129C	Clause 29(9)	Clause 4.1.1	The licensee must consult with relevant consumer organisations when formulating or reviewing its financial hardship policy.	4	The auditor confirmed with HIPL Representative that HIPL consulted with the Financial Counsellors' Association in reviewing the Policy.	NP	1
130A	Clause 30(2)	Clause 4.1.1	The licensee must advise a customer who has been assessed as experiencing financial hardship that they have a right to pay the bill under an interest-free and fee-free payment plan or other	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not assess any customers as experiencing financial hardship. The Financial Hardship and Payment Difficulty Policy includes this obligation.	A	NR

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			arrangement under which the customer is given more time to pay the bill or arrears, and the licensee must offer to enter into an appropriate plan or arrangement with the customer.				
130B	Clause 30(3)	Clause 4.1.1	When formulating a payment plan or other arrangement for a customer that the licensee has assessed as experiencing financial hardship, the licensee must take the customer's capacity to pay the bill into account. In the case of a bill for usage, the licensee must also take into account how much water has been supplied or wastewater has been discharged in previous billing periods.	4	Refer obligation 130A above. The auditor confirmed with HIPL Representative that any assessment would take into account the actual water supplied. The Policy states that "As part of our assessment we will take into account any information provided by you and, if applicable, your financial counsellor. We will also consider any information we may have on your payment history."	A	NR
131A	Clause 30(4)(a)	Clause 4.1.1	The licensee must consider reducing the amount owing by the customer.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not assess any customers as experiencing financial hardship in the audit period. The Financial Hardship and Payment Difficulty Policy includes this obligation.	A	NR
131B	Clause 30(4)(b)	Clause 4.1.1	The licensee must review, upon request, how a customer is paying a bill under clause 30(2) and (3) and revise the payment plan or arrangement if the review indicates the customer is unable to meet the obligations.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not assess any customers as experiencing financial hardship in the audit period. The Financial Hardship and Payment Difficulty Policy includes this obligation.	A	NR
131C	Clause 30(4)(c)	Clause 4.1.1	The licensee must provide the specified written information to a customer.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not assess any customers as experiencing financial hardship in the audit period.	A	NR

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					The Financial Hardship and Payment Difficulty Policy includes this obligation.		
133	Clause 31(4) and (5)	Clause 4.1.1	The licensee must have written information regarding the payment schemes and other assistance that is available to customers. The information must be available on the licensee's website and a hardcopy provided to a customer upon request at no charge.	4	The Financial Hardship and Payment Difficulty Policy addresses payment schemes and other assistance that is available to customers. The Financial Hardship and Payment Difficulty Policy is available on the Rio Tinto website and in hardcopy upon request to HIPL and at no charge.	A	1
133A	Clause 32	Clause 4.1.1	The licensee must not charge interest or fees for late payment of a bill by a customer in the specified circumstances.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did receive late payments for bills; and did not charge interest or fees for late payment of a bill by a customer. The Financial Hardship and Payment Difficulty Policy includes this obligation.	A	NR
134	Clause 33(1)(a)-(c)	Clause 4.1.1	The licensee must not commence or continue proceedings to recover a debt from a customer if the customer is complying with a payment plan or other arrangement, is being assessed for payment difficulties or is being assessed for financial hardship.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not commence or continue proceedings to recover a debt from a customer in the specified circumstances. The Financial Hardship and Payment Difficulty Policy includes this obligation.	A	NR
134A	Clause 33(1)(d)-(e)	Clause 4.1.1	The licensee must not commence or continue proceedings to recover a debt from a customer if a complaint made by the customer to the licensee or water services ombudsman, which directly relates to the water service charge to which the debt relates, is not resolved by the licensee (or is not determined or is upheld by the ombudsman).	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not commence or continue proceedings to recover a debt from a customer in the specified circumstances. The Financial Hardship and Payment Difficulty Policy includes this obligation.	A	NR

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135	Clause 40(1)	Clause 4.1.1	<p>If the licensee has cut off or reduced the rate of flow of water to land under section 95(1)(b) of the Act, the licensee must restore the supply of water if the amount owing is paid, or if the customer enters into a payment arrangement for the amount owing that is satisfactory to the licensee.</p> <p><b>Obligations 135 to 144 apply only to potable water services.</b></p>	4	<p>The auditor confirmed with HIPL Representative that during the audit period, HIPL did not cut off or reduce the rate of flow of water to land under section 95(1)(b) of the Act.</p> <p>The Rio Tinto document “Invoicing and meter reading policy” states under the heading: “Late payment or failure to pay bills – (b) Hardship”: “We will not collect debt or reduce/de-energise your service if you are in a payment plan or other arrangement in accordance with our Financial Hardship and Payment Difficulty policy.”</p>	A	NR
136	Clause 40(2)	Clause 4.1.1	<p>If the licensee has, under section 95(1)(a), (c), (d) or (e) of the Act, cut off or reduced the flow of water, the licensee must restore the supply of water if the licensee is satisfied that the reason for the disconnection or reduction no longer applies.</p>	4	<p>Refer obligation 135 above.</p> <p>The Financial Hardship and Payment Difficulty Policy includes this obligation.</p>	A	NR
137A	Clause 36(1)	Clause 4.1.1	<p>The licensee must not start a water supply restriction unless the licensee has given the customer a reminder notice (that includes the information specified in clause 35), the water service charge has still not been paid in full, and the licensee has given the customer a restriction notice.</p>	4	<p>Refer obligation 135 above.</p> <p>The Financial Hardship and Payment Difficulty Policy includes this obligation.</p>	A	NR
137B	Clause 36(2)	Clause 4.1.1	<p>The licensee must not give a customer a restriction notice less than 7 days before the day on which the water supply restriction is proposed to start.</p>	4	<p>Refer obligation 135 above.</p> <p>The Financial Hardship and Payment Difficulty Policy includes this obligation.</p>	A	NR



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137C	Clause 36(3)	Clause 4.1.1	The restriction notice must include the specified information.	4	Refer obligation 135 above. The Financial Hardship and Payment Difficulty Policy includes this obligation.	A	NR
138	Clause 37(1)(a)-(e) and (h)	Clause 4.1.1	The licensee must not start a water supply restriction if the specified circumstances apply.	4	Refer obligation 135 above. The Financial Hardship and Payment Difficulty Policy includes this obligation.	A	NR
138A	Clause 37(1)(f)-(g)	Clause 4.1.1	The licensee must not start a water supply restriction if the specified circumstances apply.	4	Refer obligation 135 above. The Financial Hardship and Payment Difficulty Policy includes this obligation.	A	NR
138B	Clause 38	Clause 4.1.1	The licensee must not start a water supply restriction on or during the specified times.	4	Refer obligation 135 above. The Financial Hardship and Payment Difficulty Policy includes this obligation.	A	NR
139	Clause 39	Clause 4.1.1	The licensee must not, under section 95(1)(b) or (2) of the Act, reduce the rate of flow of water to a customer to below 2.3 litres each minute.	4	Refer obligation 135 above. The Financial Hardship and Payment Difficulty Policy includes this obligation.	A	NR
142	Clause 41(4)	Clause 4.1.1	The licensee (other than the Water Corporation) must restore a water supply to land within the specified timeframe, unless the licensee and customer expressly agree otherwise.	4	Refer obligation 135 above. The Financial Hardship and Payment Difficulty Policy includes this obligation.	A	NR
144	Clause 41(6)	Clause 4.1.1	The licensee (other than the Water Corporation) must ensure that there is a 90% compliance rate with clause 41(4) in any 12-month period ending on 30 June.	4	Refer obligation 135 above. The Financial Hardship and Payment Difficulty Policy includes full compliance with the above obligations.	A	NR
144A	Clause 43(1)	Clause 4.1.1	The licensee must give notice of any planned service interruption to each	4	The auditor confirmed with the HILP Representative that during the audit period, HIPL did give 48 notice	A	1

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			customer that will be affected by the service interruption. <b>Obligations 144A to 154A apply to potable water and sewerage services.</b>		of planned service interruption to each customer affected by the service interruption. The Rio Tinto document “Standard connections for water, sewerage and electricity supply” states under the heading: “Terms and conditions for water and sewerage services – Interruption to supply”: “We sometimes need to carry out planned or unplanned (e.g. burst pipes) maintenance on our services which may affect your water supply services. If a planned service interruption is scheduled to occur, we will give you at least 48 hours’ notice before the start of the service interruption. If 48 hours’ notice is not possible, we will give you notice at the earliest practicable time before the start of the service interruption.”		
including 144B	Clause 43(2)	Clause 4.1.1	The notice of any planned service interruption must be given within the prescribed timeframes.	4	Refer obligation 144A above.	A	1
144C	Clause 44(1)	Clause 4.1.1	The licensee must have policies, practices and procedures for dealing with and minimising the impact of a burst, leak or blockage in its water supply works or sewerage works.	4	The Rio Tinto document “Standard connections for water, sewerage and electricity supply” states under the heading: “Terms and conditions for water and sewerage services – Interruption to supply”: “In the event of a burst pipe, leak or a blockage, please contact us on 1800 992 777 so we can promptly attend the site and rectify the situation. We will take all reasonable actions to rectify the burst pipe, leak or blockage in order to reduce the potential or actual impact on our customers; the community; property; and the environment. We commit to promptly cleaning up the affected area as required.” The RTIO-AM-0194252 – Water Service Interruptions Guidelines includes this obligation.	A	1

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144D	Clause 44(2)	Clause 4.1.1	The policies, practices and procedures under clause 44(1) must deal with the prescribed matters.	4	The Rio Tinto document “Standard connections for water, sewerage and electricity supply” states under the heading: “Terms and conditions for water and sewerage services – Interruption to supply”: “In the event of an unplanned interruption to your supply, we aim to undertake prompt repairs and clean-up where there is water flooding or wastewater overflow on your property due to any failure of our system.” The RTIO-AM-0194252 – Water Service Interruptions Guidelines includes this obligation.	A	1
144E	Clause 45	Clause 4.1.1	The licensee must provide a 24 hour information line by means of which, at the cost of a local telephone call (excluding mobile telephones), a customer can notify the licensee of emergencies and faults, and get information about the reason for, and the expected duration of, any unplanned service interruption.	4	The auditor confirmed with the Specialist, Water Operations that during the audit period, HIPL did provide a 24-hour information line for emergencies and faults, and to obtain information which was operated by SODEXO. The auditor reviewed a sample of 20 invoices issued during the audit period and found these invoices recorded an 1800 number for the “Pilbara Service Centre”.	A	1
145	Clause 46(1)	Clause 4.1.1	The licensee must have a written complaints procedure in relation to investigating and dealing with complaints of customers about the provision of water services by the licensee or a failure by the licensee to provide a water service.	4	The Rio Tinto document “Complaints and dispute resolution policy” addresses the investigation and resolving of customer complaints and is available on the Rio Tinto website.	A	1
146	Clause 46(2)	Clause 4.1.1	The licensee's complaints procedure must be developed using as minimum standards the relevant provisions of AS/NZS 10002-2014 and the ERA's guidelines (if any).	4	The auditor confirmed with HIPL Representative that HIPL developed its complaints procedure using as minimum standards the relevant provisions of AS/NZS 10002-2014.	A	1

