#### Option Two Contractor Rating Program

**Underground Electrical Infrastructure**

**Quality Assurance Process**

**Process Information for Stakeholders**

Contractor benefit changes apply from 1st July 2024, Rating Changes apply from 1st March 2024

**Purpose**

The option two contractor rating program allows stakeholders and entities to compare contestable works Project Managers’ and Victorian Electricity Distribution Network (VEDN) audit service providers’ performance.

This ultimately affects the Powercor application process, project design approval, Project Management outcomes and VEDN audit requirements.

**Background**

On option two projects there are two key stakeholders who are responsible for liaising with Powercor, and for all quality outcomes of project construction and completion.

They are the Option Two Project Manager, and the VEDN Auditor.

The VEDN Auditor holds responsibility for ensuring compliance onsite, while the Electrical Project Manager is responsible for all communication with Powercor in relation to matters of design, process and VEDN auditing.

For these reasons, Powercor has a rating system that provides an informed comparison between these contestable work service providers.

**Process Responsibility Information**

Project Manager is responsible for:

The overall project management, and must document, implement, and maintain quality systems that provide effective control of all activities involved with the project. This includes the provision of accurate detail plans, kiosk retaining wall specifications & approvals. The provision of compliant design plans to Powercor for approval, supporting documentation, Powercor Responsible Officer approvals, checklists, industry approvals, earth study requirements including tie-in onsite assessment and any other design related engineering approvals regardless of any contractual or third-party arrangements with a separate design entity.

The VEDN Auditor is responsible for:

Performing multiple site inspections during key construction milestones and providing detailed transparent reports with photographic evidence, as required by the VEDN and Powercor process. Delays will be encountered at the time of practical completion when the audit regime required for given situations is not followed by the VEDN auditor, or when auditors fail in their due diligence onsite during the project construction phase. The VEDN auditor must have a detailed understanding of auditing requirements, have current audit policy documents, and have access to all relevant technical standards, work practices and plans.

**Underground Electrical Infrastructure**

**Quality Assurance Process**

**Process Information for Stakeholders**

**Process Responsibility Information**

The contractor rating for the Electrical Project Manager and the VEDN auditor is determined by deducting a score for each non-conformance identified during the following processes:

Electrical Project Manager:

* Project application process
* Project electrical design approval
* Project management process

VEDN Auditor:

* Audit documentation
* Photographic evidence requirements
* Final onsite inspection results

Contractors are then rated between AAA and E.

**Contractor Rating Information**

Each contractor who meets the minimum project numbers described within the rating system is issued a rating certificate by Powercor on a quarterly basis.

Industry stakeholders and identities are encouraged to request that contractors provide a copy of their rating when considering the controls and risks associated with project delivery.

**Additional Information**

This process is supported by the following documents which are publicly available on the Powercor Website:

* Worksite Inspection Report, Underground Electrical Infrastructure Quality Assurance Process
* Allowable Construction Tolerances Guideline: Construction, Tie-in, Design tolerances and requirements
* Underground Electrical Infrastructure Quality Assurance Process Work Instruction:

Project Design, Cable Detailing, Project Management and Worksite Inspection Report Information

**Option 2 Contractor Rating Program| Overview**

**Process Overview**

Each project commences the process with a total score of 100, from which each non-conformance identified is deducted. The final audit score for each project is used to reflect the rating for the VEDN Audit service provider and the Option Two Electrical Project Manager.

The contractor rating applied is typically reflective of project delays that can be expected during application, design plan approval, project management and final auditing before practical completion. Refer to the table below and the detailed explanations overleaf for further information about audit processes.

The Option Two Electrical Project Manager has a pivotal role in this process and must ensure that communication is established with all stakeholders. They are responsible for all correspondance with Powercor in all matters associated with the contractor rating program, in line with Powercor policy and procedure.

