

## Audit of approved test house inherent risk register

ATH audits							
Function 1 – Administrative tasks							
Process	Code reference	Inherent risk description	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
Audit of ATHs' processes	Clause 10.17A and Part 16A	The inherent risks identified under the ATH functions 2–8	Functions 2–8 are not audited	All three key goals	Major	Almost certain	High
Function 2 – Facilities, processes and procedures to meet ATH's Code obligations							
Process	Code reference	Inherent risk description	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
Work undertaken by appropriately skilled personnel in an appropriate test environment	Clauses 10.3, 10.40, and 10.41, Schedule 10.4, clauses 1, 15(1), 15(2)(a), and 17	Inaccurate* metering components and installations  (* <i>"inaccurate" means not complying with the applicable accuracy tolerances specified in the</i>	Inaccurate reconciliation  Inaccurate or no invoicing of participants and consumers	Timely and accurate settlement of the WEM	Major	Likely	High

Process	Code reference	Inherent risk description	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
		<i>Code)</i>					
Having in place appropriate quality control / management	Clauses 16A.10 and 16A.12, Schedule 10.3, clauses 3(1) and (3), 4(1) and (3), and 4A, Schedule 10.4, clauses 15(2)(b), 16, and 17	Inaccurate metering components and installations Inaccurate records and publications  Incorrect submission information for ICP	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers  Other participants making switching and other decisions based on incorrect information	All three goals	Major	Likely	High
Provision of complete and accurate information	Clauses 10.6 and 10.8	Inaccurate records and publications  Incorrect submission information for ICP	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers  Reduced potential for consumer(s) at an ICP to receive innovative service offerings	Participants provide accurate and complete information to others in a timely manner  Timely and accurate settlement of the WEM	Major	Likely	High
Appropriate restrictions on	Schedule 10.4, clause	Inaccurate metering	Inaccurate	Timely and accurate	-Major	Possibly	High

Process	Code reference	Inherent risk description	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
access to facilities and records	1(a)–(c)	components and installations  Inaccurate records and publications	reconciliation  Inaccurate invoicing of participants and consumers	settlement of the WEM			
Documented process for compensation factors	Schedule 10.4, clause 8	Inaccurate metering components and installations	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Timely and accurate settlement of the WEM	Major	Likely	High
<b>Function 3 – Metering records and reports</b>							
Process	Code reference	Inherent risk description	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
Category 3 or higher metering installation cannot be located	Clause 10.35(3)	Inaccurate metering components and installations	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	All three key goals	Major	Possibly	High
Preparing certification /	Schedule 10.4,	Inaccurate records and publications	Inaccurate reconciliation	Participants provide accurate	Major	Almost certain	High

Process	Code reference	Inherent risk description	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
calibration reports	clauses 7(7), 10, and 11, Schedule 10.7, clauses 6(4), 8(2) and (4), 26(4), 27(5), and 36(3), Schedule 10.8, clauses 4 and 9(3)		Inaccurate invoicing of participants and consumers	and complete information to others in a timely manner  Timely and accurate settlement of the WEM		Multiple metering components tested each day	
Documentation and record keeping arrangements	Schedule 10.4, clauses 6, 7(6), 8, 9, and 11–14, Schedule 10.7, clauses 26(3) and 28(3)	Inaccurate tests  Inaccurate records and publications	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Participants provide accurate and complete information to others in a timely manner  Timely and accurate settlement of the WEM	Major	Almost certain  Multiple metering components tested each day	High

Process	Code reference	Inherent risk description	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
<b>Function 4 – Calibration and certification of metering components</b>							
Process	Code reference	Inherent risk description	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
Appropriate test environment	Schedule 10.4, clause 1(d) and (e)	Inaccurate metering components and installations	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Timely and accurate settlement of the WEM	Major	Likely	High
Appropriate standards for testing are used	Schedule 10.4, clause 1(f)	Inaccurate metering components and installations	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Timely and accurate settlement of the WEM	Major	Likely	High
Appropriate test equipment used	Schedule 10.4, clause 2	Inaccurate metering components and installations	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Timely and accurate settlement of the WEM	Major	Likely	High
Appropriate test standards	Schedule 10.4, clause	Inaccurate metering components and	Inaccurate reconciliation	Timely and accurate settlement of the	Major	Likely	High