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147	Clause 46(3)	Clause 4.1.1	The licensee's complaints procedure must provide for the matters specified in relation to lodgment of complaints, responding to complaints, dispute resolution arrangements and resolving complaints.	4	The Rio Tinto document "Complaints and dispute resolution policy" comprehensively addresses this obligation under the headings: "How do I lodge a complaint?"; "How will my complaint be resolved?"; and "How can I escalate my complaint?".	A	1
148A	Clause 46(4)	Clause 4.1.1	The licensee's complaints procedure must list the procedures available to the customer under the Act as to applying to the water services ombudsman or making an appeal from, or applying for a review of, the decision that gave rise to the complaint, if an appeal or review is available under regulations mentioned in section 222(2)(k).	4	The Rio Tinto document "Complaints and dispute resolution policy" addresses alternative complaints procedures available to customers under the heading: "How can I escalate my complaint?".	A	1
149	Clause 46(5)	Clause 4.1.1	The licensee's complaints procedure must be available on the licensee's website and a hardcopy provided to a customer upon request at no charge.	4	The auditor confirmed the Rio Tinto website includes the following Rio Tinto documents: "Complaints and dispute resolution policy"; and "Customer Complaint Form".	A	1
149A	Clause 47	Clause 4.1.1	When the licensee considers that a customer's complaint has been resolved the licensee must advise the customer accordingly, inform the customer that the customer has a right to apply to the water services ombudsman for a review of the complaint, and provide a Freecall telephone number for the water services ombudsman.	4	The auditor confirmed with HIPL Representative that HIPL that during the audit period, HIPL did advise customers appropriately on resolving their complaints, inform customers regarding their right to apply to the water services ombudsman and provide contact particulars for the water services ombudsman. There were 2 recorded complaints in the audit period that were satisfactory resolved.  The Rio Tinto document "Complaints and dispute resolution policy" states under the heading: "How will my complaint be resolved? – (a) Service standard timeframes": "We will advise you accordingly when we have resolved your complaint."; and under the heading: "How can I escalate my complaint?":	A	1

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					Referral of complaints to the water services ombudsman; and Contact particulars for the said official.		
150	Clause 48(1)	Clause 4.1.1	The licensee must provide a customer with the specified services on request and at no charge.	4	The auditor confirmed with HIPL Representative that during the audit period, no customer requested a large-print version of any of the licensee's publicly available documents. The Financial Hardship and Payment Difficulty Policy states that a large print version is available at no charge to the customer.  The auditor reviewed a sample of 20 invoices issued during the audit period and confirmed these invoices recorded contact telephone numbers for: "National Relay Services" (for use by people who are deaf or have a hearing or speech impairment; and "Interpreter Services".	A	1
152	Clause 48(2)	Clause 4.1.1	The licensee must make available to each customer, at no charge, the customer's personal account information including information about bills previously issued to the customer and about the quantity of water supplied to, or wastewater discharged by, the customer in previous billing periods.	4	The auditor reviewed a sample of 20 invoices issued during the audit period and found these invoices recorded: Personal account information; Information about bills previously issued to the customer; and Information about the quantity of water supplied to in previous billing periods.	A	1
153	Clause 49(1)	Clause 4.1.1	The licensee must make the prescribed information publicly available.	4	The auditor confirmed the Rio Tinto website includes the prescribed information.  The auditor confirmed with HIPL Representative that during the audit period, no customer requested a hardcopy of the prescribed information.	A	1
154	Clause 49(2)	Clause 4.1.1	The licensee must ensure that the specified information about bills may be obtained from its website.	4	The auditor confirmed the Rio Tinto website includes the following documents: <ul style="list-style-type: none"> <li>• Rio Tinto's "Invoicing and meter reading policy" which records details of: Informing</li> </ul>	A	1

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					<p>customers of the basis and reasons for an estimate;</p> <ul style="list-style-type: none"> <li>• Customers' right to request a meter reading and a revised bill in case of an unreasonable estimate;</li> <li>• Requests for a meter reading and bill to determine outstanding charge for a period that is not the same as the usual billing cycle;</li> <li>• Testing of a meter and the fees that apply.</li> <li>• Rio Tinto's "Bill review policy" which records details of: Review of bills; and Refunding of meter test fees if a meter is found to be defective</li> <li>• Rio Tinto's "Complaint and dispute resolution policy".</li> </ul>		
154A	Clause 49(3)	Clause 4.1.1	The licensee must ensure that its website contains a link to the current version of this code appearing on the website that is maintained by or on behalf of the Western Australian Government and that provides public access to electronic versions of Western Australian legislation.	4	The auditor confirmed the Rio Tinto website has a link to Western Australian legislation which opens on a webpage for the <i>2018 Customer Service Standards</i> .	A	1
154B	Clause 51(1) and (3)	Clause 4.1.1	The licensee must maintain an up-to-date preserved supply register for the purposes of Part 9 of the Code if the licensee meets the criteria in clause 51(2). The register must record the prescribed information in clause 51(3) if the criteria in clause 51(2) applies to the licensee.	2	<p>The auditor confirmed with HIPL Representative that during the audit period, HIPL had no "preserved supply" water customers during the audit period.</p> <p>The HIPL's "Life Support Register – Preserved Supply Register" records: Name of the person; and Supply address. The auditor found both entries in the HIPL's "Life Support Register – Preserved Supply Register" refer to dependency on electricity supply and not water supply.</p>	A	1

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			<b><i>Obligations 154B to 154D apply only to potable water services.</i></b>				
154C	Clause 52	Clause 4.1.1	The licensee must not, under section 95(1)(b) of the Act, reduce the rate of flow of a supply of water to a supply address recorded on the preserved supply register.	2	The auditor confirmed with HIPL Representative that during the audit period, HIPL had no “preserved supply” water customers during the audit period. The Rio Tinto’s “Invoicing and meter reading policy” states under the heading: Late payment or failure to pay your bill - (a) Payment reminders, collection and fees: “If you are a preserved supply customer, we will not turn off your electricity or reduce your water flow as a result of non-payment of invoices.”	A	NR
154D	Clause 53	Clause 4.1.1	Despite clause 43(3), in the case of a service interruption that will affect a supply address recorded on the preserved supply register, the notice required by clause 43(1) must be sent by post or delivered to that supply address.	2	Refer obligation 154C above. The RTIO-AM-0194252 – Water Service Interruptions Guidelines includes this obligation in respect of life support customers.	A	NR
<b>Other License conditions</b>							
155	Water Services Act Section 12	Clause 4.2.1	The licensee must pay the applicable fees and charges in accordance with the Economic Regulation Authority (Licensing Funding) Regulations 2014.	4	The auditor confirmed by review of the payment advices in the audit period that the fees and charges were paid to ERA. This obligation is included in the Rio Tinto (WA) Utilities Statutory Compliance Schedule. This confirmed that bills were paid by the due dates.	A	1
159	Water Services Act Section 12	Clause 4.1.2	The licensee must comply with a direction from the ERA in relation to a breach of applicable legislation.	4	Rio Tinto (WA) Utilities Statutory Compliance Schedule, HIPL did not receive an ERA direction in relation to a breach of applicable legislation.	NP	NR
160	Water Services	Clause 4.6.1	The licensee and any related body corporate must maintain accounting records that comply with standards issued by the Australian Accounting	4	The auditor confirmed with HIPL Representative and from review of reports that during the audit period, HIPL did maintain accounting records that complied	A	1

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
	Act Section 12		Standards Board or equivalent International Accounting Standards.		with the Australian Accounting Standards Board Standards.		
161	Water Services Act Section 12	Clause 5.2.1	The licensee must comply with any individual performance standards prescribed by the ERA.	4	<p>Schedule 2 – Performance Standards in WL33 include the following pressure and flow standards for HIPL’s potable water system:</p> <ul style="list-style-type: none"> <li>• Minimum static pressure (metres of water) – 15;</li> <li>• Maximum static pressure (metres of water) – 100; and</li> <li>• Minimum flow (litres per minute) – 20.</li> </ul> <p>The auditor examined HIPL’s performance datasheets for 2019/20, 2020/21 and 2021/22 which all state: Percentage of connected properties that have been supplied at a pressure and flow that meets the standards set out in the licence (12-month data): 100%.</p> <p>Thus, HIPL was not obligated to inform customers of pressure and flow exemptions during the audit period.</p> <p>The auditor confirmed with the HIPL Representative that during the audit period, HIPL did not cut off or reduced the rate of flow of water to land under sections 95(1) of the Act. Thus, HIPL was not obligated to inform the ERA of any restrictions applied to a potable water supply.</p>	A	1
162	Water Services Act Section 12	Clause 5.3.4	The licensee must cooperate with the independent expert and comply with the ERA’s audit and review guidelines dealing with the operational audit.	4	<p>HIPL has fully cooperated with this audit and review.</p> <p>This obligation is included in the Rio Tinto (WA) Utilities Statutory Compliance Schedule.</p>	A	1
163	Water Services Act Section 12	Clause 4.7.1(a), (b), (c)	The licensee must report to the ERA, in the manner prescribed, if a licensee is under external administration or there is a change in the circumstances upon	4	The auditor confirmed with HIPL Representative that HIPL is not under any form of external administration.	NP	NR



No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
			which the licence was granted which may affect a licensee's ability to meet its obligations.				
165	Water Services Act Section 12	Clause 4.8.1	The licensee must provide the ERA specified information relevant to the operation of the licence or the licensing scheme, or the performance of the ERA's function under the Act in the manner and form specified by the ERA.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not receive ERA requests for specified information, other than annual compliance reports and performance reports. These were provided. This obligation is included in the Rio Tinto (WA) Utilities Statutory Compliance Schedule.	A	1
167	Water Services Act Section 12	Clause 4.8.2	The licensee must provide the ERA with the data required for performance reporting purposes that is specified in the Water, Sewerage and Irrigation Licence Performance Reporting Handbook, and the National Performance Framework that apply to the licensee.	4	The auditor confirmed that the performance reports for 2019/20, 2020/21 and 2021/22 were submitted to the ERA by the due dates. This obligation is stated in the Rio Tinto (WA) Utilities Statutory Compliance & Assurance Schedule.	A	1
168	Water Services Act Section 12	Clause 3.8.1 and 3.8.2	Subject to clause 3.8.3, the licensee must publish within the specified timeframe any information that the ERA has directed the licensee to publish under clause 3.8.1.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not receive any ERA direction to publish any information. This obligation is stated in the Rio Tinto (WA) Utilities Statutory Compliance & Assurance Schedule	A	NR
169	Water Services Act Section 12	Clause 3.7.1	Unless otherwise specified, all notices must be in writing.	4	The auditor confirmed with HIPL Representative and in the course of this audit, that no notices as specified in clause 3.7.1 of the licence (external administration, material changes to assets, etc) were required in this audit period.	NP	NR
170A	Water Services	Clause 5.1.1(a) and (b)	The licensee must notify the ERA of the details of the asset management system within five business days from the later	4	This audit and review confirmed HIPL has an asset management system and this was notified to the ERA as part of the licence application. .	NP	1