**RAPID**

**ESCALATION**

**PROCESS**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Contractor Rating\*** | **Final Audit Score\*\***  **Parameter** | **Standard Deviation Parameter** | **Minimum**  **Process Experience Requirement** | | **Typical Inspection Regime Detail** | **Projects Excavated** | **Powercor Site Attendance** |
| **Proficient**  **AAA#** | **>92** | **no Individual Score <80** | **2.5 Years of Consistent Proficient Performance** | | Process 20%  Normal 30%  Compliance 50% | **30%** | **30%** |
| **Proficient**  **AA#** | **>92** | **no Individual Score <75** | **1.5 Years of Consistent Proficient Performance** | | Process 10%  Reduced 30%  Compliance 30%  Normal 30% | **30%** | **60%** |
| **Proficient**  **A** | **>92** | **No Individual Score <70** | **0.5 Years of Proficient Performance** | | Compliance 10%  Normal 30%  Reduced 60% | **30%** | **90%** |
| **Acceptable**  **B** | **86-91** | **No Individual Score <60** | **0.25 Years**  **of Acceptable Performance** | | Reduced 30%  Normal 70% | **70%** | **100%** |
| **Deficient**  **C** | **80 -85** | **No Individual Score <50** | **None:**  **Contactor Entry Level** | | Enhanced 20%  Normal 80% | **100%** | **100%** |
| **Substandard**  **D** | **60 -84** | **No Individual Score <30** | None | | 80% Enhanced  (2 excavators)  20% Escalated | **100%** | **100%** |
| **Unacceptable**  **E** | **<60** | N/A | None | 100% Escalated  (3 excavators) | | **100%** | **100%** |

\* The score is based on a 6-month rolling average, calculated quarterly.

\*\* Eligible Companies are those that have completed a minimum of 3 projects within the rating period, and for AA and AAA must have completed 3 projects per quarter for the entire 12-month period; Rating advancement critieria also applies.

# Each time an audit score parameter is exceeded, or volume requirement missed one A shall be removed from the rating unless otherwise specified by the process.

The rapid Audit Regime escalation process applies when safety, legislative issues or high-risk issues are identified regardless of the contractor rating or audit regime applicable to the contractors rating. In such cases the audit regime may be increased to enhanced or esculated. The determination of the applicatble audit regime will be based on the risk associated with the non-conformance(s) identified. The outcome of these audits will determine if further audits are required at the enhanced or esculated audit regimes.

**Option 2 Contractor Rating Program| Audit Regime Overview**

The applicable audit regime is determined by the lowest rated contractor involved in the project.

This is calculated using the preceding six months of Powercor final audit results and is allocated by the Powercor audit scheduler. The application of the regime within the contractors rating parameter for process, compliance, reduced or normal audit regimes is random and cannot be requested, influenced, or guided in any way by project stakeholders.

The enhanced audit regime and escalated audit regime may be applied by Powercor as part of the rapid escalation process when safety, legislative, repetitive, or high-risk issues are identified, regardless of the contractors’ rating or the audit regime applicable to the contractors’ rating.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Final Audit Regime Description** | **Powercor Auditor Resource Allocated^** | **Number of Excavators Required^** | **Powercor Auditor Site Attendance^** | **Typical Process Description** | **Statistical Indicative Project Delay Information \*\*** |
| **Process** | **1** | N/A | No | Desktop\* review of documents and photographic evidence | This process has the lowest chance of project delays |
| **Compliance** | **1** | N/A | No | Full desktop\* review of all processes, documents, and photographic evidence | When all Powercor processes have been followed this regime has the low chance of project delays |
| **Reduced** | **1** | N/A | Yes | No mechanical excavation reduce site inspection | Project delays due to final inspection issues can be encountered |
| **Normal** | **1** | **1** | Yes | Mechanical excavation site inspection | This process has an increased likelihood of delays compared to those above |
| **Enhanced** | **2** | **2** | Yes  Multiple | Mechanical excavation with increased sample size and increased site inspection | Additional costs, re-audits and project delays can be expected |
| **Escalated** | **3** | **3** | Yes  Multiple | Additional mechanical excavation with increased sample size and full site inspection | Additional costs, multiple re-audits and project delays can be expected |

Information in this table relates to a project of average size and average complexity of approx. 50 lots or smaller and describes a typical inspection process. Additional equipment may be required subject to Powercor Policy.

\* The desktop audit regime applied to a project will be escalated when it is determined that Powercor process has not been followed or that documents contain misleading information, are missing information, or when non-conformances are identified that require further verification. The re-audit process may be applied when these issues are identified.

\*\* Typical process information only intended as a guide for stakeholders. Escalated audit regimes apply subject to process details described above this table and throughout this document. Represents a typical process and equipment requirement required to conduct the process on an average size project of approx. 50 lots or smaller.

