



To: The Board of Directors of AEMO

Independent assurance report to the Board of Directors of the Australian Energy Market Operator Limited for the Gas Services Information

Scope

In accordance with the terms of our contract dated 14 January 2022 and subsequent variation dated 13 December 2024, we were engaged by the Australian Energy Market Operator (AEMO) to perform an independent limited assurance engagement for the year ended 30 June 2025, in respect of AEMO's internal control procedures to support compliance, in all material aspects, with the Gas Services Information ("GSI") Rules versions 1 December 2022 and 23 April 2025 (the "Rules"), in the following areas:

- the compliance of AEMO's internal procedures and business processes with the GSI Rules
- AEMO's compliance with the GSI Rules and Procedures
- AEMO's software systems for the Gas Bulletin Board and the calculation of GSI Fees and processes for software management.

In designing our procedures in relation to the subject matter above, we have considered the following criteria ("the criteria"):

- Gas Services Information Procedure: Gas Bulletin Board Registration
- Gas Services Information Procedure: Operation of the Gas Bulletin Board (WA)
- AEMO IT Standards and Policies relating to Information Technology General Controls (ITGCs).

AEMO management's responsibilities

AEMO management is responsible for:

- (a) identification of the compliance requirements within the GSI Rules
- (b) designing and maintaining an effective internal control structure, including control procedures, to ensure compliance with the GSI Rules
- (c) identification, implementation and operation of controls which will mitigate those risks that prevent the compliance requirements being met and monitoring ongoing compliance
- (d) maintaining information relevant to compliance with the GSI Rules that is free from material misstatement.

Our Independence and quality management

We have complied with the ethical requirements of the Accounting Professional and Ethical Standard Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* relevant to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Australian Standard on Quality Management ASQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Our responsibilities

Our responsibility is to express a limited assurance conclusion based on the procedures we have performed and the evidence we have obtained.

Our engagement has been conducted in accordance with the Australian Standard on Assurance Engagements (ASAE 3000) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. That standard requires that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention to indicate that AEMO's internal control procedures, have not been, in all material respects, effectively designed and operated to comply with the GSI Rules.

Where the effectiveness of key controls was used to assess compliance with the GSI Rules, the identification of key controls was performed with reference to applicable AEMO policy or procedure documentation.

The procedures we performed were based on our professional judgement and included:

- inquiry and observation of staff and management to understand the operation of controls
- review of relevant AEMO policies and procedures
- undertaking procedures to evaluate the design effectiveness of key controls
- performing limited sample tests on the operating effectiveness of key controls.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion on compliance with the GSI Rules.

Our procedures did not include any assessment of compliance or controls by market participants other than AEMO. For example, our procedures did not consider whether data received by AEMO from external organisations was complete, accurate and valid beyond limited assurance tests of the procedures that AEMO perform over validating the reasonableness of this data.

In designing our procedures in relation to AEMO's software systems for the WA Gas Bulletin Board and the calculation of GSI Fees, our procedures were limited to testing of AEMO controls over obtaining third party certifications of the systems. Our scope did not include re-performing or validating the calculations, or certification, of Gas Services Information systems such as the WA Gas Bulletin Board and GSI Fee Calculation Tool, or other market systems.

We accept no responsibility for the adequacy or accuracy of work performed by AEMO or the independent certifiers in relation to system certification. We accept no liability to AEMO, or to any other person, for any part of our limited assurance conclusion that relies on or assumes the adequacy of system certification.

Our procedures focused on AEMO's internal control procedures in relation to compliance with the GSI Rules. We have not performed procedures over the completeness or accuracy of all information published or provided by AEMO.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our qualified conclusion.



Use of report

We prepared this report solely for AEMO's use and benefit in accordance with and for the purpose set out in our Master Supplies Agreement (MSA) between PricewaterhouseCoopers and AEMO dated 14 January 2022, and Description of Supplies for Market Audit Services dated 14 January 2022 (including subsequent variation dated 13 December 2024). In doing so, we acted exclusively for AEMO and considered no-one else's interests.

