

Instructions for applying to the Technical and Audit Services Panel - Electricity Networks Regulation



What is IPART's electricity networks technical and audit services panel?

IPART regulates the compliance of New South Wales electricity distribution and transmission network operators with their various legislated responsibilities. To help us do this, IPART places great reliance on assurances and findings of independent audits carried out by external auditors.

IPART is establishing a Technical and Audit Services Panel (Panel) to assist network operators with engaging suitable auditors for the different types of audits. Once established, auditees will be required to select auditors from the Panel. Auditors wishing to join the Panel must follow the steps in this document to be considered for approval. IPART may also draw on the Panel to provide specialist industry advice to assist with its regulatory functions.

What types of audits are undertaken?

Audits are undertaken at various times to assess network operators' compliance with:

- ▼ Safety management systems requirements, including risk assessments and implementation of risk mitigation measures
- ▼ Critical infrastructure licence conditions, which includes data security requirements
- ▼ Reliability and performance licence conditions (limited assurance audits)
- ▼ The NSW Code of Practice for Authorised Network Operators, which has a number of obligations surrounding network operators' environmental impact assessments
- ▼ Employment guarantees, and
- ▼ Compliance with various other licence conditions.

More details on the legislative requirements behind the audits and IPART's specific requirements and expectations from an audit are provided in our **Electricity Networks Audit Guideline**, (audit guideline) available [on our website](#).

How to get on the Panel

An applicant can apply for more than one audit category as long as it can demonstrate it has sufficient resources and expertise to carry out the audits. We require:

- ▼ Relevant audit certification and/or adequate experience using audit standards ASAE 3000, AS/NZS ISO 19011, or ISAE 3000 or equivalent.
- ▼ Ability to meet specific requirements of each selected audit category set out in Chapters 5-8 of the audit guideline.
- ▼ Adequate resourcing capacity in terms of Lead Auditors, Auditors and Area Specialists (as defined in the Panel Agreement).
- ▼ Internal quality control processes as specified in the audit guideline.
- ▼ Sufficient insurance coverage as determined by IPART.

If the auditor does not have sufficient experience in a certain category of audit, it may engage the services of an external Area Specialist. During an audit, the Lead Auditor will maintain responsibility for carrying out the audit to a high standard, in accordance with IPART's audit guidelines and approval of audit reports.

How to apply

Typically, organisations apply to become Panel members and nominate individuals into specific 'classifications', such as Area Specialists, Lead Auditors or Auditors, within the relevant audit categories. Sole traders are also encouraged to apply, though any work undertaken by sole traders must be peer reviewed by another Panel Member, to comply with our quality assurance requirements.

Applicants can download the application forms from IPART's website. There are two parts:

- ▼ **Part A** collects the organisation's experience, resourcing capability, and the nomination of individuals applying for appointment. All individuals must complete Part B.
- ▼ **Part B** collects specific information from each individual seeking to join the Panel, as nominated in Part A. Individuals applying for the roles of Lead Auditor, Auditor or Area Specialist should provide supporting information and complete a statutory declaration.

IPART will review the applications to assess whether the applicants have the demonstrated experience, resources and expertise required to conduct the audits they have applied for in the application. We may ask for more information or evidence of experience.

Successful applicants will be appointed to the Panel subject to signing the **Audit Services Panel Agreement** (Panel Agreement), also available on our website. The Panel Agreement generally has a term of three years, after which, auditors must re-apply to be on the Panel.

Other information

- ▼ **Duty to notify IPART of organisational changes.** Panel members must inform IPART of changes in their organisation that could affect the audits – eg, resignation of lead auditors, adopting a new system or standard and potential conflicts of interest that could compromise the independence of the auditor.
- ▼ **IPART may review Panel members within the term of the Panel Agreement.** This would usually involve requesting auditors to provide information to assess the auditor's suitability as a Panel member.
- ▼ **IPART may remove a member from the Panel if:**
 - ▽ IPART learns that the auditor has made a false representation in the application and/or in the Panel Agreement.
 - ▽ the auditor fails to meet any obligation to IPART set out in the Panel Agreement.
 - ▽ the auditor fails to meet the independence, expertise and quality standards set out in the Audit Guideline (eg, an experienced audit personnel leaves the audit firm and IPART has sufficient grounds to believe that the audit firm lacks the capability to carry out a specific audit).
 - ▽ the Panel Agreement expires.
- ▼ **More information** can be found at www.ipart.com.au, and queries can be sent to energy@ipart.nsw.gov.au