**Option 2 Contractor Rating Program**

**Contractor Rating Detail E**

**Minimum Process Experience Required to achieve this rating: None**

**Rating description: Unacceptable**

**Site Attendance by Powercor: 100%**

**Number of projects excavated by Powercor at time of final audit: 100%**

*This rating is used when serious safety concerns are identified, multiple breaches of technical standards, or legislative standards breaches are identified, or when contractors involved in the project are unable to provide evidence that they hold relevant approvals and authorisations. This regime may also be used to investigate and or confirm compliance with Victorian Electricity Distribution Networks (VEDN) process. Powercor may not take ownership of projects associated with this rating.*

**Typical project delay indicative information:** Projects involved in this process will experience delays. These delays may be significant while issues relating to approval, authorisations, quality of workmanship and compliance with VEDN and Powercor policy and procedure are determined.  Additional costs will be associated with this process. Additional re-audit requirements and increased independent VEDN auditor requirements apply.

**Typical project final audit inspection regime detail:** 100% escalated final audit process. Powercor reserves the right to undertake any type of inspections necessary to determine the quality of a completed project under this regime. A completed enhanced or normal audit regime that requires a re-audit maybe completed as escalated when additional below ground verifications are required at multiple locations.

Additional excavations will be required. The Option 2 Electrical Project Manager must ensure that all required machinery and traffic control necessary to complete any additional inspections is provided. Additional audit fees and re-audit fees may apply, subject to Powercor policy. The standard photographic evidence of any needed rectification works applies however rectification works will need re-inspection during a re-audit.

**Excavation detail:** 100% of projects excavated using three machines (depending on project size).. Large numbers of excavations will be required to determine the quality of below ground workmanship. Crane truck assistance and associated civil supervision, and labour to hold above ground structures must be arranged by the Option Two Project Manager, should this be deemed necessary.

Multiple inspections and/or re-audits may be required to determine the project’s status. It is likely that some hard surfaces on the project will require removal for below ground verification, inspection and rectification works. This may include but is not limited to concrete areas and roadways, channels, drains, verges, retaining walls, fences, garden beds, tree plantings and any other above ground obstacle that may limit or impede inspection.

**Number of Powercor auditors attending site for average size projects**: 3 (depending on project size).

**Powercor Recognised Contractor List and VEDN Auditor Requirements:**

Project Managers who are E rated for more than one quarter will be downgraded to Project Manager one status or may be removed from the Powercor Recognised Contractor list. Project Managers who are E rated for two or more rating periods will be removed from the Powercor Recognised Contractor list or undergo a three-day intensive training course of not less than 24 hours duration, as determined by Powercor’s preceding audit findings. The contractor shall be responsible for requesting the initiation of the training process.

VEDN audit service providers who are E rated will be reported to the VEDN committee for action to be taken against their continued registration as an approved auditor or undergo an intensive three-day training course of not less than 24 hours duration, as determined by Powercor’s preceding audit findings. This may include formal VEDN re-training, undertaken by an approved Recognised Training Organisation (RTO).

**Design Plan Checking:** E rated Project Managers design plans may be subject to a stringent checking regime involving a double plan check process which may cause plan approval delays. This process may incur additional plan re-submission fees subject to Powercor Policy.

**Option 2 Contractor Rating Program**

**Contractor Rating Detail D**

**Minimum Process Experience Required to achieve this rating: None.**

**Rating description: Substandard**

**Site Attendance by Powercor: 100%**

**Number of projects excavated by Powercor at time of final audit: 100%**

**Typical project delay** **indicative information:** Projects involved in this process are likely to experience delays. This rating is used when safety concerns are identified, multiple breaches of technical standards, or legislative standard breaches are identified, to allow additional below ground inspections.

**Maximum average points deduction allowable to achieve or maintain this rating:** 40

**Maximum allowable points loss on any individual project to maintain this rating:** 70

**Rating advancement parameter:** Must meet minumn audit score requirements

**Rating inclusion parameter:** N/A.

**Minimum number of projects completed to maintain this rating:** Not applicable.

**Typical project final audit inspection regime detail:** 80% Enhanced, 20% Escalated . \*

**Excavation detail:** 100% of projects excavated using two machines, (depending on project size).

Crane truck assistance and associated civil supervision and labour to hold above ground structures must be arranged by the Option Two Project Manager, should it be deemed necessary that additional excavations will be required.