We disclaim any assumption of responsibility, duty or liability:

- to anyone other than AEMO in connection with this report
- to AEMO for the consequences of using or relying on it for a purpose other than that referred to above.

We make no representation concerning the appropriateness of this report for anyone other than AEMO. If anyone other than AEMO chooses to use or rely on it they do so at their own risk.

This disclaimer applies:

- to the maximum extent permitted by law and, without limitation, to liability arising in negligence or under statute
- even if we consent to anyone other than AEMO receiving or using this report

Inherent limitations

Because of the inherent limitations of an assurance engagement, together with any internal control system, it is possible that fraud, error or non-compliance may occur and not be detected. Further, the internal compliance and control culture has not been reviewed and no view is expressed as to its effectiveness. A limited assurance engagement throughout the specified period does not provide assurance on whether compliance with the GSI Rules will continue in the future.

A limited assurance engagement is not designed to detect all instances of non-compliance with the GSI Rules, as it is limited primarily to making enquiries, with management and staff, and applying analytical procedures. The limited assurance conclusion expressed in this report has been formed on the above basis.

Other information

The information included in Appendix B is presented by AEMO management to provide risk rating details, root cause, recommendations, management responses and timelines for the observed exceptions. Such information has not been subject to the procedures applied by PwC in the assessment of AEMO's internal control procedures in relation to compliance with the GSI Rules and accordingly, we express no conclusion on it.



Basis for qualified conclusion

Our procedures identified instances of non-compliance with AEMO’s IT Standards for access management throughout the period 1 July 2024 to 30 June 2025. We therefore qualify our conclusion in this regard.

A summary of key exceptions and non-compliance with the applicable AEMO IT Standards is provided below:

Criteria	Finding Summary	Risk Rating	Compliance Rating
<p>AEMO’s <i>Identity Access Control and Authentication Security Standard</i></p>	<p>Instances where AEMO’s IT access management controls were not applied in line with AEMO’s Identity Access Control and Authentication Security Standard.</p> <p>Our procedures have identified instances where AEMO’s IT access management controls were performed inconsistently with respect to AEMO’s IT Standards.</p> <p>The effect of non-compliance with IT policies is an increased risk of unauthorised or inappropriate access to systems and data, including reports, automated calculations and reconciliations, and interfaces, which form part of AEMO’s internal controls relation to compliance with the GSI Rules.</p>	<p>Medium</p>	<p>Level 1</p>

Refer to Appendix A for a summary of findings.



Qualified conclusion

Based on the procedures performed and evidence obtained, except for the matter noted in the *Basis for Qualified Conclusion* paragraph, nothing has come to our attention that causes us to believe that the Australian Energy Market Operator did not maintain, in all material respects, internal control procedures in relation to compliance with the GSI Rules in accordance with the criteria for the year ended 30 June 2025.

PricewaterhouseCoopers

PricewaterhouseCoopers

N. Burjorjee

Nick Burjorjee
Partner

Melbourne
23 October 2025



Appendix A – Summary of Findings

Findings identified through the limited assurance engagement are reported to AEMO management and Finance Risk and Audit Committee each year.

We have considered materiality when evaluating the effect of identified control weakness on our conclusion. When assessing materiality, we considered qualitative factors as well as quantitative factors, including:

- the purpose of the engagement and specific requirements of the engagement
- the importance of an identified control weakness in relation to the area of activities and the entities overall objectives
- the impact of a centralised function on other parts of the entity
- public perception and/or interest in the area of activity
- the cost of alternative controls relative to their likely benefit
- the length of time an identified control weakness was in existence
- the frequency and severity of control weaknesses identified in previous engagements.

The table below summarises new findings reported, and findings from prior periods which remained open throughout FY25. This includes findings reported by AEMO management or through our procedures. The items included in the table below comprise of 12 market-related observations, and 22 IT-related observations.

