



CitiPower Tender Policy – Customer Initiated Augmentation Works Tender

Objectives

CitiPower provides a tender policy which provides the customer with choice, maintains transparency and complies with the requirement of the Essential Services Commission (ESC).

Obligations

Under clause 4.2 & 4.3 of the ESC guideline 14, distributors, such as CitiPower, are required to provide customers with tender options when electricity supply requests necessitate augmentation of the distribution network. These tender options include the calling of tenders by the customer or calling of tenders by the distributor, at the customer’s request.

At the time of enquiry you will be given information on the options that are available and asked to choose an option when making an application via the mySupply portal.

CitiPower is not obliged to call tenders if the customer notifies CitiPower in writing (via the mySupply portal) that they do not want to exercise their option to call tenders.

Eligible works

Works that are deemed to be eligible for tenders are referred to as “contestable services”. Contestable services are limited to certain types of work, generally on greenfield sites where there is no existing CitiPower infrastructure. Works on existing CitiPower assets are not eligible for tenders and can only be performed by CitiPower. These works are referred to as “non-contestable” services.

In most instances contestable and non-contestable work consists of the following components. CitiPower can advise further, if requested, on a project by project basis.

Non-contestable Work	Contestable work
Project management	Construction of the electrical infrastructure required to supply your property
Design, including survey and drafting services	Provision of all materials
Works co-ordination	As constructed plans
System planning	
Quality compliance auditing	
Records updating	
Tie in works	



Options

On receipt of an electricity supply request CitiPower will prepare an offer that includes both contestable and non-contestable works UNLESS a written request to provide tender options is submitted.

On receipt of a request for tender options CitiPower will advise which of the following options apply to your request and ask you which option the customer wishes to pursue

1. You waive the right to tender and request CitiPower to proceed with the work. CitiPower will arrange for all the work, both contestable and non-contestable to be completed
2. You request that CitiPower call a closed tender for the work. This means that CitiPower refers only to its list of contractors with existing Service Agreements with CitiPower.

CitiPower's costs will include the non-contestable works, the cost of managing the tender process associated with the contestable work and the cost of the contestable work obtained from the tender process for the work.

1. You conduct your own tender for any contestable work from the contractors who have an existing service agreement with CitiPower.

Approved Service Providers

Contractors that have been awarded Service Agreements with CitiPower have demonstrated they have the qualifications, training, experience and quality systems to complete both contestable and non-contestable work. These contractors have demonstrated they can provide the services efficiently through their unit prices submitted as part of the period tender process.

Service Providers (whether approved or not) engaged directly by the customer are not permitted to work on CitiPower's assets. These tasks remain in the non-contestable services category.

Service providers engaged directly by the customer work under different arrangements than if the same provider was engaged by CitiPower. If you run your own tender and choose a CitiPower Service Provider to perform Contestable Services, they are not working under the same conditions as when working for CitiPower. They have to work within the conditions of the no go zone requirements and CitiPower will always tie in any green field constructed assets to our distribution system. CitiPower requires warranties for any work completed by a customer managed Service Provider.

Time Frames

CitiPower generally provides a tender response within 20 business days, unless by agreement with the customer a response greater than 20 business days is acceptable. Any such date would be agreed to in writing with the customer. To enable a tender to be called the following must have occurred, the design plan of the required work and the granting of any third party approvals must have been completed before the plan can be approved and a tender called.



Cost Recovery

The costs CitiPower incurs in conducting tenders on behalf of the customer are borne by the customer. Should the customer choose to run their own tender and directly appoint the Service Provider, CitiPower's offer for the non contestable services will include a provision for costs of auditing the contestable work and ensuring CitiPower's technical standards are met.

If you request CitiPower to run a tender and appoint the Service Provider on your behalf, CitiPower will include an overhead charge above the tendered costs from the Service Provider. The overhead charge covers the cost to provide all the corporate services to ensure the project is able to be delivered with the minimum of risk to you.

Customers who run their own tender and engage a Service Provider to perform the Contestable Services will be required to enter into a Contestable Works Agreement with CitiPower. Contestable Works Agreements cover the warranty of the work and the terms and conditions under which the work can be performed and handed over to CitiPower on completion.

Summary of when cost recovery occurs:

Tender Option	Tender Charge	Overheads
CitiPower run tender Service Provider managed by CitiPower	YES	YES
Customer run tender Service Provider managed by Customer	NO	NO

Tender Evaluation

For tenders that have been run at the customer's request, CitiPower will evaluate the tender responses against the agreed tender scope and make a recommendation to the customer of the winning tenderer. The agreed scope will include the approved design, the completion date and any other special conditions from CitiPower or the customer.

The customer will have the opportunity to be involved in the evaluation and can choose another tender response if it satisfies a need outside of the agreed scope. The customer would be charged these costs but the recommended tenderer cost will be used for any modelling of the customer contribution.

Dispute

Our company vision includes excellence in customer service. To fulfil our vision, we treat all customer feedback on our performance as an opportunity to learn and improve our customer service.



We aim to resolve customer complaints at the interface between the customer and the officer responsible for service provision. Where this cannot be achieved, we have an internal escalation process that is designed to reach a mutually acceptable solution to the customer complaint.

We acknowledge receipt of customer complaints within 2 working days. Our aim is to resolve customer complaints within 8 working days. Where we cannot reach a resolution within 8 working days we will keep the customer informed of progress and seek agreement with the customer on the resolution timeframe.

We review trends in customer complaints to seek continual improvement in all aspects of our business.