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
	Act Section 12		of: a) the commencement date; or b) the completion of construction of the licensee's water service works.		This obligation is stated in the Rio Tinto (WA) Utilities Statutory Compliance & Assurance Schedule.		
171	Water Services Act Section 12	Clause 5.1.3	The licensee must notify the ERA of any material change to the asset management system within 10 business days of the change.	4	This asset management review confirmed there have been no material changes to the asset management system in this audit period. Therefore, this is not rated. This obligation is stated in the Rio Tinto (WA) Utilities Statutory Compliance & Assurance Schedule.	A	NR
172	Water Services Act Section 12	Clause 5.1.7	The licensee must cooperate with the independent expert and comply with the ERA's audit and review guidelines dealing with the asset management system review.	4	HIPL has fully cooperated with the auditor in completing this audit and review. This obligation is stated in the Rio Tinto (WA) Utilities Statutory Compliance & Assurance Schedule.	A	1
172A	Water Services Act Section 12	Clause 6.1.1	If the ERA considers that one or more of a licensee's standard terms and conditions of service is no longer in the public interest, the ERA may direct the licensee: to amend: the standard term or condition of service; or the standard term or condition of service in accordance with a term proposed by the ERA; and to do so within a specified period.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not receive any ERA direction to amend the standard contract.	NP	NR
172B	Water Services Act Section 12	Clause 6.1.2	The licensee must comply with a direction given to the licensee under clause 6.1.1.	4	Refer obligation 172A above.	NP	NR

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
181	Water Services Act Section 12	Clause 6.3.1	If the licensee is appointed as the supplier of last resort for a designated area in relation to the provision of a particular water service, the licensee must perform the functions of a supplier of last resort, comply with the duties imposed by the Act and carry out its operations under or for the purpose of the last resort plan in accordance with the Act.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL was not a supplier of last resort.	NP	NR
182	Water Services Act Section 12	Clause 4.4.1(b)	If the licensee provides a water service outside of the operating area the licensee must apply to amend the licence unless otherwise notified by the ERA.	4	The auditor confirmed with HIPL Representative that during the audit period, HIPL did not provide a water service outside of the outside operating area of WL33.	NP	NR
184	Water Services Act Section 12	Clause 7.1.1	Where the licensee provides potable water, the licensee must enter into a Memorandum of Understanding with the Department of Health as soon as practicable after the commencement date or as otherwise agreed with Department of Health.	4	The auditor reviewed the Memorandum of Understanding (MoU) entered between HIPL and the Department of Health (DoH) on 31 January 2020 and previous MoUs dating back to 2012. This obligation is stated in the Rio Tinto (WA) Utilities Statutory Compliance & Assurance Schedule.	A	1
184A	Water Services Act Section 12	Clause 7.1.2	Where the licensee provides sewerage services, the licensee must, if required by the Department of Health, enter into a Memorandum of Understanding with the Department as soon as practicable after the commencement date or as otherwise agreed with the Department	4	The auditor reviewed the Memorandum of Understanding (MoU) for Sewerage Services between HIPL and the Department of Health (DoH) in 2020. The MoU was executed on the 13 <sup>th</sup> of January 2021.	A	1

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
184B	<i>Water Services Act</i> Section 12	Clause 7.1.3	If the licensee provides both potable water and sewerage services, the licensee must enter into a separate Memorandum of Understanding with the Department of Health in respect of each of the potable water service and sewerage service.	4	Separate MoUs have been documented as per obligations 184 and 185 above.	A	1
185	<i>Water Services Act</i> Section 12	Clause 7.1.4	A Memorandum of Understanding must comply with the specified requirements in relation to legal standing of the document and compliance audits by the Department of Health.	4	The MoU is a valid legal document. Also, HIPL engaged an audit firm in 2021 to conduct an internal audit of the updated MOU (drinking water) at the request of HIPL.	NP	1
186	<i>Water Services Act</i> Section 12	Clause 6.1.3	The licensee must comply with the terms of a Memorandum of Understanding.	4	The auditor confirmed that in accordance with the MoU, quarterly (drinking water) and annual reports (drinking water and sewerage services) were issued to DoH.  There were no audits requested by DoH.	NP	1
187	<i>Water Services Act</i> Section 12	Clause 7.1.6	The licensee must publish in the form agreed with the Department of Health, a Memorandum of Understanding and any amendments to a Memorandum of Understanding within one month of signing or making the amendment.	4	The auditor confirmed the MoU (2020 (drinking water) and 2021 (sewerage services) is published on the website.	NP	1
188	<i>Water Services Act</i> Section 12	Clause 7.1.7	The licensee must publish the audit report on compliance with its obligations under a Memorandum of Understanding on its website within one month of the completion of the audit.	4	DoH did not request an audit of HIPL's compliance with its obligations under the MoU during the Audit Period. Therefore, this is not rated.  An internal audit of HIPL's compliance with its obligations under the MoU (drinking water) was conducted in 2021 by an external audit firm.	NP	NR

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
189	Water Services Act Section 12	Clause 7.1.8	The licensee must publish, in a form agreed with the Department of Health, any other reports required by the Department of Health or required by a Memorandum of Understanding on the licensee's website, at a reporting frequency specified by the Department of Health.	4	The auditor confirmed the Quarterly and Annual Reports to DoH for 2019/20, 2020/21, 2021/22 and 2022/23 are published on the website. There is no requirement for HIPL to publish the Annual Report for the MOU (sewerage services)	NP	1
190	Water Services Act Section 12	Schedule 2	The licensee must comply with the standards set out in Schedule 2 of the licence.	4	Refer obligation 161 above.	A	1
<b>Water Services Code of Practice (Family Violence) 2020<sup>6</sup>.</b>							
191	Clause 5(1)	Clause 4.1.1	The Licensee must have a family violence policy that sets out the matters specified in clause 5(1).	4	The auditor confirmed with HIPL Representative that HIPL has a Family Violence Policy for Residential Customers that complies with the requirements. This was sighted on the website.	NP	1
192	Clause 5(2)	Clause 4.1.1	The licensee must have a family violence policy before the end of the six- month period starting on either: 9 December 2020; or if the day of the grant of the licensee's licence is after 9 December 2020, the day of the grant of the licensee's licence.	4	The auditor confirmed with HIPL Representative that HIPL has a Family Violence Policy for Residential Customers and this was sighted on the website.	NP	1
193	Clause 6	Clause 4.1.1	A licensee must publish its family violence policy on its website and provide a hard copy of the policy to a customer on request and at no charge.	4	The auditor sighted the Family Violence Policy for Residential Customers on the website.	NP	1

<sup>6</sup> This Water Services Code of Practice (Family Violence) 2020 applies the Code to a licensee that provides a water service to a residential customer. A "residential customer" in the Code means a customer who uses the place where a water service is provided, solely or primarily as the customer's dwelling

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
					The auditor confirmed with HIPL Representative that a hardcopy of the policy is available upon request and at no charge.		
194	Clause 7	Clause 4.1.1	A licensee must review its family violence policy at least once in every 5 year period, and additionally, if directed to do so by the Minister.	4	The Family Violence Policy for Residential Customers was issued in 2020 and states the next review date is in 5 years. As this is not yet due and there have been no directions from the Minister to review the policy, this obligation is not rated.	NP	NR
195	Clause 8(1)	Clause 4.1.1	A licensee must maintain adequate records in relation to compliance with this code or any policy made under the code. If the licensee is in a government organisation, as defined in section 3(1) of the State Records Act 2000 (WA), then records must be maintained in accordance with its obligations under that Act	4	The auditor confirmed with HIPL Representative that all records in relation to compliance with the Code and the policy, as with any other corporate policy and customer-related documentation, are retained for at least 7 years in accordance with Rio Tinto policy.	NP	1
196	Clause 8(2)	Clause 4.1.1	If the licensee is not a government organisation according to the State Records Act 2000 (WA), a record that relates to a customer, must be retained for at least 7 years after the last communication between the licensee and the customer, or water services ombudsman. If the record does not relate to a customer, then the record must be kept for at least 7 years after the record is made.	4	Refer obligation 195 above.	NP	1
197	Clause 9	Clause 4.1.1	When a customer affected by family violence first contacts a licensee about a particular matter relating to the family	4	The auditor confirmed with HIPL Representative that there have been no contact from customers re family violence.	A	NR

No <sup>2</sup>	Legislative Reference	Licence Condition	Description	Audit Priority <sup>3</sup>	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating <sup>4</sup>	Compliance Rating <sup>5</sup>
			violence, the licensee must inform the customer of the existence and operation of the licensee's complaints procedure under clause 46 of the Water Services Code of Conduct (Customer Service Standards) 2018.		The auditor sighted the Family Violence Policy for Residential Customers and noted the reference to and a web link to the HIPL complaints procedure.		
198	Clause 10	Clause 4.1.1	A licensee must ensure that its website contains a link that provides access to the current version of the code as it appears on the website that is maintained by or on behalf of the Western Australian Government and that provides public access to electronic versions of Western Australian legislation.	4	The auditor sighted the link on the website to the <i>Water Services Code of Practice (Family Violence) 2020</i> .	NP	1

### 3.7 Audit Recommendations

#### Table of Current Audit Non- Compliances and Recommendations

A. Resolved during current audit period			
Recommendation (no./year)	Non-Compliance/Controls Improvement (Rating/Licence obligation ref. and obligation/Non-compliance or inadequacy of control)	Date Resolved (& management action taken)	Auditor's Comments
	Nil		

B. Unresolved at end of current audit period			
Recommendation (no./year)	Non-Compliance/Controls Improvement (Rating/Licence obligation ref. and obligation/Non-compliance or inadequacy of control)	Auditor's Recommendation	Action taken by the licensee by end of audit period
	Nil		



## 4. Asset Management System Review

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### 4.1 Description of Infrastructure

Hamersley Iron Pty Ltd ('Hamersley Iron Water') has a Water Services Licence (WL33), issued by the Economic Regulation Authority ('ERA') under the *Water Services Act 2012* ('Act'), for the provision of potable water supply, non-potable water supply and sewerage services in Dampier, Tom Price Paraburdoo and Bungaroo.

The assets include:

- Ground water production bores and monitoring bores;
- Water Treatment plants;
- Potable water conveyance pipelines approximately 105 km long;
- Non-potable water conveyance pipelines approximately 83 km long;
- 3 sewerage treatment plants and associated infrastructure; and
- Various equipment and spare parts to support the operations.

There were 2865 connected properties (residential and commercial) at 30 June 2023.

The audit and review approach is based on the compliance obligations set out in the Licence, applicable legislation, regulatory guidelines (Water Compliance Reporting Manual 2021) and the 2019 Audit and Review Guidelines: Water Licences (updated August 2022).