	Critical	High	Medium	Low
Level 1	0	0	9	12
Level 2	0	0	6	7
Level 3	0	0	0	0
Total	0	0	15	19

The table below summarises findings from prior periods which have been closed during FY25. These include 3 market-related observation and 7 IT-related observations.

	Critical	High	Medium	Low
Level 1	0	0	1	1
Level 2	0	0	2	5
Level 3	0	0	0	1
Total	0	0	3	7

All findings in the tables above have been agreed with management and formally reported to AEMO's Finance Risk and Audit Committee.

We have categorised control observations noted according to agreed risk and compliance ratings. The risk ratings applied for each finding are consistent with the likelihood and consequence matrix adopted by AEMO's Finance Risk and Audit Committee.



The ratings have been tailored to reflect the potential impact on the market as follows:

Risk Rating	Definition
Critical	Findings which may have a catastrophic impact on the market operations if they are not addressed immediately and require executive action with regular reporting at Board level.
High	Findings which may have a major impact on the market operations if they are not addressed as a matter of priority. These findings require senior management attention with regular monitoring and reporting at executive and Board meetings.
Medium	Findings which may have a moderate impact on the market operations if they are not addressed within a reasonable timeframe. These findings require management attention with regular ongoing monitoring.
Low	Findings which may have a minor impact on market operations if they are not addressed in the future. These findings are the responsibility of management with regular monitoring and reporting at staff meetings.

Compliance Rating	Definition
Level 1	Evidence of non-compliance with review criteria. These should be addressed as a matter of high priority. (Non-compliance)
Level 2	Issues which could possibly result in non-compliance with review criteria but where no evidence of actual non-compliance was found. However, there is considered to be insufficient formal evidence of controls in place or being actioned in relation to these issues. (Gaps in control design or operating effectiveness)
Level 3	Housekeeping matters and opportunities for improving internal controls and procedures relating to gas market procedures. (Control improvement opportunities)

Appendix B – Summary of Observations & Management Comments

The following table provides a summary of issues against the compliance with the GSI Rules. It is presented by AEMO's management to the Economic Regulation Authority Western Australia (ERA). Comments provided by AEMO management in response to the observations are not included within the scope of PwC's report and have not been subjected to the procedures applied by PwC in the assessment of AEMO's compliance with the GSI Rules.

The detailed findings in relation to the Gas Services Information (GSI) are shown below, split between findings from the current review period (PwC reported and Management reported) and a status update of findings identified during the prior year engagement.

Appendix B.1 – Gas Services Information – Findings reported by PwC – 1 July 2024 to 30 June 2025