Further inspections and/or re-audits may apply, depending on audit findings. Some hard surfaces on the project may require removal for below ground verification, inspection and rectification works. This may include concrete areas and roadways, channels, drains, verges, retaining walls, fences, garden beds, tree plantings, and any other above ground obstacle that may limit or impede inspection.

**Number of Powercor auditors attending site for average sized projects**: One or two, depending on project size. \*

**Powercor Recognised Contractor List:** Project Managers who are D rated for more than 3 consecutive quarters may be downgraded to Project Manager 1 status.

**Design Plan Checking:** Project Managers design plans may be subject to a stringent checking regime process which may cause plan approval delays. This process may incur additional plan re-submission fees subject to Powercor Policy.

**D Rated Contractor Benefits**

N/A

**Option 2 Contractor Rating Program**

**Contractor Rating Detail C**

**Minimum Process Experience Required to achieve this rating: None.**

**Rating description: Deficient**

**Site Attendance by Powercor: 100%**

**Number of projects excavated by Powercor at time of final audit 100%**

**Typical project delay** **indicative information:** This is the entry level for contractors entering the Contractor Rating Program, allowing for data collection to determine the contractor’s rating. This may also indicate deficient performance in an established contractor, as determined by previous Powercor final audit results.

**Maximum average points deduction allowable to achieve or maintain this rating:** 20

**Maximum allowable points loss on any individual project to maintain this rating:** 50

**Rating inclusion parameter:** N/A. Contractors who do not meet the minimum requirement of 3 projects per rating period remain at this rating.

**Rating advancement parameter:** Must meet minumn audit score requirements.

**Parameter of rating benefits:** N/A.

**Typical project final audit inspection regime detail:** (No Desktop) 80% Normal, 20% Enhanced. \*

**Excavation detail:** 80% of projects excavated with one machine, 20% of projects using 2 machines. \*

Hard surfaces on the project may require removal for below ground verification, inspection and rectification works. This may include concreted area and roadways.

**Number of Powercor auditors attending site for average sized projects**: One or two.\*

**C Rated Contractor Benefits**

90% Normal audit regime applied to final project inspections.

**Option 2 Contractor Rating Program**

**Contractor Rating Detail B**

**Minimum Process Experience Required to achieve this rating: 0.25 years of consistent acceptable performance.**

**Rating description: Acceptable**

**Site Attendance by Powercor: 100%**

**Number of projects excavated by Powercor at time of final audit: 70%**

**Typical project delay indicative information:** Compared with A, AA, and AAA audit regimes there is an increased likelihood of project delays and project re-audits, which may cause a longer project delay.

**Maximum avaerge points deduction allowable to achieve or maintain this rating:** 14

**Maximum allowable points loss on any individual project to maintain this rating:** 40

**Rating inclusion parameter:** 3 completed projects per rating period.

**Rating advancement parameter:** Must meet minumn audit score requirements.

**Parameter of rating benefits:** VEDN audit service provider must hold B or above, and the Option 2 Project Manager must hold A or above.

**Typical project final audit inspection regime detail:** (No Desktop) 70% Normal, 30% Reduced. \*

**Excavation detail:** 70% of projects excavated using one machine. \*

Hard surfaces on the project may require removal for below ground verification, inspection and rectification works.

**Number of Powercor auditors attending site for average sized projects**: One\*

**B Rated Contractor Benefits**

70% Normal, 30% Reduced audit regimes applied to final project inspections.

**Option 2 Contractor Rating Program**

**Contractor Rating Detail A**

**Minimum Process Experience Required to achieve this rating:** **0.5 years of consistent acceptable/proficient performance.**

**Rating description: Proficient**

**Site Attendance by Powercor: 90%**

**Number of projects excavated by Powercor at time of final audit: 30%**

**Typical project delay indicative information:** This process should have a reduced likelihood of a re-audit, compared with the audit regimes associated with B, C and D rated contractors.

**Maximum average points deduction allowable to achieve or maintain this rating:** 8

**Maximum allowable points loss on any individual project to maintain this rating:** 30

**Rating inclusion parameter:** 3 completed projects per rating period.

**Rating advancement parameter:** 12 consecutive months of being A rated, with annual inclusive projects containing a combined minimum of 30 ground set public light columns and 3 kiosks.

