



1<sup>st</sup> August 2017

To All Recognised Contractors (for CIAW – Option 2)

**RE: IMPROVEMENTS TO THE CIAW OPTION 2 PROCESS**

We are committed to working together with our Recognised Contractors to identify opportunities and drive improvements both in the quality of construction of assets and the audit process. As such we will be enhancing the Open Trench Audit process that will enable better quality assurance inspection regime and introducing a Recognised Contractor Rating system.

**Enhanced Open Trench Audit Process**

All Open Trench Audits post 18<sup>th</sup> September 2017 will be subject to the new process.

We are requesting further information at the Open Trench Audit stage to gain assurance of the overall constructed assets which will lead to fewer excavations and less site disruption at the Final Network Audit.

Going forward the additional audit inspection milestones include:

- Road crossing conduit installation during road construction earthworks
- Trench and conduit inspection by WE auditor prior to electrical installation

In addition mandatory report items will be required which is to be included on the Open Trench Report. These are to be supported with photo evidence, a tabulation of locations and depth/clearance measurements which include:

- Mains cable/conduit crossings above or below any other asset at all locations not accessible for excavation at the Final Network Audit
- Mains cable/conduit under-crossings of any other asset exceeding 1.5m depth
- HV cable or HV conduit bends of 45 degrees or more including radius measurement

The Open Trench Audit form will be updated to include these additional requirements and our Salesforce system has been upgraded to capture this information.

**Recognised Contractors and Contractor Rating System**

The current Recognised Contractor List does not currently have a mechanism to provide feedback to Contractors on improvement areas identified or reward good performance. The Contractor Rating System will apply to the following contractors:

- Civil Contractor
- Electrical Constructor Contractor
- Project Manager 1 & 2

The introduction of a Contractor Rating System will reward good performance by reducing the number of projects requiring excavation during the Final Audit Inspection regime (see below rating scale).

**REGISTERED OFFICE**

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## Contractor Rating Scale

Contractors	Rating	Inspection Regime (minimum)	Final Audit Inspection Regime (minimum)
Civil Contractor Electrical Constructor PM1&2	Superior A	Desktop & Reduced Excavations	1 in 3 projects require excavations
	Good B	Reduced Excavations	1 in 2 projects require excavations
	Acceptable C	Normal Excavations	All projects require excavations
	Under Performing D	Enhanced Excavations	All projects requiring additional excavations

A three month pilot program will commence on the 18<sup>th</sup> September with Go Live on the 1<sup>st</sup> January 2018. The pilot program is an opportunity to provide feedback on the rating system and bed down the new process.

These changes will lead to an improvement in the quality of construction of the underground and overhead electrical distribution systems however it remains the responsibility of the contractor to ensure that a quality assurance process is in place and we believe this should improve attainment of Consent to Statement of Compliance for Developers.

To provide further detail and answer any questions we will run two Awareness Sessions on the 15<sup>th</sup> and 16<sup>th</sup> August 2017 at our Ardeer office in Melbourne. Please register for these sessions at the link provided in the email by Friday 11<sup>th</sup> August 2017.

Yours sincerely

Jan Needham

Field Audit & Quality Manager