No	Issue type & Obligation	Finding and implication	Compliance & risk rating	Recommendation	Management Comments / Implementation Status										
25 GSI 1	Issue Type Control design issue reported by PwC Obligation GSI Rules 21-50	<p>AEMO's key control activities to support compliance with the GSI Rules have not been fully defined and documented in line with AEMO's Control Standard</p> <p>Multiple AEMO's key control activities to support compliance with the GSI Rules have not been fully defined and documented in line with AEMO's Control Standard AEMO's Controls Standard (December 2024) outlines the methodology and key control attributes for complying with regulatory obligations. The Controls Standard applies to all systems, processes and personnel engaged in the operation of energy markets. Section 8 of the Controls Standard requires that descriptions of controls:</p> <ul style="list-style-type: none"> Clearly define the attributes of the control activity such as who performs the control, what they perform, where is it performed, when it is performed, and why it is performed. Define the level of automation of the control. Identify whether the control is designed to prevent non-compliances or detect them. Identify an owner accountable for the effective operation of the control. <p>AEMO's obligation and control register for the GSI Rules contains a total of 157 obligations, comprising 21 'Major', 91 'Moderate' and 45 'Minor' rated obligations in-scope for the market audit. Of the 21 obligations assessed by management as 'Major', analysis of the obligation and controls register identified 12 unique controls documented to support compliance. Of these, the following was identified:</p> <table border="1"> <thead> <tr> <th>Controls Standard Requirement</th> <th>Comments</th> </tr> </thead> <tbody> <tr> <td>Clearly define the details of the control activity (i.e. the why, what, where, who, when, how)</td> <td> <ul style="list-style-type: none"> 1 instances (out of 21) where control attributes were not captured in full </td> </tr> <tr> <td>Define the level of automation of the control (e.g. automated or manual)</td> <td> <ul style="list-style-type: none"> In all 21 instances, the level of automation was not documented </td> </tr> <tr> <td>Identify whether the control is designed to prevent non-compliances or detect them</td> <td> <ul style="list-style-type: none"> In all 21 instances, the control type was not defined </td> </tr> <tr> <td>Identify an owner accountable for the effective operation of the control</td> <td> <ul style="list-style-type: none"> In all 21 instances an accountable owner was assigned </td> </tr> </tbody> </table> <p>It is acknowledged that a Compliance Transformation Blueprint has been rolled out with a multi-year program, which is intended to ensure key controls and their supporting attributes are captured completely and accurately within AEMO's new GRC system.</p>	Controls Standard Requirement	Comments	Clearly define the details of the control activity (i.e. the why, what, where, who, when, how)	<ul style="list-style-type: none"> 1 instances (out of 21) where control attributes were not captured in full 	Define the level of automation of the control (e.g. automated or manual)	<ul style="list-style-type: none"> In all 21 instances, the level of automation was not documented 	Identify whether the control is designed to prevent non-compliances or detect them	<ul style="list-style-type: none"> In all 21 instances, the control type was not defined 	Identify an owner accountable for the effective operation of the control	<ul style="list-style-type: none"> In all 21 instances an accountable owner was assigned 	Compliance Rating: Level 2 Risk Rating: Medium (Likelihood: Unlikely; Consequence: Minor)	Management should: <ol style="list-style-type: none"> Develop a plan (in consultation with Risk & Compliance) to document and capture key controls in the new GRC system. A risk-based approach should be considered to ensure higher rated obligations and their respective controls are prioritised. Based on the plan above, review and update control documentation and undertake periodic monitoring and reporting over the implementation status (for example, to the Risk and Compliance team). Any delays to the Plan should be communicated in a timely manner with Risk & Compliance. 	<p>Management Response</p> <p>AEMO accepts this finding and recommendation.</p> <p>Implementation Date</p> <p>30 June 2026</p>
Controls Standard Requirement	Comments														
Clearly define the details of the control activity (i.e. the why, what, where, who, when, how)	<ul style="list-style-type: none"> 1 instances (out of 21) where control attributes were not captured in full 														
Define the level of automation of the control (e.g. automated or manual)	<ul style="list-style-type: none"> In all 21 instances, the level of automation was not documented 														
Identify whether the control is designed to prevent non-compliances or detect them	<ul style="list-style-type: none"> In all 21 instances, the control type was not defined 														
Identify an owner accountable for the effective operation of the control	<ul style="list-style-type: none"> In all 21 instances an accountable owner was assigned 														