**Parameter of rating benefits:** VEDN audit service provider must hold A rating or above, and the Option 2 Project Manager must hold A rating or above and should have been directly engaged in project management and VEDN auditing since the inception of the project.

**Typical project final audit inspection regime detail:** 60% Compliance, 30% Normal, 10% Reduced

**Excavation detail:** 30% of projects excavated using one machine. \*

**Number of Powercor auditors attending site for average size projects**: One. \*

**A Rated Contractor Benefits**

30% Compliance, 60% Normal, 10% Reduced audit regimes applied to final project inspections.

**Statement of Compliance:** No Requirement for an Approved Final Audit before consideration for consent to SoC.\*\*\*\*

**Permit to Work:** Not required for final audit purposes on LV only projects. #

**Design Plan Approval:**

* The Option 2 Project Manager can prioritise up to 5% initial submissions per month in the plan approval queue by swapping projects already waiting within the queue\*\*\*. Banking or loan facility of up to 1^ project per month
* The Option 2 Project Manager can request expedited plan approval for up to 5% re-submissions or revisions (once queued) per month\*\*. Banking or loan facility of up to 1^ project per month

**Applicable Rating Protection:**

* VEDN Auditor up to 5% project exclusion by choice
* Project Manager up to 5% project exclusion by choice

**Option 2 Contractor Rating Program**

**Contractor Rating Detail AA**

**Minimum Process Experience Required to achieve this rating:** **1.5 years of consistent proficient performance.**

**Site Attendance by Powercor: 60%**

**Number of projects excavated by Powercor at time of final audit 30%**

**Typical project delay indicative information:** On average this process is considered to have a low likelihood of a re-audit or project delay.

**Maximum avaerge points deduction allowable to achieve or maintain this rating:** 8

**Maximum allowable points loss on any indivual project to maintain this rating:** 25

**Rating inclusion parameter:** 3 completed projects per quarter, with a 12-month rolling average of projects that include a combined minimum of 30 ground set public light columns and 3 kiosks. This rating parameter may be missed once in a 12-month cycle without loss of rating, subject to negotiation with the Powercor responsible officer. \*\*\*\*\* The Option 2 Project Manager or VEDN audit service provider is responsible for record keeping associated this this process.

**Rating advancement parameter:** 12 consecutive months of being AA rated with inclusive projects containing a combined minimum of 50 ground set public light columns and 4 kiosks.

**Parameter of rating benefits:** VEDN audit service provider must hold AA or above. The Option 2 Project Manager must hold A or above and must have been directly engaged in project management and VEDN auditing since the inception of the project.

**Typical project final audit inspection regime detail:** (40% Desktop) 30% Compliance, 30% Normal, 30% Reduced 10% Process\*.

**Excavation detail:** 30% of projects excavated using one machine. \*

**Number of Powercor auditors attending site for average size projects**: One. \*

**AA Rating Contractor Benefits**

30% Compliance, 30% Normal, 30% Reduced 10% Process audit regimes applied to final project inspections.

**Statement of Compliance:** No requirement for an Approved Final Audit before consideration for consent to SoC.\*\*\*\*

**Permit to Work:** Not required for final audit purposes. #

**Final audit request timeline:** WIR Part 4 photos and the fully completed WIR can be provided up to 5 working days after the final audit request. This process must be managed by the option 2 Project Manager. ##

**Audit Documentation:** The challenge photo process may be applied if requested with reduced mandatory photo requirement.

**Control Documents:** The Option Two Project Manager may exercise these options and in doing so takes responsibility that all associated plan issues are rectified.