### 4.2 Objectives and Scope

The objective of the review was to assess the adequacy and effectiveness of the asset management system in place for the undertaking, maintenance and monitoring of the licensee's assets.

The scope of the review included an assessment of the adequacy and effectiveness of the asset management system by evaluating the key processes of:

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

The highest priority asset components (rated 1, 2 or 3) based on inherent risk were:

- Asset planning
- Environmental analysis
- Asset operations
- Asset maintenance
- Contingency planning
- Financial planning
- Capital expenditure planning.

This review covers the period from the previous review, being 1 July 2019 to 30 June 2023.

The previous review did not identify any major deficiencies.

### 4.3 Asset Management Process and Performance Rating Scales

The adequacy of process policy and definition and the performance of the key processes were assessed using the scales described in the tables below. The overall effectiveness rating for each asset management process is based on a combination of the process and policy adequacy rating and the performance rating.

#### Asset Management Process and Policy Definition - Adequacy ratings

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

#### Asset Management Performance Ratings

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

### 4.4 Summary of Asset Management System Effectiveness Ratings

The review's assessment of the asset management system process and policy definitions and their effectiveness, based on the ratings scale in Section 4.3, is shown in the table below.

Section 4.6 provides further details of the current rating results for each process in the asset management system.

#### Summary of Asset Management Performance Ratings

Processes	Performance Rating for Effectiveness Criteria

	Rating	1 Performing effectively	2 Opportunity for improvement	3 Corrective action required	4 Some action required	Total
	A -Adequately defined	58	-		-	58
	B – Requires some improvement	-	-	-	-	-
	C – Requires significant improvement	-	-	-	-	-
	D – Inadequate	-	-	-	-	-
	Total	58	-	-	-	58

### Asset Management System Performance Ratings

ASSET MANAGEMENT SYSTEM COMPONENT & EFFECTIVENESS CRITERIA	Process and Policy rating				Performance rating				
	Adequately defined	Requires some improvement	Requires significant improvement	Inadequate	Performing effectively	Opportunity for improvement	Corrective action required	Serious action required	Not Rated
	A	B	C	D	1	2	3	4	NR
<b>1. Asset planning</b>	<b>A</b>				<b>1</b>				
1.1 Asset management plan covers the processes in this table.	✓				✓				
1.2 Planning process and objectives reflect the needs of all stakeholders and are integrated with business planning.	✓				✓				
1.3 Service levels are defined in the asset management plan.	✓				✓				
1.4 Non-asset options (e.g. demand management) are considered.	✓				✓				
1.5 Lifecycle costs of owning and operating assets are assessed.	✓				✓				
1.6 Funding options are evaluated.	✓				✓				
1.7 Costs are justified and cost drivers identified.	✓				✓				
1.8 Likelihood and consequences of asset failure are predicted.	✓				✓				
1.9 Asset management plan are regularly reviewed and updated.	✓				✓				
<b>2. Asset creation/ acquisition</b>	<b>A</b>				<b>1</b>				

ASSET MANAGEMENT SYSTEM COMPONENT & EFFECTIVENESS CRITERIA	Process and Policy rating				Performance rating				
	Adequately defined	Requires some improvement	Requires significant improvement	Inadequate	Performing effectively	Opportunity for improvement	Corrective action required	Serious action required	Not Rated
	A	B	C	D	1	2	3	4	NR
2.1 Full project evaluations are undertaken for new assets, including comparative assessment of non-asset solutions.	✓				✓				
2.2 Evaluations include all life-cycle costs.	✓				✓				
2.3 Projects reflect sound engineering and business decisions.	✓				✓				
2.4 Commissioning tests are documented and completed.	✓				✓				
2.5 Ongoing legal/environmental/safety obligations of the asset owner are assigned and understood.	✓				✓				
<b>3. Asset disposal</b>	<b>A</b>				<b>1</b>				
3.1 Under-utilised and under-performing assets are identified as part of a regular systematic review process.	✓				✓				
3.2 The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken.	✓				✓				
3.3 Disposal alternatives are evaluated.	✓				✓				
3.4 There is a replacement strategy for assets.	✓				✓				
<b>4. Environmental analysis</b>	<b>A</b>				<b>1</b>				
4.1 Opportunities and threats in the asset management system environment are assessed.	✓				✓				
4.2 Performance standards (availability of service, capacity, continuity, emergency response, etc) are measured and achieved.	✓				✓				
4.3 Compliance with statutory and regulatory requirements.	✓				✓				
4.4 Achievement of customer service levels.	✓				✓				
<b>5. Asset operations</b>	<b>A</b>				<b>1</b>				
5.1 Operational policies and procedures are documented and linked to service levels required.	✓				✓				
5.2 Risk management is applied to prioritise operations tasks.	✓				✓				

ASSET MANAGEMENT SYSTEM COMPONENT & EFFECTIVENESS CRITERIA	Process and Policy rating				Performance rating				
	Adequately defined	Requires some improvement	Requires significant improvement	Inadequate	Performing effectively	Opportunity for improvement	Corrective action required	Serious action required	Not Rated
	A	B	C	D	1	2	3	4	NR
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.	✓				✓				
5.4 Accounting data is documented for assets.	✓				✓				
5.5 Operational costs are measured and monitored.	✓				✓				
5.6 Staff resources are adequate and staff receive training commensurate with their responsibilities.	✓				✓				
<b>6. Asset maintenance</b>	<b>A</b>				<b>1</b>				
6.1 Maintenance policies and procedures are documented and linked to service levels required.	✓				✓				
6.2 Regular inspections are undertaken of asset performance and condition.	✓				✓				
6.3 Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule.	✓				✓				
6.4 Failures are analysed and operational/maintenance plans adjusted where necessary.	✓				✓				
6.5 Risk management is applied to prioritise maintenance tasks.	✓				✓				
6.6 Maintenance costs are measured and monitored.	✓				✓				
<b>7. Asset Management Information System</b>	<b>A</b>				<b>1</b>				
7.1 Adequate system documentation for users and IT operators.	✓				✓				
7.2 Input controls include appropriate verification and validation of data entered into the system.	✓				✓				
7.3 Security access controls appear adequate, such as passwords.	✓				✓				
7.4 Physical security access controls appear adequate.	✓				✓				
7.5 Data backup procedures appear adequate and backups are tested.	✓				✓				
7.6 Computations for licensee performance reporting are accurate.	✓				✓				

ASSET MANAGEMENT SYSTEM COMPONENT & EFFECTIVENESS CRITERIA	Process and Policy rating				Performance rating				
	Adequately defined	Requires some improvement	Requires significant improvement	Inadequate	Performing effectively	Opportunity for improvement	Corrective action required	Serious action required	Not Rated
	A	B	C	D	1	2	3	4	NR
7.7 Management reports appear adequate for the licensee to monitor licence obligations.	✓				✓				
7.8 Adequate measures to protect asset management data from unauthorised access or theft by persons outside the organisation.	✓				✓				
<b>8. Risk management</b>	<b>A</b>				<b>1</b>				
8.1 Risk management policies and procedures exist and are being applied to minimise internal and external risks associated with the asset management system.	✓				✓				
8.2 Risks are documented in a risk register and treatment plans are actioned and monitored.	✓				✓				
8.3 The probability and consequences of asset failure are regularly assessed.	✓				✓				
<b>9. Contingency planning</b>	<b>A</b>				<b>1</b>				
9.1 Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks.	✓				✓				
<b>10. Financial planning</b>	<b>A</b>				<b>1</b>				
10.1 The financial plan states the financial objectives and identifies strategies and actions to achieve those.	✓				✓				
10.2 The financial plan identifies the source of funds for capital expenditure and recurrent costs.	✓				✓				
10.3 The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets).	✓				✓				
10.4 The financial plan provides firm predictions on income for the next five years and reasonable indicative predictions beyond this period.	✓				✓				
10.5 The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services.	✓				✓				
10.6 Large variances in actual/budget income and expenses are identified and corrective action taken where necessary.	✓				✓				
<b>11. Capital expenditure planning</b>	<b>A</b>				<b>1</b>				

ASSET MANAGEMENT SYSTEM COMPONENT & EFFECTIVENESS CRITERIA	Process and Policy rating				Performance rating				
	Adequately defined	Requires some improvement	Requires significant improvement	Inadequate	Performing effectively	Opportunity for improvement	Corrective action required	Serious action required	Not Rated
	A	B	C	D	1	2	3	4	NR
11.1 There is a capital expenditure plan covering works to be undertaken, actions proposed, responsibilities and dates.	✓				✓				
11.2 The capital expenditure plan provides reasons for capital expenditure and timing of expenditure.	✓				✓				
11.3 The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan.	✓				✓				
11.4 There is an adequate process to ensure that the capital expenditure plan is regularly updated and implemented.	✓				✓				
<b>12. Review of asset management system</b>	<b>A</b>				<b>1</b>				
12.1 A review process is in place to ensure that the asset management plan and the asset management system described in it remain current.	✓				✓				
12.2 Independent reviews (e.g. internal audit) are performed of the asset management system.	✓				✓				

#### 4.5 Status of Previous Review Recommendations

The previous audit covered the period from 1 July 2016 to 30 June 2019 and was reported in November 2019. There were no recommendations.

Reference (no./year)	Previously Assessed Process and Policy Deficiency (Asset management Process, Rating, Details)	Previous Auditor's Recommendation and <i>Action Taken</i>	Date Resolved	Further action required
<b>A. Resolved before end of previous review</b>				
	Nil			
<b>B. Resolved during current review period</b>				
	Nil			



#### 4.6 Detailed Review Observations

The review period is from 1 July 2019 to 30 June 2023. <sup>7</sup>.

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
<b>1</b>		<b>ASSET PLANNING</b>		<b>A</b>	<b>1</b>
1.1	2	Asset management plan covers the processes in this table.	<p>HIPL's Asset Management Plan is set out in its detailed "Asset Management Improvement Plan – Water &amp; Wastewater Services" (AMIP), which is reviewed and updated annually as part of a rolling five-year capital plan. The AMIP was reviewed and updated in December 2022.</p> <p>The AMIP applies to the company's water services at Cape Lambert, Dampier, Paraburdoo, Tom Price and Pannawonica and addresses all elements of this review.</p> <p>Asset management procedures within the AMIP are set out under the same headings as Table 23 of the ERA's: "2019 Audit and Review Guidelines - Water Licences.</p>	A	1
1.2	4	Planning processes and objectives reflect the needs of all stakeholders and are integrated with business planning.	<p>Assets are provided to service the maximum intended size of the four towns – little or no development or extension is planned. When mining ceases, closure plans will be implemented;</p> <p>Both the AMIP and its associated planning processes are extensive and appropriate and are integrated with business planning.</p>	A	1
1.3	4	Service levels are defined in the asset management plan.	The AMIP (Section 4.2) describes customers service levels together with the performance measures, including water reliability and quality.	A	1
1.4	4	Non-asset options (e.g., demand management) are considered.	Assets are provided to service the maximum intended size of the four towns – little or no development or extension is planned. When mining ceases, closure plans will be implemented.	A	1

<sup>7</sup> Note: As per the Audit and Review Guidelines, recommendations are included for criteria rated as process C or D and/or effectiveness of 3 or 4 in the following table. Recommendations for improvements at higher ratings are no longer required to be reported.