No	Issue type & Obligation	Finding and implication	Compliance & risk rating	Recommendation	Management Comments / Implementation Status
		<p>The Controls Standard was subsequently communicated by Risk & Compliance in July 2025 as part of the GRC technology implementation. However, as at the time of reporting this is yet to be applied in practice, with controls informally documented during FY25.</p> <p>Implication</p> <p>Where key controls have not been adequately defined and documented, there is an increased risk that the control may not be effectively implemented (i.e. as they have not been subject to review or corresponding monitoring activities), leading to potential non-compliance. Further, it may be difficult for AEMO to demonstrate their activities to support compliance, in the event of an investigation or external review.</p>			
25 GSI 2	<p>Issue Type Control operating issue reported by PwC</p> <p>Obligation GSI Rules 21-50</p>	<p>Internal checklists for facility registration exemption were not completed in line with internal procedures</p> <p>In accordance with GSI Rules 21-50, AEMO may grant a facility registration exemption to the Gas Bulletin Board (GGB) if certain conditions are met. All such exemptions require approval from the Group Manager, WA Operations.</p> <p>AEMO has developed the internal work instruction <i>Exemption from Facility Registration</i>, which outlines the key activities to be undertaken by AEMO prior to granting a facility registration exemption request. These are supported by a facility registration exemption checklist, which is to be completed as part of each assessment to ensure that AEMO has performed all necessary activities to maintain compliance with the GSI Rules.</p> <p>Sample testing of one facility registration exemption assessed by AEMO in FY25 identified that the checklist was not completed and retained by the respective Market Analysts. Similar observations were raised in the FY23 and FY24 Market Audits (23 GSI 2 and 24 GSI 1 respectively).</p> <p>Implication</p> <p>Where facility registration exemption checklists are not completed, there is reduced ability to demonstrate that all required activities have been completed to grant facility registration, deregistration, registration exemption or transfer. This may increase the risk of non-compliance with the GSI Rules.</p>	<p>Compliance Rating: Level 2</p> <p>Risk Rating: Low (Likelihood: Unlikely; Consequence: Minor)</p>	<p>Management should:</p> <ol style="list-style-type: none"> 1. Attach or incorporate the completed checklist as part of the GM, WA Operations approval step (i.e. email). 2. Update the internal work instructions for inclusion of checklist template to be embedded and completed within email communications. After GM approval, completed checklists for registration activity to be stored in a Shared Folder. 3. Reiterate the importance of completing the facility transfer checklists. 	<p>Management Response AEMO accepts this finding and recommendation.</p> <p>Implementation Date 1 December 2025</p>
25 GSI 3	<p>Issue Type Control operating issue reported by PwC</p> <p>Obligation GSI Rules 114, 116, 118 and 119</p>	<p>Peer review for the calculation of initial and adjusted GSI Fees was not conducted in line with internal procedures</p> <p>In accordance with GSI Rule 116, GSI fees are invoiced to Registered Shippers and Registered Production Facilities based on Aggregated Shipper Delivery Quantities and Aggregated Daily Actual Flow respectively. Each quarter, AEMO calculates an initial and adjustment invoice for the respective GSI Invoice Periods, via a 'GSI Fees Tool' calculator.</p> <p>AEMO has developed the <i>GSI Fees Calculation and Invoicing</i> internal work instruction, which outlines the activities to be undertaken by AEMO prior to issuing invoices to participants. Once the GSI Fees are</p>	<p>Compliance Rating: Level 2</p> <p>Risk Rating: Low (Likelihood: Unlikely; Consequence: Immaterial)</p>	<p>Management should:</p> <ol style="list-style-type: none"> 1. Reiterate the importance of peer reviews and adherence to internal work instructions with the Prudentials and Settlements team. 	<p>Management Response AEMO accepts this finding and recommendation.</p> <p>Implementation Date 31 October 2025</p>

No	Issue type & Obligation	Finding and implication	Compliance & risk rating	Recommendation	Management Comments / Implementation Status
		<p>calculated by a market analyst, a peer review is to be performed by a second market analyst prior to manager approval and subsequent invoicing.</p> <p>Sample testing of the Q2 FY25 GSI fees identified that a peer review had not been conducted by a second market analyst prior to manager approval and invoicing. The manager's review of the GSI fees calculated did not identify any errors in its preparation.</p> <p>The total initial and adjusted GSI fees for Q2 FY25 were approximately \$240,000 and \$0 respectively.</p> <p>Implication</p> <p>Where a peer review of the GSI fees calculated does not occur, there is an increased risk of incorrect initial and adjusted fees, which could result in incorrect invoicing.</p>			

Appendix B.2 – Gas Services Information – Findings reported by Management – 1 July 2024 to 30 June 2025

AEMO's Risk & Compliance team is responsible for verifying the status of non-compliances reported by Management to ensure that remediation actions have been implemented and closed. All Management identified non-compliances are reported by Risk & Compliance to the FRAC on a quarterly basis. For Management reported findings, PwC have leveraged the information provided in the compliance breach forms and the status per Management representation.