* Minor PCA41 plan changes can be made following the audit and the rectification advice provided once the plans are re-submitted, without waiting for plan re-approval. The Option Two Project Manager must ensure that the Powercor auditor is advised when this is completed ##

**Design Plan Approval:**

* The Option 2 Project Manager can prioritise up to 7% initial submissions per month in the plan approval queue by swapping projects already waiting within the queue\*\*\*. Banking or loan facility of up to 1^ project per month.
* The Option 2 Project Manager can request expedited plan approval for up to 7% re-submissions or revisions (once queued) per month\*\*. Banking or loan facility of up to 1^ project per month
* Layout Design Approval^^^^ may be provided when plans do not require changes in the overall scope of works relating to any conduit installation site works. This process shall be Managed by the Option 2 Project Manager and full plan approval shall be completed within 60 days of Layout Design Approval

**Applicable Rating Protection:**

* Once per annum: A rating for three months with no AA re-instatement waiting period within the next quarter
* VEDN Auditor up to 5% project exclusion by choice with a one quarter banking^^ or loan^^ facility of 1 project
* Project Manager up to 5% project exclusion by choice with a one quarter banking^^ or loan^^ facility of 1 project

**Option 2 Contractor Rating Program: Contractor Rating Detail AAA**

**Minimum Process Experience Required to achieve this rating:** **2.5 years of consistent proficient performance. Contractors with this rating are the most experienced within the industry at delivering projects with less delays and demonstrate consistent performance above industry averages for a prolonged period. Reduced audit regimes apply.**

**Site Attendance by Powercor: 30%**

**Number of projects excavated by Powercor at time of final audit: 30%**

**Typical project delay indicative information:** On average these projects experience the least delays.

**Maximum average points deduction allowable to achieve or maintain this rating:** 8

**Maximum allowable points loss on any indivual project to maintain this rating:** 20

**Rating inclusion parameter:** 3 completed projects per quarter with a 12-month rolling average of projects that include a combined minimum of 50 ground set public light columns and 4 kiosks. This rating parameter may be missed twice within a 12-month cycle and the rating maintained, based on AA rating parameter minimums. This is subject to negotiation with the Powercor responsible officer. The Option 2 Project Manager or VEDN auidt service provider is responsible for record keeping associated this this process.

**Parameter of rating Benefits:** Both the Option 2 Project Manager and the VEDN audit service provider must hold AAA rating and must have been directly engaged in project management and VEDN auditing since the inception of the project.

**Typical project final audit inspection regime detail:** (70% Desktop) 50% Compliance, 30% Normal, 20% Process. \*

**Excavation detail:** 30% of projects excavated using one machine. \*

**Number of Powercor auditors attending site for average size projects**: One. \*

**AAA Rating Contractor Benefits**

(70% Desktop) 50% Compliance, 30% Normal, 20% Process audit regimes applied to final project inspections.

**Statement of Compliance:** No Requirement for an Approved Final Audit before consideration for consent to SoC.\*\*\*\*

**Permit to Work:** Not required for final audit purposes. #

**Fee Structure:** No re-audit fee (excludes Escalated audit regime) or design plan re-submission fee for first re-submission.

**Audit Regime Escalation**: When a process or compliance audit regime is escalated, and a re-audit is required the re-audit request can be made immediately without the need for rectification of non-conformances associated with the Parent.

**Final audit request timeline:** WIR Part 4 photos and the fully completed WIR can be provided up to 10 working days after final audit request. This process must be managed by the option 2 Project Manager ##

**Audit Documentation:** Reduced 21-day photo requirement. The challenge photo process may be applied if requested with reduced mandatory photo requirements. Part 1 nominated photo evidence 0.6m clearance evidence to be maintained by VEDN auditor and only provided top Powercor when requested.

**Control Documents:**

* Minor PCA41 plan changes can be made following the audit and the rectification advice provided once the plans are re-submitted, without waiting for plan re-approval. The Option Two Project Manager must ensure that the Powercor auditor is advised when this is completed ##
* Final Audit Request can be made when the final draft of the PCA41 plans have been submitted to TR&DS for approval. Under this process the final approved audit report will not be released until the plans are approved

**Design Plan Approval:**

* The Option 2 Project Manager can prioritise up to 10% initial submissions per month in the plan approval queue by swapping projects already waiting within the queue\*\*\*. Banking or loan facility of up to 2^ projects per month
* The Option 2 Project Manager can request expedited plan approval for up to 10% re-submissions or revisions (once queued) per month\*\*. Banking or loan facility of up to 2^ projects per month
* Layout Design Approval^^^^ may be provided when plans do not require changes in the overall scope of works relating to any conduit installation site works. This process shall be Managed by the Option 2 Project Manager and full plan approval shall be completed within 60 days of Layout Design Approval