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
1.5	4	Lifecycle costs of owning and operating assets are assessed.	The lifecycle costs of assets are included in the financial budgets and reviewed in the monthly financial reports.	A	1
1.6	4	Funding options are evaluated.	Funding is provided by Rio Tinto Iron Ore (RTIO). As funding is not based on revenue for the provision of services, funding is provided from the company's mining revenue.	A	1
1.7	4	Costs are justified and cost drivers identified.	The lifecycle of assets is not the only consideration in assessing the cost of business operations. Assets are monitored for condition, performance, criticality and age. Decisions are made regarding the necessity to increase on-going monitoring and maintenance, refurbishment, replacement, or process changes.	A	1
1.8	4	Likelihood and consequences of asset failure are predicted.	Risk assessment and management is applied to all areas of the services, including those related to safety, business continuity, operations, maintenance and individual assets; A services failure would necessitate evacuation of a town's residents - the consequence would be the cessation of mining or associated processing related to that town.	A	1
1.9	4	Asset management plan is regularly reviewed and updated.	The AMIP is reviewed and updated annually as part of a rolling five-year capital plan. The AMIP was reviewed and updated in December 2022.	A	1
<b>2</b>		<b>ASSET CREATION / ACQUISITION</b>		<b>A</b>	<b>1</b>
2.1	4	Full project evaluations are undertaken for new assets, including comparative assessment of non-asset solutions.	The procedure for the procurement of assets is described in the Procurement Principles of Rio Tinto's Capital Accounting Manual. Following capital expenditure approval, and inclusion in the Five Years Rolling Capital Expenditure Plan (as described in Section 11 – Capital Expenditure Planning), the acquisition project is then described as being “in plan”.	A	1
2.2	4	Evaluations include all life-cycle costs.	The “Utilities Asset Strategy for Aging Water and Wastewater Assets 2023” discusses 4 strategic options that have been assessed for the town water and wastewater assets. The adopted option which has been in place since	A	1

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
			approximately 2004 is a rolling upgrade / reliability approach. This uses Condition Based Risk Management assessment to determine asset replacement – which is aimed at maximising asset life by making replacement decisions based on asset condition, whilst also meeting reliability requirements (managing customer outages). This evaluation includes all life cycle costs and the current condition/life of the asset.		
2.3	4	Projects reflect sound engineering and business decisions.	Detailed design, preparation of final cost estimates, drawings, specifications and tender documentation can be undertaken in anticipation of implementation; and Reviewer was provided with a copy of an approved “Bluesheet”, together with an application for Capital Expenditure for the Paraburdoo WWTP Upgrade in 2021.	A	1
2.4	4	Commissioning tests are documented and completed.	The commissioning tests for the Paraburdoo WWTP Upgrade documented in the Bluesheet were completed in 2021.	A	1
2.5	4	Ongoing legal/environmental /safety obligations of the asset owner are assigned and understood.	Details of legislative and licences applicable to the services are set out in the AMIP, as are the customer service obligations and water services quality criteria.	A	1
<b>3</b>		<b>ASSET DISPOSAL</b>		<b>A</b>	<b>1</b>
3.1	4	Under-utilised and under-performing assets are identified as part of a regular systematic review process.	<p>The AMIP (section 2.3 Asset Disposal) describes the activities undertaken to identify underutilized and underperforming assets.</p> <p>Underutilised assets are identified by annual review of the asset register to determine utilisation for the past 12 months. Assets with low utilisation are identified and future use reviewed. The asset disposal process is followed for assets not required. No underutilised assets were identified during the audit period, although some bores were turned off in December 2021 and a decision on backfilling of the bores and disposal of equipment is to be made in 2023.</p> <p>Underperforming assets are identified from routine maintenance and condition monitoring programs.</p> <p>Review of data and operating parameters is completed by the Maintenance Engineering teams to identify the cause of deficiencies. The outcome can be</p>	A	1

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
			review and amendment of maintenance procedures or replacement/upgrade of the asset. Some under-performing assets were identified from maintenance tasks/condition monitoring during the audit period. No assets were disposed of during the audit period.		
3.2	4	The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken.	The processes to investigate under-utilisation or poor performance are described at item 3.1 – together with the corrective actions undertaken. The process for asset disposal is outlined in “Guide: RTIO Asset Disposals”	A	1
3.3	4	Disposal alternatives are evaluated.	Capital project Business Cases incorporate consideration of any asset disposal requirements. The majority of the water and sewerage projects undertaken for Paraburdoo, Tom Price and Dampier are like for like asset replacements. In these cases, it is usual that the assets being disposed have no value. In the case of ceasing to use some bores, the bore pumps would have residual value and RTIO advised they would likely be returned to store (available for future use).	A	1
3.4	4	There is a replacement strategy for assets.	The “Utilities Asset Strategy for Aging Water and Wastewater Assets 2023” discusses 4 strategic options that have been assessed for the town water and wastewater assets. The adopted option which has been in place since approximately 2004 is a rolling upgrade / reliability approach. This uses Condition Based Risk Management assessment to determine asset replacement – which is aimed at maximising asset life by making replacement decisions based on asset condition, whilst also meeting reliability requirements (managing customer outages). This has resulted in a large number of assets being replaced between 2004 and 2022. A current project replacing the main water distribution pipeline through Paraburdoo was in progress during the site visit. The combination of asset condition information within the asset register and projected 5 year capital program demonstrate the replacement plans in place.	A	1
<b>4</b>		<b>ENVIRONMENTAL ANALYSIS</b>		<b>A</b>	<b>1</b>

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
4.1	2	Opportunities and threats in the system environment are assessed.	<p>The way opportunities and threats are assessed is discussed in the Water Asset Improvement Plan. Opportunities and threats are assessed through the risk assessments (the Asset Risk Assessments in the Site Reliability Plans, Drinking Water Quality Risk Assessments and the Sewerage Services Risk Management Plan).</p> <p>This was also illustrated in the sample Business Case provided for the Paraburdoo WWTP Upgrade – which was driven by discussion of the threat due to continued discharge of effluent into 7-mile creek during dry conditions.</p>	A	1
4.2	4	Performance standards (availability of service, capacity, continuity, emergency response, etc.) are measured and achieved.	<p>Each of the Town Site Reliability Plans (section 7) identify performance measures and KPIs. This includes water quality measures, pressure and flow requirements for customer water services, water leaks and bursts, sewer blockages and overflows and odour complaints. The performance measures include compliance requirements (e.g. water quality) service measures (e.g. blockages) and asset integrity (leaks and bursts).</p> <p>The AMIP Section 3 includes Strategic Asset Management Objectives for A. Health and Safety, B. Environment and C. People across the utility assets and where these measures contribute to assessing achievement of the objectives.</p> <p>A spreadsheet report was provided for 2022/23 showing the tracking of performance against the KPIs listed in the Site Reliability Plans. This shows pressure and flow, leaks and bursts, blockages and overflows and odour complaints are all within target.</p>	A	1
4.3	4	Compliance with statutory and regulatory requirements.	<p>The AMIP provides a comprehensive list of compliance requirements in Section 1 and at Appendix 3. The following compliance reports were provided for review:</p> <ul style="list-style-type: none"> <li>• Drinking Water Quality (in line with the MoU) for Dampier, Tom Price, Paraburdoo and Bungaroo.</li> <li>• Recycled Water Quality supplied from the Dampier WWTP (in line with the Dept of Health Recycled Water Scheme Approval)</li> <li>• WWTP Annual Environment Reports for the wastewater treatment plants at Tom Price, Dampier and Paraburdoo</li> </ul>	A	2

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
			<ul style="list-style-type: none"> <li>Groundwater abstraction licences for Bungaroo, Paraburdoe and Tom Price (Annual Aquifer Reviews).</li> </ul> <p>Performance reporting to the ERA for the audit period has also been completed. During the audit period, water quality testing achieved 100% compliance for microbiological and health related chemical parameters for Paraburdoe, Dampier and Bungaroo. At Tom Price, testing achieved 99% compliance, with 1 reported E. coli detection from the town tank sample point recorded in August 2021. This was responded to with flushing and resampling (in line with the incident management protocols in place). An incident investigation showed the water feed loop to the analyser was inadvertently offline after maintenance work was conducted. The E. coli detection incident was reported to the Department of Health.</p> <p>The recycled water quality reporting for Dampier identified one test for E. coli exceeded the compliance limit, with resampling returning a complying result. Insufficient flushing of the sampling point was believed to have caused the exceedance. Two chlorine tests were also reported as being below the target value (but still recorded some chlorine residual). Internal audit reports on the recycled water scheme were also completed in line with the scheme approval.</p> <p>An annual environment report for the Dampier WWTP identified a slight exceedance of the phosphorus nutrient loading on the irrigation area (123kg compared to the 120kg target). This was caused by one of the irrigation areas (Hampton Oval) not being available for irrigation, with negotiations reported as occurring to resume the irrigation.</p> <p>During the site visit to the Paraburdoe WWTP, it was noted that the handling of septage discharge is not currently occurring as described in the treatment plant licence. The provision for emergency discharge to the creek is also not captured in the current licence. It was confirmed by RTIO that a licence amendment is to be sought to align the practices following recent (approved) upgrade work at the site.</p> <p>Overall, there have been few non-compliances across the towns and when these have occurred, the reporting and follow up actions have been appropriate, demonstrating commitment to the compliance environment.</p>		

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
4.4	4	Achievement of customer service levels.	<p>The AMIP (Section 4.2) describes customers service levels together with the performance measures. From review of the Performance Reports to the ERA for 2019/20, 2020/21 and 2021/22, customer service levels are being achieved with no customer complaints.</p> <p>However, the number of water mains breaks increased from 21 in 2020/21 to 44 in 2021/22. HIPL confirmed that action is being taken to reduce the outages. There were no customer complaints in the ERA Complaints Register relating to service levels.</p>	A	1
<b>5</b>		<b>ASSET OPERATIONS</b>		<b>A</b>	<b>1</b>
5.1	2	Operational policies and procedures are documented and linked to service levels required.	<p>The AMIP refers to the Water and Wastewater Site Reliability Plans and Operational Procedures as the documents which provide operational policies and procedures linked to service levels.</p> <p>The Site Reliability plans were provided for Dampier, Paraburdoo and Tom Price. These overview operation of the water and wastewater systems, outline the relevant regulatory requirements (Drinking Water Quality Management Plan and Wastewater Treatment Licence), list the key performance indicators (pressure, flow, drinking water quality, water main breaks, sewer breaks and chokes), provide links to the critical assets identification (from the Asset Risk and Contingency Plan) and the resulting prioritisation of operational tasks.</p> <p>Operating and Maintenance procedures are listed – with reference to SAP system for access to the procedures. The operating protocols briefly outline responsibility for remote and local operations, responsibilities for developing, undertaking and reviewing Operations and Maintenance (O&amp;M) plans, responsibility for attending to critical alarms and attending to incidents.</p> <p>O&amp;M tasks are loaded into SAP to be carried out. At the site visit, a maintenance scheduler provided a brief demonstration of the process of loading tasks into SAP based on the Maintenance Planning Tactics developed by the reliability teams.</p> <p>During the site visit to Paraburdoo a sample of the paper based work orders were reviewed including completed work orders received from field staff for review by the supervisor, noting completion and any follow up actions identified.</p>	A	1

