



Notice

5 March 2025

2024/25 review of Audit and Review Guidelines

Public consultation

The Economic Regulation Authority is seeking public comment on proposed changes to our Audit and Review Guidelines for electricity, gas and water licences.

The current guidelines were published in 2019. The guidelines inform electricity, gas and water licensees and external auditors about the ERA's requirements for conducting performance and operational audits and reviewing asset management systems.

We are reviewing the guidelines to ensure they remain current and fit for purpose, including ensuring the audit and review process is efficient and not causing licensees to incur unnecessary regulatory costs.

Proposed amendments

The changes to the guidelines are explained in a [consultation paper](#), including changes we considered but do not propose to implement.

The main proposed changes are:

- More guidance on preparing post-audit and post-review implementation plans to ensure they are achievable, adequately address the auditor's recommendations and can be closed out effectively.
- Additional information on sample sizes and a new requirement to disclose sample sizes in audit reports.
- Updates to the auditor selection criteria to:
 - Make it mandatory for auditors to have relevant expertise and experience.
 - Increase the period that auditors must assess independence threats for work performed for the licensee.
- Allowing some audits to be done remotely.

The ERA has published each set of guidelines (one for water, and one for electricity and gas) as clean versions and with tracked changes, so the proposed changes can more easily be identified.

Invitation for submissions

The ERA invites interested parties to make submissions on the draft amended audit and review guidelines.

Submissions close 4:00 pm (WST) Wednesday, 26 March 2025.

Submissions can be lodged online using the form on our [Current Consultation webpage](#).

Further information

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