The following table is a summary of Management identified non-compliances reported to the FRAC:

No.	Obligation	Finding	Compliance Rating	Rating as reported by Management	Breach form completed	Breach form reference	Status as reported by Management
25 GSI 4	GSI Rule 111A(2)(b)	AEMO did not include annual forecast statement of cash flows or a forecast statement of financial position for FY25.	Level 1	Low	Yes	988	Open
25 GSI 5	GSI Rule 20(3)	AEMO did not inform Market Participants that the WEMS MPI and GBB would be unavailable to Market Participants for a 35-minute period.	Level 1	Low	Yes	1009	Closed
25 GSI 6	GSI Rule 108A(2)	AEMO undertook a deliberate breach to provide their GSI allowable revenue submission beyond the required due date.	Level 1	Low	Yes	1011	Closed
25 GSI 7	GSI Rule 18(3)	AEMO did not update the GBB Submission Interface for Market Participants to submit the required information within the GBB.	Level 1	Low	Yes	1016	Closed
25 GSI 8	GSI Rule 111A(1)(b)	AEMO's Annual Report does not adhere to ERA Guidelines.	Level 1	Moderate	Yes	CCS0002089	Open
25 GSI 9	GSI Rule 117(1)(b)	AEMO Failed to issue GSI invoices on two occasions to a rule participant	Level 1	Low	Yes	CCS0002125	Open

Appendix B.3 – Gas Services Information – Summary of prior year findings reported by PwC

No.	Issue type & Obligation	Finding and implication	Compliance & risk rating	Recommendation	Management Comments/ Implementation Status	FY25 Status
24 GSI 1	<p>Issue Type Control design issue reported by PwC</p> <p>Obligation GSI Rules 21-50</p>	<p>Internal checklists for facility transfer were not completed in line with internal procedures</p> <p>In accordance with GSI Rules 21-50, AEMO may grant a facility transfer to the Gas Bulletin Board (GGB) if they meet certain criteria. All of these require formal approval from the GM, WA Market Operations.</p> <p>AEMO has developed internal work instructions, which outline the key activities to be undertaken by AEMO prior to granting a facility transfer request. These are all supported by a facility transfer checklist, which is to be completed as part of each assessment to ensure that AEMO has performed all necessary activities to maintain compliance with the GSI Rules. Sample testing of one (1) facility transfer assessed by AEMO in FY24 noted that the checklist was not completed and/or retained by the respective Market Analysts.</p> <p>Management indicated that the checklists were not completed and retained as the Work Instructions used by the team provide sufficient detail on how to process a GBB (WA) registration activity in a compliant manner.</p> <p>Implication</p> <p>Where facility transfer checklists are not completed, there is reduced ability to demonstrate that all required activities have been completed to grant facility registration, deregistration or registration exemption. This may increase the risk of non-compliance with the GSI Rules.</p>	<p>Compliance Rating: Level 2</p> <p>Risk Rating: Low</p> <p>(Likelihood: Unlikely; Consequence: Minor)</p>	<p>Management should:</p> <ol style="list-style-type: none"> 1. Reiterate the importance of completing the facility transfer checklists. 	<p>Management Response</p> <p>AEMO accepts this finding and recommendation.</p> <p>Implementation Date</p> <p>30 October 2024</p>	<p>Status: Closed</p> <p>Management reiterated the important of completing facility transfer checklists at the Monthly EMM Meeting. In addition, an email was sent from the WA EMM Manager reiterating the importance of the use of checklists for registration activities.</p>
23 GSI 1	<p>Issue Type Control design issue reported by PwC</p> <p>Obligation Multiple</p>	<p>AEMO's register of obligations within the Gas Services Information (GSI) Rules is incomplete</p> <p>The GSI Rules detail the roles and functions of various parties and govern the operation of the Gas Bulletin Board (GGB) and preparation of the Gas Statement of Opportunities (GSOO). AEMO has identified 231 obligations within the GSI with which they must comply, which have been recorded in multiple spreadsheets ("the registers" or "the obligations registers").</p> <p>Review of the registers at the time of fieldwork (May 2023) identified two (2) obligations, 73A(3) and 89A, that were not recorded within. These obligations were introduced as part of an update to the GSI Rules on 1 December 2022.</p> <p>In addition, of the 231 obligations recorded in the registers:</p> <ul style="list-style-type: none"> • While all were allocated to obligation and control owners, some of the named individuals were outdated (i.e. the staff are not at AEMO or have changed roles) • 68 (29%) obligations did not have a corresponding control listed • Some controls documented were high-level in nature or only reference a corresponding procedure or work instruction. <p>It is acknowledged that whilst AEMO does not currently have obligations 73A(3) and 89A captured in their obligation and risk register, management were able to demonstrate compliance with these obligations (on a sample basis).</p>	<p>Compliance Rating: Level 2</p> <p>Risk Rating: Medium</p> <p>(Likelihood: Possible; Consequence: Minor)</p>	<p>Management should:</p> <ol style="list-style-type: none"> 1. Update the current register to include GSI obligations 73A(3) and 89A, including their respective obligation and control owners, risk ratings and controls. Following this, management should undertake an exercise to agree and update the obligations and controls mapping document to accurately reflect management's control activities. 	<p>Management Response</p> <p>Management agrees with this finding and the recommendations.</p> <p>Implementation Date</p> <p>Assigning ownership and controls – 30 June 2024</p> <p>Review of key control descriptions – 30 September 2024</p>	<p>Status: Closed</p> <p>The Compliance Framework was reviewed by management to update compliance requirements across AEMO. This included informing employees with an understanding of the revised compliance expectations and fostering a culture of accountability across Three Lines Model. Further, a Compliance Transformation Blueprint has been rolled out with a</p>