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
			During the site visit the SCADA screens for operation of the water supply were also demonstrated. These are normally attended to by remote staff based at RTIO Operations Centre located adjacent to Perth Airport, who monitor Paraburdoo, Tom Price, Dampier and Pannawonica.		
5.2	4	Risk management is applied to prioritise operations tasks.	Monitoring of system performance and alarms (e.g. chlorine residuals, tank storage levels and power failure) prioritises operating responses. Each of the Site Reliability Plans (for water and wastewater at Dampier, Paraburdoo and Tom Price) also state priority operating tasks which are drawn from the Asset Risk and Contingency Plans.	A	1
5.3	4	Assets are documented in an Asset Register including asset type, location, material, plans of components, and an assessment of assets' physical/structural condition and accounting data.	An asset register was provided in an Excel spreadsheet including the assets at Paraburdoo, Tom Price, Dampier and Pannawonica. The fields provided includes asset type, location, material, latest inspection date, estimated remaining life, utilisation in the previous year and comments about asset condition. Further detail on the town pipework is provided in separate sheets. For the sewers, the upstream and downstream access chambers are identified for each section of sewer, sewer length is included, year installed, year upgraded, asset age and a health index score. The information provides a clear assessment of the priorities for asset replacement and the age profile demonstrates the progress made on the replacement/upgrade program over the last 10 to 15 years.	A	1
5.4	4	Accounting data is documented for assets.	The accounting data for assets is recorded in the financial Asset Register. The operational costs are reported in the monthly Utilities Cost Report comparing actual and target cost, and reviewed by the Utilities Leadership Team (General Manager, Managers).	A	1
5.5	4	Operational costs are measured and monitored.	The operational costs are reported in the monthly Utilities Cost Report comparing actual and target cost, and reviewed by the Utilities Leadership Team (General Manager, Managers).	A	1
5.6	4	Staff resources are adequate and staff receive training	Staffing across the Utilities Division based in Perth and on site is described in the AMIP section 1.5. The regionally based teams consist of a combination of residential and fly-in fly-out employees providing continuity across supervisors,	A	1



Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
		commensurate with their responsibilities.	<p>planners/schedulers, technicians and maintainers. The majority of assets are operated remotely from the Perth Operations Centre.</p> <p>The minimum training requirements are defined for each role and maintained in the Prospect system. A review of the training in place for a selection of employees was viewed. At Supervisor level, the relevant training for the water assets includes 3 chlorine training sessions, isolation training and catchment protection training. The Cert. 3 in Water Operations is not required training but at Supervisor level is often completed. The Prospect system includes any expiry dates for training to trigger renewal if required. All training was current based on the selection reviewed.</p> <p>The review concluded that staff resources are adequate and staff receive training commensurate with their responsibilities.</p>		
<b>6</b>		<b>ASSET MAINTENANCE</b>		<b>A</b>	<b>1</b>
6.1	4	Maintenance policies and procedures are documented and linked to service levels required.	<p>RTIO-AM-0167148 Water Infrastructure Maintenance Standard Specification – provides the current inspection and maintenance strategy for Water and Wastewater assets. The maintenance strategy is based on compliance with Statutory requirements and considers asset health in delivering safe, compliant, and reliable systems. The operating requirements to be achieved are listed for raw water, potable water and wastewater (including service levels such as flowrate, pressure, reliability and compliance with the MoU for drinking water quality). Section 7 of the document lists the routine inspection, checks and maintenance required against the asset types, together with the interval. In addition to statutory requirements, these are based on manufacturer recommendations, industry best practice and FMECA analysis.</p> <p>Asset Management Tactics development is the process followed to identify the maintenance and inspection tasks. Maintenance Tactics Packaging is a process followed to optimise deployment of maintenance activities when scheduling in SAP.</p> <p>The following assets were inspected during the site visit to Paraburdoo: airport water supply including the dedicated bore, electro-chlorinator and treated water storage, town bores, raw water collector tank, chlorinator and pump station, town tanks and chlorinator, above ground transfer pipeline, town water</p>	A	1

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
			<p>reticulation and sewer networks, wastewater pump stations, wastewater treatment plant including ponds, septage disposal, kitchen grease and oils disposal, sludge drying and recently constructed chlorine detection tanks and spray irrigation field.</p> <p>Many of the assets were constructed in the 1970's and are in the asset life cycle phase where condition inspections are identifying increasing maintenance and replacement, which has been identified in the Asset Strategy (a rolling program of upgrades based on condition monitoring).</p> <p>Improvement projects discussed on site such as replacement of a bore that risks E. coli detections when the adjacent watercourse floods, incorporation of the airport water supply into the town supply for increased reliability, planning for refurbishment of the town tanks, improving operation of the kitchen grease disposal at the WWTP, improving chlorination management at the WWTP and managing pumping times of the main WWPS due to limited wet well storage all provide confidence in the risk assessment and general utilities management approach.</p>		
6.2	4	Regular inspections are undertaken of asset performance and condition.	<p>Checks and inspection tasks are performed at programmed frequencies, as listed in section 7 of the Water Infrastructure Maintenance Standard Specification.</p> <p>A work order from a completed inspection task was reviewed at the Paraburdoo office during the site visit. A completed chlorine inspection work order with attached work instruction and format for identifying defects/follow up items was also provided for review.</p> <p>Inspection reports for the two town storage tanks completed in 2019 were also provided. These tanks were constructed in 1971 and the inspection report outcomes are being used to refine the timing for major tank refurbishment works (currently in the capital program).</p> <p>It was noted that inspection of each borehole is programmed to occur on a 4 weekly basis and this is to include checking the bore headworks for adequate seal. During the site inspection to Paraburdoo, it was noted that an arrangement designed to seal the bore headworks at bore 8 had come away – leaving the bore seal incomplete.</p>	A	2

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
			<p>Inspection at the main wastewater pump station at Paraburdoo also identified a tag placed at the switchboard indicating an RCD had failed. The tag was dated November 2022.</p> <p>Notifications have been raised in the maintenance system for both of these items.</p>		
6.3	3	Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule.	<p>A sample output from the SAP system showing preventative, corrective and emergency maintenance activities was provided for the chlorine systems at Paraburdoo. This shows approximately 280 work orders issued and completed for 2023 to the end of August and approximately a further 40 preventative work orders currently scheduled to the beginning of October 2023.</p> <p>The listing also provides an example of assigning priority to the work orders. Scheduling of the tasks aims to assign a spread of priority work orders to avoid requiring too many high priority tasks to be completed at the same time.</p> <p>From review of documentation and the site visit, the review concluded that maintenance plans are documented and completed on schedule.</p>	A	1
6.4	4	Failures are analysed and operational/maintenance plans adjusted where necessary.	<p>The Asset Management Strategy assigns responsibility for equipment failure analysis to Reliability Assurance teams. The included process map at section 5 of the Asset Management Strategy illustrates where Equipment Failure Analysis occurs in changing equipment maintenance strategies.</p> <p>The Asset Management Tactics Development and Management Guidance Note describes the business processes for asset maintenance tactics development and management. Section 9 describes Improving Asset Tactics. The tactics for assets are reviewed on a regular basis, the review frequency is based on the asset criticality. A regular review of the tactics involves a review of the operating history. An asset failure also triggers a review of the tactics. Once the review is completed, the tactics library is updated and this flows through the process to update the scope and frequency of scheduled maintenance and inspection work orders issued via SAP.</p>	A	1
6.5	4	Risk management is applied to prioritise maintenance tasks.	O&M tasks are assigned with a priority code. Priority codes (A, B and C) reflect aspects such as asset criticality, regulatory requirements and corrective activities. Efforts are made to schedule a spread of A, B and C tasks each week	A	1

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
			to avoid over allocation of high priority tasks. The work order listing provided for chlorinator maintenance activities provided an example of assigning priority maintenance and inspection tasks.		
6.6	4	Maintenance costs are measured and monitored.	The maintenance costs are reported in the monthly Utilities Cost Report comparing actual and target cost, and reviewed by the Utilities Leadership Team (General Manager, Managers).	A	1
<b>7</b>		<b>ASSET MANAGEMENT INFORMATION SYSTEM</b>		<b>A</b>	<b>1</b>
7.1	4	Adequate system documentation for users and IT operators.	<p>RTIO has an extensive system of monitoring and recording its business activities and the ability to recover and collate information, for the purpose of progress review and report preparation.</p> <p>Apart from commercial software such as the Microsoft 365 software suite, RTIO applies its own software for the following purposes:</p> <ul style="list-style-type: none"> <li>• SAP (maintenance planning system) – limited access, with separate codes for access to individual functions of the system.</li> <li>• HSEQ system – controlled document management system for HSEQ specific information, with limited access.</li> <li>• IMS (document management system) – limited access based on position and with document check and approval functions.</li> <li>• LAORS – controlled access by approved Administrator (register available)</li> <li>• Prospect – business management system (including incident reporting) – access by logon to PC</li> <li>• CAPS – Capital Approvals &amp; Planning System – approval for capital projects – access by logon to PC.</li> <li>• Iron Ore Intranet – various functions, including the portal for the Engineering &amp; Asset Management group (custodians of the RTIO Asset Management standards).</li> </ul>	A	1

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
			<ul style="list-style-type: none"> <li>ARMS (Asset Register Mapping System)</li> <li>CITECT – water and wastewater operating and control system – limited access, controlled by password</li> <li>Archer – risk management and audit system – limited access</li> <li>Reporting for Operating Licence Performance and Compliance reports compilation.</li> </ul> <p>The Rio Tinto Document Management Standard – Utilities sets out the detailed framework for controlled documents including system documentation for users and IT.</p>		
7.2	4	Input controls include appropriate verification and validation of data entered into the system.	Data accuracy is controlled by edit checks of data fields in the key system and checks by the user when entering manually completed work order requests and updates. Considered adequate.	A	1
7.3	4	Logical security access controls appear adequate, such as passwords.	Access to software programs at various levels is controlled by user passwords which must be changed at regular intervals.	A	1
7.4	4	Physical security access controls appear adequate.	There are no physical servers as the systems are hosted on the Microsoft Azure platform, which provides multiple layers of security.	A	1
7.5	4	Data backup procedures appear adequate and backups are tested.	The Rio Tinto Business Classification Scheme and Retention Schedule sets out the data backup and retention procedures. Full backups are completed weekly and incremental backups taken daily at specific times. The backup team completes sample validation restoration from backups monthly. A full business continuity/data recovery test is performed each year to validate the contingency systems and processes are functional.	A	1
7.6	4	Key computations related to licensee performance reporting are materially accurate.	From review of source data for the performance reporting, the calculations are considered to be accurate.	A	1