Process	Code reference	Inherent risk description	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
used	3	installations	Inaccurate invoicing of participants and consumers	WEM			
Applying seals to a metering installation	Schedule 10.4, clause 9, Schedule 10.7, clause 47(7)	Inaccurate metering components and installations	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Timely and accurate settlement of the WEM	Major	Likely	High
Calibration and recalibration of metering components	Schedule 10.3, clause 2(3), Schedule 10.4, clauses 4–7, Schedule 10.7, clauses 26(2), 28(2), 36(2), and 43(2)(c), Schedule 10.8, clauses 1(1)(b) and (c), 2(1),	Inaccurate metering components and installations	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Timely and accurate settlement of the WEM	Major	Almost certain  Multiple metering components tested each day	High

Process	Code reference	Inherent risk description	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
	3(a) and (b), 8(2), and 9						
Onsite calibration of meters and metering components	Schedule 10.8, clause 9	Inaccurate metering components and installations	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Timely and accurate settlement of the WEM	Moderate	Likely	High
Certification of control devices	Schedule 10.8, clause 4	Inaccurate metering components and installations	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Timely and accurate settlement of the WEM	Major	Likely	High
<b>Function 5 – Calibration and certification of metering installations</b>							
Process	Code reference	Inherent risk	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
Confirming a metering installation complies with Part 10	Schedule 10.7, clause 8(1)	Inaccurate metering components and installations	Inaccurate reconciliation  Inaccurate invoicing of	Timely and accurate settlement of the WEM	Major	Likely	High

Process	Code reference	Inherent risk description	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
		Inaccurate records and publications	participants and consumers				
Checking and modifying design reports	Schedule 10.7, clauses 2 and 3	Inaccurate metering components and installations  Inaccurate records and publications	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Timely and accurate settlement of the WEM  Participants provide accurate and complete information to others in a timely manner	Moderate	Possibly	High
Determining metering installation categories	Clause 10.11, Schedule 10.7, clauses 5 and 6	Inaccurate metering components and installations	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Timely and accurate settlement of the WEM	Major	Possibly	High
Certifying and recertifying a metering installation	Clauses 10.12 and 10.42(2), Schedule 10.7, clauses 7–14, 16, 17, 21, 22, 24–34, 36–38,	Inaccurate metering components and installations	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Timely and accurate settlement of the WEM	Major	Likely  Multiple metering components tested each day	High



Process	Code reference	Inherent risk description	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
	and 41–43, Schedule 10.8, clauses 1–8						
Sealing of metering installations	Schedule 10.7, clauses 47 and 48	Inaccurate metering components and installations	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Timely and accurate settlement of the WEM	Major	Likely	High

**Function 6 – Inspection of metering installations**

Process	Code reference	Inherent risk descriptions	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
Inspection of metering installations	Schedule 10.7, clauses 44(1) and (4) and 46(2)	Inaccurate metering components and installations not identified	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Timely and accurate settlement of the WEM	Major	Likely	High
Preparation of inspection report	Schedule 10.7, clause 44(2) and (3)	Inaccurate records and publications	Inaccurate reconciliation  Inaccurate	Timely and accurate settlement of the WEM	Moderate	Likely	High

Process	Code reference	Inherent risk description	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
			invoicing of participants and consumers				
<b>Function 7 – Process for handling faulty metering installations</b>							
Process	Code reference	Inherent risk description	Manifestation of risk	Participant audit regime goal at risk	Consequence	Likelihood	Inherent risk rating
Remedying metering installations that are inaccurate, defective, or not fit for purpose	Clauses 10.43(3), 10.44, and 10.46(1)	Inaccurate metering components and installations not identified	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Timely and accurate settlement of the WEM	Major	Likely	High
Record keeping	Clause 10.47	Inaccurate records and publications	Inaccurate reconciliation  Inaccurate invoicing of participants and consumers	Participants provide accurate and complete information to others in a timely manner  Timely and accurate settlement of the WEM	Moderate	Likely	High