**Applicable Rating Protection:**

* One AAA rating protection for one rating period after 2 years proficient performance at AAA level ^^^
* Once per annum: AA rating for one quarter with no re-instatement waiting period within the next quarter
* VEDN Auditor up to 5% project exclusion by choice with a one quarter banking^^ or loan^^ facility of 1 project
* Project Manager up to 5% project exclusion by choice with a one quarter banking^^ or loan^^ facility of 1 project

**Option 2 Contractor Rating Program| Process Detail**

Rating Detail Parameters, Exclusions and Limitations

*The information below relates to the application process information provided for ratings E to AAA.*

**#** Excludes public lighting projects.

**##** Process may be subject to review if the Option 2 Project Manager continuously misses target time frames or does not complete tasks in a timely manner.

**\*** The specified audit regime describes the typical application of the audit regime. Powercor will endeavour to ensure the specified contractor rating benefits are compliant on a quarterly basis (excluding any escalations), where this is not possible the rating benefits may be carried forward to the next quarter. When safety issues, legislative requirement breaches, or any serious or repetitive issues are identified at the time of final audit, or on preceding projects by a given contractor, Powercor reserves the right to escalate the final audit regime regardless of the contractor’s rating or applicable audit regime. This will be escalated to a minimum of enhanced. The escalation period and audit regime escalation applied is dependent on the repetitive nature, the associated risks, the rectification actions, and/or process changes of the contractors involved.

**\*\*** Applies only to re-submissions or revisions with minimal design or drafting changes identified on the plan (<10). This excludes any plans where issues relating to network connectivity are found.

**\*\*\*** The existing CTA will be rejected / returned & the Opt 2 PM will need to re-submit the swapped-out project*.*

**\*\*\*\*** Not available on projects where an Enhanced or Escalated audit regime applies due to previously identified quality assurance issues or application or the Rapid Audit Regime Escalation process.

**\*\*\*\*\*** Prevents contractors from advancing to the next rating level when this process is enacted.

**^** Not transferable for more than one month. This process is activated by written request to the Powercor Responsible Officer copied to the FAQ inbox with a minimum of 5 working days’ notice (or as negotiated in writing with the Powercor Responsible Officer) before the end of the rating period. Acceptance of the process initiation by Powercor shall not be considered complete until a written response is provided to the requester by the Powercor Responsible Officer or FAQ. Once requested, no further correspondence will be entered into. The Option 2 Project Manager or the VEDN Audit Service Provider using this process is responsible for all record keeping in relation to this process and upon request, shall transparently share this written information with Powercor for further negotiation purposes.

**^^** Not transferable for more than one rating period. This process is activated by written request to the Powercor Responsible Officer copied to FAQ inbox with a minimum of 5 working days’ notice (or as negotiated in writing with the Powercor Responsible Officer) before the end of the rating period. Acceptance of the process initiation by Powercor shall not be considered complete until a written response is provided to the requester by the Powercor Responsible Officer or FAQ. Once requested, no further correspondence will be entered into. The Option 2 Project Manager or the VEDN Audit Service Provider using this process is responsible for all record keeping in relation to this process and upon request, shall transparently share this written information with Powercor for further negotiation purposes.

**^^^** Can only be activated once within a two-year period by written request to the Powercor Responsible Officer. Acceptance of the process initiation by Powercor shall not be considered complete until a written response is provided to the requester by the Powercor Responsible Officer. Once requested it cannot be reused until a further two periods, plus the activation quarter has elapsed. Once requested no further correspondence will be entered into.

**^^^^**  Layout Design Approval will not be provided unless all approvals by other authorities have been included in the design plan approval submission. This approval is at the discretion of Powercor and shall not be subject to negotiation by Project Stakeholders.

Application of Contractor Rating

* New contractors and entrants to the contractor rating program commence on default rating C.
* Contractors who do not meet minimum required project numbers remain at rating C unless the preceding Powercor final audit results indicate a lower rating standard. When a lower rating standard has been previously identified the lower rating shall apply
* The applicable VEDN Audit service provider rating or Option Two Project Manager rating applied to a Powercor final audit application is the current rating at the time the application for the final audit is made
* The rating of the lowest rated contractor taking responsibility for Project Management or VEDN audit services on the final audit request is used to determine the final audit regime for audit purposes. For design plan approval the Option Two Project Managers rating is used to determine the applicable benefits