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
7.7	4	Management reports appear adequate for the licensee to monitor licence obligations.	Service levels are documented in the AMIP, including availability of service, service interruptions and system failure or complaints. These are reviewed on a regular basis, including quarterly meetings to review all service standards. Minutes of these meetings were sighted.	A	1
7.8	4	Adequate measures to protect asset management data from unauthorised access or theft by persons outside the organisation.	The Rio Tinto Business Classification Scheme And Retention Schedule sets out the access restrictions to protect asset management data from unauthorised access. The Rio Tinto Guidance Note D7 - Functional Safety: Cyber Security - Iron Ore (2022) includes adequate measures to protect asset management data from unauthorised access. Access to all systems have restricted user access and require passwords that are regularly changed	A	1
<b>8</b>		<b>RISK MANAGEMENT</b>		<b>A</b>	<b>1</b>
8.1	4	Risk management policies and procedures exist and are being applied to minimise internal and external risks associated with the asset management system.	Risk management is carried out in a number of forms, based on the RTIO Hazard Identification and Risk Management Work Practice (RTIO-HSE-0062207), and include: <ul style="list-style-type: none"> <li>• Utilities risk register (administered by the Utilities Risk Management Principal) using the Active Risk Manager system</li> <li>• Site Reliability Plans, and the associated Site Asset Risk and Contingency plans</li> <li>• Drinking Water Quality Risk Management Plan risk assessments</li> <li>• Sewerage Services Risk Management Plan</li> <li>• Chlorine risk assessment – Chlorine Management Plan</li> <li>• Systems risk assessment (external risks)</li> <li>• Specific risk reports provided by consultants, to support Active Risk Manager.</li> </ul>	A	1

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
8.2	4	Risks are documented in a risk register and treatment plans are actioned and monitored.	<p>The way opportunities and threats are assessed is discussed in the AMIP. Threats are assessed through the risk assessments (the Asset Risk Assessments in the Site Reliability Plans, Drinking Water Quality Risk Assessments and the Sewerage Services Risk Management Plan).</p> <p>This was also illustrated in the sample Business Case provided for the Paraburdoo WWTP Upgrade – which was driven by discussion of the threat due to continued discharge of effluent into 7-mile creek during dry conditions.</p> <p>The review concluded that risks are documented in the risk assessments and treatment plans are actioned and monitored.</p>	A	1
8.3	4	The probability and consequences of asset failure are regularly assessed.	The reviewer was provided with the Drinking Water Quality Risk Assessment that includes a detailed listing of risks for the water services at each town. Each risk scenario is evaluated in terms of Likelihood, Consequence and Effect, together with control actions and updates. This was reviewed and updated in April 2023.	A	1
<b>9</b>		<b>CONTINGENCY PLANNING</b>		<b>A</b>	<b>1</b>
9.1	2	Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks.	<p>HIPL has contingency plans for all major asset classes based on the RTIO Business Continuity Work Practice, and Business Resilience and Emergency Response Guidance note.</p> <p>From this, Utilities has developed a Business Resilience Management Plan, Emergency Response Plan, Business Continuity Plan and Recovery Strategy, and Site water and wastewater contingency and Emergency Response plans.</p> <ul style="list-style-type: none"> <li>Site contingency plans are assessed against the risks identified in the Site Asset Risk and Contingency Plans – drinking water quality, water mains failure, storage tank failure, water pump station failure, chlorination system failure, sewer pump station failure, sewer main failure.</li> <li>Site contingency plans are reviewed on an annual basis.</li> <li>Specific emergency response plans have also been developed for unplanned wastewater effluent release (Paraburdoo, Tom Price,</li> </ul>	A	1

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
			<p>Pannawonica and Dampier) and pond wall failure (Paraburdoo and Tom Price), and sewer system overflows, and are reviewed every two years.</p> <ul style="list-style-type: none"> <li>Incident response plans (IRP) for drinking water quality incidents have been completed (RTIO-HSE-0229473).</li> <li>Contingency planning for drinking water quality incidents is also assessed via annual emergency exercises conducted with the Department of Health.</li> </ul> <p>Actions derived from the reviews of plans and the emergency exercises are used to update the contingency and emergency response plans.</p> <p>The reviewer signed the Drinking Water Quality Annual Emergency Exercise (May 2023 and June 2022) as examples of the annual testing and follow up action from the exercise.</p>		
<b>10</b>		<b>FINANCIAL PLANNING</b>		<b>A</b>	<b>1</b>
10.1	4	The financial plan states the financial objectives and strategies and actions to achieve the objectives.	<p>Responsibility for Rio Tinto's financial planning rests with the company's Business Planning Group and is based on Rio Tinto's global business requirements;</p> <p>The Utilities Leadership team, assisted by Business and Operational Analysts, prepares financial plans for individual business locations. Water services are considered as operating costs associated with their business location - and are therefore not the subject of separate financial plans;</p>	A	1
10.2	4	The financial plan identifies the source of funds for capital expenditure and recurrent costs.	Consideration of funding options is not relevant to the water and sewerage supplies. The supplies are essentially provided to support HIPL's iron ore mining operations, and whilst customer charges are levied, these represent a minor component of the revenue generated by HIPL's operations at the towns covered by the licence.	A	1
10.3	4	The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets).	Budgets are prepared for specific business locations. For water services associated with this review i.e. Paraburdoo, Tom Price, Dampier and Bungaroo Creek, budgets are based on the Capital Expenditure Plan and Maintenance expenditure – estimated on the basis of the proposed annual maintenance program and historical costs derived from records in SAP.	A	1



Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
10.4	3	The financial plan provides firm predictions on income for the next five years and reasonable indicative predictions beyond this period.	Consideration of funding options is not relevant to the water and sewerage supplies. The supplies are essentially provided to support HIPL's iron ore mining operations, and whilst customer charges are levied, these represent a minor component of the revenue generated by HIPL's operations at the towns covered by the licence.	A	1
10.5	4	The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services.	Budgets are prepared for specific business locations. For water services associated with this review i.e. Paraburadoo, Tom Price, Dampier and Bungaroo Creek, budgets are based on the Capital Expenditure Plan and Maintenance expenditure – estimated on the basis of the proposed annual maintenance program and historical costs derived from records in SAP.	A	1
10.6	4	Significant variances in actual/budget income and expenses are identified and corrective action taken where necessary.	Expenditure is reported monthly in comparison with budget and reviewed by the Utilities Leadership Team (General Manager, Managers)..	A	1
<b>11</b>		<b>CAPITAL EXPENDITURE PLANNING</b>		<b>A</b>	<b>1</b>
11.1	3	There is a capital expenditure plan that covers issues to be addressed, actions proposed, responsibilities and dates.	<p>Capital Expenditure planning is based on the procedures outlined in the Rio Tinto Capital Accounting Manual;</p> <p>When a business opportunity, or the need for an asset to be replaced is identified, a number of investigations are undertaken to progressively verify the project and - if verified, the preparation of a submission for capital expenditure approval;</p> <p>The investigations may include all or some of the following:</p> <p>A concept study to indicate whether or not the project warrants order of magnitude technical and economic investigation;</p> <ul style="list-style-type: none"> <li>• Order of magnitude studies as above;</li> <li>• Pre-feasibility studies of the options available and identification of a preferred option; and</li> </ul>	A	1

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
			<ul style="list-style-type: none"> <li>• Feasibility study to further develop the technical, implementation and economic attributes of the preferred option.</li> <li>• Preparation and submission of a “Blue sheet” which briefly summarises:               <ul style="list-style-type: none"> <li>• The project title and number, proposing and responsible division and status of the project;</li> <li>• The current problem, or opportunity offered by the project;</li> <li>• The object of the project;</li> <li>• The tasks and deliverables associated with the project and alternatives available;</li> <li>• Associated actions which need to be undertaken as a consequence of implementing the project;</li> <li>• The classification, detail and impact on risks associated with the project;</li> <li>• Overall cost expected timing and project cash flows; and</li> <li>• Name and initials of those who will be responsible for the project.</li> </ul> </li> </ul> <p>If the division General Manager signs off on the Bluesheet, the project is submitted for capital expenditure approval;</p> <p>On receiving approval for Capital Expenditure, the project is included in the Five Years Rolling Capital Expenditure Plan and is identified as being “in plan”</p> <p>The reviewer was provided with a copy of HIPL’s “Water &amp; Wastewater Five Year Capital Plan” for the period 2023 to 2028. The plan includes some 164 projects on which estimated expenditure is stated for each year. The cumulative estimated total expenditure over the plan period is significant.</p>		
11.2	4	The plan provides reasons for capital expenditure and timing of expenditure.	As per criteria 11.1 above, the HIPL Water & Wastewater Five Year Capital Plan for the period 2023 to 2028 includes reasons for capital expenditure and timing over the next 5 years.	A	1

Item no.	Review Priority (1 High to 5 Low)	Component and Effectiveness Criteria (refer criteria in Audit Guidelines)	Observations and results (including any potential improvements)	Process and Policy Rating	Performance Rating
11.3	4	The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan.	As per criteria 11.2 above, the HIPL Water & Wastewater Five Year Capital Plan for the period 2023 to 2028 is based on an assessment of the asset life and condition of assets stated in the AMIP.	A	1
11.4	4	There is an adequate process to ensure that the capital expenditure plan is regularly updated and actioned.	The HIPL's "Water & Wastewater Five Year Capital Plan" for the period 2023 to 2028 includes reasons for capital expenditure and timing over the next 5 years. The Plan is reviewed and updated annually and used to track action taken.	A	1
<b>12</b>		<b>REVIEW OF ASSET MANAGEMENT SYSTEM</b>		<b>A</b>	<b>1</b>
12.1	4	A review process is in place to ensure that the asset management plan and the asset management system described therein are kept current.	The AMIP and the supporting documents for the asset management system are reviewed annually by the Utilities Maintenance Engineering Water team. The documents sighted in the review had version control showing review dates from 2021 to 2023.	A	1
12.2	4	Independent reviews (e.g., internal audit) are performed of the asset management system.	<p>This independent review is being performed (by the ERA appointed auditors) every 24 months as required by the licence or longer period as specified by the ERA (i.e. 48 months for this review).</p> <p>The following independent reviews of specific components of the system were also completed in the review period:</p> <ul style="list-style-type: none"> <li>• 2019 D6 Process Safety Audit on Chlorination systems Audit . Operationalisation of D6 Process safety around Chlorine gas in 2021.</li> <li>• 2021 &amp; 2022 HawCroft Insurance Risk review update - Water Assets.</li> </ul>	A	1

#### 4.7 Review Recommendations

There are no recommendation from this review.