No.	Issue type & Obligation	Finding and implication	Compliance & risk rating	Recommendation	Management Comments/ FY25 Status Implementation Status
		<p>AEMO has historically utilised Risk Wizard to capture obligations that AEMO needed to comply with. Risk Wizard was decommissioned in 2020, at which point AEMO transitioned to spreadsheet obligation registers. AEMO is exploring options to implement a new Governance, Risk & Compliance (GRC) application, which would provide a central source of information with regards to obligations.</p> <p>Implication Where obligations are not recorded in a register, or accountabilities or controls are not adequately assigned to obligations, there is an increased risk of non-compliance with those obligations caused by a lack of awareness of the need to comply with them.</p>		<p>This should prioritise higher risk obligations.</p> <p>2. Review key control descriptions to verify that they adequately describe activities performed to support compliance with obligations.</p>	<p>multi-year program to ensure all key control descriptions and their supporting attributes are captured completely and accurately within AEMO's new GRC system.</p>

Appendix B.4 – Gas Services Information - Summary of prior period findings reported by Management

No.	Obligation	Finding	Compliance Rating	Rating as reported by Management	Breach form completed	Breach form reference	Status as reported by Management
24 GSI 2	GSI Rule 111A(1)(b)	AEMO's published annual report for FY23 will not adhere to the new Regulatory Reporting Guidelines issued by the ERA.	Level 1	Low	Yes	871	Open – Overdue
23 GSI 4	111A(2)(b)	AEMO issued the FY24 Budget which did not include information required by the Regulatory Reporting Guidelines (an annual forecast statement of cashflows and a forecast statement of financial position).	Level 1	Low	Yes	858	Open - Overdue

Appendix B.5 – Information Technology – Summary of findings

There were 11 new findings, comprising 6 Medium and 5 Low rated Information Technology findings reported by PwC in FY25. In addition, 11 findings raised in prior periods remained open, comprising of 7 Medium and 4 Low rated findings. These findings have the potential to impact a range of markets and systems across AEMO, including the WEM and GSI.

The new findings related to logical access (1 Medium), physical access (1 Medium), and IT operations (5 Medium, 4 Low). No findings were identified regarding change management and program development. Seven (7) prior year observations were closed in FY25.