

Essential Services Commission- May 2019 Meeting

Urban Development Institute of Australia (Victoria)

The Urban Development Institute of Australia (UDIA) said that its greenfields committee had met in the morning to discuss matters related to electricity connections. The committee primarily comprises engineers and developers at the managing director level.

From an industry perspective, there had been some improvement – but not a lot.

Positive feedback from UDIA:

- The '10 points and walk off' audit process had been replaced and now two people audited a site rather than one;
- Auditors were generally more helpful as they now allowed photos to be submitted to show defects had been rectified;
- External consultants were now allowed to prepare master plans and this had streamlined the process;
- Distribution business's previous belligerent attitudes had softened;
- Scored out of 10 their performance had lifted from 2/10 last year to 6/10 this year.
- Development industry is also trying to improve. For example, developers are doing trial audits before the final audit to see where defects may be. They are putting pressure on contractors to improve their standards and quality of work.
- VPA: this quiet phase is an opportunity to double down on efforts to improve and be ready for the upturn

Continued points of frustration/friction:

- Audit processes are still a major issue for developers. Audit is the last step in the process for developers before titles can be released and money comes in. There is feeling the processes are draconian when little things fail and hold title release up.
- Little things like a slight lean on a light pole might result in a fail and a reaudit
- The relationships between developers and water businesses and councils were close but relationships with the power companies were not so close. When relationships are not close miscommunication of issues is more likely to happen.
- population growth is still strong and this affects greenfields developments.
- DBs not fully cognisant of how failing audits results in losing money

Comments from power companies:

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- Powercor: stated its portal and the work on of the Technical Standards committee would help prepare for the next growth phase.
- Powercor: well-constructed infrastructure will pass audit. They added that they had noticed most defects were minor and that there was a reduction in major defects reported.
- Powercor: a lack of governance on site leads to audit failure. it is difficult to find the responsible person onsite and that there is no authority to drive improvements.
- Powercor: have established a forum to discuss these issues but each developer has their own management arrangements.
- Powercor: working towards making the contestable works agreement stipulate requirements about having a person onsite who is responsible for works quality.
- Powercor: it seems the civil constructors are the people to coordinate with and that electrical contractors better understand the requirements generally.
- Powercor: have established an escalation process whereby people can come to Powercor to discuss audit failures.
- Jemena: improvements onsite could be made if technical standards were given to the people digging holes. Training should focus on how to comply with the standards.