**Table of Current Review Asset System Deficiencies and Recommendations**

<b>A. Resolved during current review period</b>			
<b>Reference (no./year) Compliance rating</b>	<b>Asset System Deficiency (AMS Component/Effectiveness Criteria/Details)</b>	<b>Auditor's Recommendation</b>	<b>Management Action taken by end of review period</b>
Nil			
<b>B. Unresolved during current review period</b>			
<b>Reference (no./year) Compliance rating</b>	<b>Asset System Deficiency (AMS Component/Effectiveness Criteria/Details)</b>	<b>Auditor's Recommendation</b>	<b>Management Action taken by end of audit period</b>
Nil			

## Appendix A - Methodology

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### A1. Audit and Review Approach

Our approach to meeting the requirements for the operational audit and asset management system effectiveness review is set out below.

#### **Audit and Review Planning**

- Conduct an initial meeting with the ERA to confirm the audit/review approach and timing for the audit and review (*not required*).
- Contact the licensee to gain an understanding of the business, relevant management plans and systems that may affect the risk assessment for planning purposes.
- Prepare a risk assessment including any specific factors or changes relevant to the licensee (in tabular form against each licence condition and asset management system component).
- Submit a draft **Audit and Review Plan**, including the risk assessment and proposed approach, to the ERA for review and approval.
- Send a **Pre-Visit Checklist** of information and documentation to the licensee to enable staff to prepare for the visit (and where possible, send us information prior to the site visit).

#### **Fieldwork**

- Undertake a visit to the licensee and conduct various meetings with stakeholders, including corporate services and works/facilities management personnel, to determine the effectiveness of systems and procedures in place and to compare actual performance against the licence standards. **The on-site visit will include our Principal Engineer.**
- Obtain copies of the latest asset management plans, performance reporting statistics and relevant correspondence between the licensee and the ERA for the audit period.
- The audit steps for the **Operational Audit** will include:
  - **analysis of documented procedures** to assess whether they are consistent with regulatory requirements or arrangements under the licence;
  - **review of systems and procedures** to assess whether they reflect compliance obligations and performance standards, including assessing and testing the following:
    - **control environment** – management’s philosophy and operating style, organisational structure, assignment of authority and responsibilities, the use of internal audit, the use of information technology and the skills and experience of the key staff members;
    - **information system** – the appropriateness of the information systems to record the information needed to comply with the licence, accuracy of data, security of data, cyber security and documentation describing the information system;
    - **control procedures** – the presence of systems and procedures to monitor compliance with the licence or the effectiveness of the asset management system and to detect and correct non-compliance or under-performance;
    - **compliance attitude** - the action taken by the licensee in response to the previous audit/review recommendations, and an assessment of management’s attitude towards compliance; and

- **outcome compliance** – the actual performance against standards prescribed in the licence throughout the audit period.
- Update the risk assessment with any new information obtained in the course of the audit testing and, in instances of significant non-compliance, assess the licensee’s plan to ensure compliance and recommend any further improvements to achieve compliance.
- The activities in the **Asset Management System Review** will include:
  - analyse the documented procedures and processes for the planning, construction, operation and maintenance of assets to assess whether they are consistent with regulatory requirements under the licence;
  - interview key personnel to assess whether they understand and comply with the documented processes and procedures;
  - physically inspect the key assets and infrastructure; and
  - assess the effectiveness of the processes and system in place.

### ***Audit and Review Reporting***

- Prior to the conclusion of the visit, the lead auditor will discuss any observations and recommendations with the licensee’s management to confirm our understanding of the issues and to discuss the action to be taken.
- Provide a draft report to the ERA for review no later than two weeks before the final report is due and make any revisions necessary.
- Provide the updated draft report to the ERA for review and feedback prior to finalising the report.
- Issue the final report to the ERA.
- The ERA will arrange responses to the proposed actions in the Post Audit Implementation Plan.

## **A2. Key Documents Reviewed**

### ***Regulatory Documents and Reports***

- Water Services Act 2012
- Water Services Code of Conduct (Customer Service Standards) 2018
- Water Services Code of Practice (Family Violence) 2020
- Water Services Regulations 2013
- 2019 Audit and Review Guidelines: Water Licences (updated August 2022)
- Water Services Operating Licence WL33 – Version 8 (from 1 July 2016 to 30 April 2020 and Version 9 (from 1 May 2020 to current) – *Updated for Water licence review 2019.*
- Maps of Licence Operating Area:
  - OWR-OA-267(C) – Dampier (Potable Water and Sewerage)
  - OWR-OA-268(B) - Tom Price (Potable Water and Sewerage)
  - OWR-OA-269(B) – Paraburdoe (Sewerage)
  - OWR-OA-274(B) – Paraburdoe (Potable Water)
  - OWR-OA-279(B) – Tom Price (Potable Water)
  - OWR-OA-305(A) – Bungaroo Creek (Potable Water).
- Compliance reports to ERA for 2019/20, 2020/21 and 2021/22
- Performance reports to ERA for 2019/20, 2020/21 and 2021/22
- Performance reporting datasheets for 2019/20, 2020/21 and 2021/22

- Water, Sewerage and Irrigation Licence Performance Reporting Handbook (March 2023)
- Energy & Water Ombudsman membership

### **Operational Audit**

- Rio Tinto: Memorandum of Understanding between the Department of Health and Hamersley Iron Pty Ltd for Drinking Water (2021)
- Rio Tinto: Memorandum of Understanding between the Department of Health and Hamersley Iron Pty Ltd for Sewerage Services (2020)
- Audit of the updated MOU at the request of HIPL.
- Department of Water: Drinking water source protection plan
- Relevant correspondence between the Licensee and the ERA, Department of Environment and Department of Health
- HIPL: Life Support Register – Preserved Supply Register; and
- <https://www.pilbarautilities.riotinto.com>
- Rio Tinto (WA) Utilities Statutory Compliance & Assurance Schedule.
- Compliance Calendar from 1 July 2019 to 30 June 2023
- Compliance Datasheets
- Standard connections for water, sewerage and electricity supply
- RTIO-AM-0162953 - SS-M123 - Fire Mitigation Systems Maintenance Standard
- RTIO-AM-0118746 - Development and planning policy
- Standard Work Procedure “Working at premises and in roads
- Standard Work Procedure “Major and general works”
- Rio Tinto: Compliance Officers - Certificates of Designation
- Compliance Officers (Water) – internal guideline”
- Utilities Legal Advice, Claims & Other Proceedings Register
- Customer Service Charter
- Standard Customer Contract
- Sample of water invoices to customers
- Invoicing and meter reading policy”
- Bill Review Policy
- Property Owners and Plumbers Handbook
- Invoicing – Water bill
- RTIO-AM-0206436 - Invoice Generation QA Workload Timeline
- RTIO-AM-0118449 - Financial hardship and payment difficulty policy
- Complaints and dispute resolution policy
- Customer Complaints Register and complaint records from 1 July 2019 to 30 June 2023
- Customer Complaint Form.
- Family Violence Policy

### **Asset Management System Review**

- Rio Tinto: Asset Management Improvement Plan
- Rio Tinto: Asset Management Strategy
- Asset Management Tactics Development and Management Guidance Note
- Department of Health - Approval of Dampier Recycled Water Scheme;
- Rio Tinto: Quarterly and Annual Reports to Department of Health – Drinking Water Quality – Townsites 2019/20 to 2022/23
- Department of Environment Regulation – Licences for WWTPs at Tom Price, Paraburdoo & Dampier;
- HIPL: Annual Environmental Reports to Department of Water & Environmental Regulation – Dampier, Tom Price and Paraburdoo WWTP for 2019/20 to 2022/23
- HIPL: Annual Audit Compliance Reports to Department of Water & Environmental Regulation – Dampier, Tom Price and Paraburdoo WWTP for 2019/20 to 2022/23
- HIPL: Schedule of Statutory Services Requirements 2023
- Core Service Organisation Chart (Part)
- RTIO-AM-0167148 Water Infrastructure Maintenance Standard Specification
- Sample output from the SAP system showing preventative, corrective and emergency maintenance activities
- Sample of paper based work orders
- Tank Inspectors – Five Yearly Water Tank Inspection Town Tank 1 (ST1);
- Rio Tinto: Site Reliability (Operations and Maintenance Plan) - Paraburdoo Wastewater Services 2023
- Rio Tinto: Site Reliability (Operations and Maintenance Plan) - Dampier, Paraburdoo and Tom Price 2023
- Rio Tinto: Potable/Recycling Water Sampling (Chemical);
- Rio Tinto: Production Resource Tool(s) for Chlorine and Pump Station Inspections.
- Rio Tinto's Capital Accounting Manual
- HIPL's "Water & Wastewater Five Year Capital Plan" for the period 2023 to 2028
- Utilities Asset Strategy for Aging Water and Wastewater Assets 2023
- Bluesheet", together with an application for Capital Expenditure for the Paraburdoo WWTP Upgrade in 2021.
- Sample Business Case provided for the Paraburdoo WWTP Upgrade
- Rio Tinto: Disposal of Asset – Work Practice Overview - also Work Cycle Overview
- Rio Tinto: Sample Capital Expenditure Application (Tom Price town tank upgrade)
- Spreadsheet report for 2022/23 showing the tracking of performance against the KPIs listed in the Site Reliability Plans
- Asset register
- Monthly Utilities Cost Report
- Training Register Tom Price, Paraburdoo and Dampier
- Prospect system - training in place for a selection of employees
- Rio Tinto Document Management Standard – Utilities
- Rio Tinto Business Classification Scheme and Retention Schedule
- Rio Tinto Guidance Note D7 - Functional Safety: Cyber Security - Iron Ore (2022)



- RTIO Hazard Identification and Risk Management Work Practice (RTIO-HSE-0062207),
- Risk Assessment Policy and Risk Register for water services
- Rio Tinto: Risk Assessment Matrix – Water Services
- RTIO Business Continuity Work Practice
- Business Resilience and Emergency Response Guidance note.
- Rio Tinto: Site Asset Risk and Contingency Plans
- Emergency response plans
- Incident response plans (IRP) for drinking water quality incidents have been completed (RTIO-HSE-0229473).
- Drinking Water Quality Annual Emergency Exercise (May 2023 and June 2022)

**A3. Key contacts and sites visited**

- Rio Tinto – Operations Centre (Perth Airport)
  - Karyn McDougall - Advisor Regulatory Compliance, Utilities
  - Heath Bennett - Specialist Water Operations
  - Jason Tyler – Specialist Customer Engagement
- Paraburdoo
  - Michael Sillick - Superintendent - Utilities Maintenance Engineering
  - Tony Collier - Specialist Hydrocarbons Engineer - Utilities Maintenance Engineering
  - Neal Kearney - Specialist Engineer – Utilities Maintenance Engineering
  - David Coutts – Technical Advisor – Utilities Maintenance Engineering

**A4. Consultants**

NAME AND POSITION	BUDGET HOURS
Geoff White - Director	70
Geoff Hughes – Principal Planning Engineer	40
<b>TOTAL</b>	<b>110</b>

END OF REPORT