

5 March 2021



Cheree Marchant  
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Dear Cheree,

**RE: ALDE Submission, Proposed customer standards for distribution businesses.**

The Association of Land Development Engineers welcomes the opportunity to provide feedback to DELWP on the time frames for electricity connections at new properties. We have responded to each question separately.

1. [What issues have stakeholders experienced relating to timeframes for negotiated electricity connections to new housing developments?](#)

The land development industry would like to take this opportunity to highlight that delays to land development projects are not limited to electrical distribution business and ALDE welcomes further engagement in streamlining process from PSPs through, timely issue of planning permits, timeframes for authority offers and design acceptance.

Having said that, electrical DBs are often on the critical path for land development projects, particularly in stages 2 (Network scope plan), 3 (Network reticulation design) and 5 (Construction audit) of the process.

Delays in stage 2 can result in redesign of other infrastructure, delays in stage 3 typically result in construction delays and can result in poor outcomes for other service authorities, and delays in stage 5 inevitably result in delays to titling a subdivision.

It is the stage 5 delays that are the most difficult to manage and the most critical item. The current process of field audits at the completion of construction, results in any defects being identified too late in the process, sometimes requiring substantial rectification costs and time delays. The ability to identify any defects earlier in the process would be immensely beneficial to overall time savings.

2. How should timeframes for negotiated connections (or stages of connections) to new housing developments be regulated? Are the timeframes included in the responses from distribution businesses (refer to next section) appropriate?

ALDE supports timeframes in the pre-construction phase of the project, ie offer and design acceptance. Certainty in timeframes for offers and plan acceptance is seen as a positive outcome for the land development industry. Regulation to ensure timeframes are met is essential, as the option of a developer lodging a claim for VCAT for the failure of a DB is far from practical. The timeframe should be a target for average time, as well as a 95<sup>th</sup> %ile under a maximum timeframe, encouraging the DB to achieve less than the maximum timeline in most of their projects, with the DB having to publish their results and some form of action/penalty applicable should they not achieve the timeframes.

ALDE suggested reasonable timeframes are below;

Offer acceptance – 8 weeks post application.

Design acceptance – 20 working days (first round comments) 10 working days (second round comments)

ALDE however does not support the current process of field audits at the completion of works and as such cannot support regulation that effectively endorses this process. ALDE encourages DELWP to review processes adopted within the Melbourne Retail Water Authorities (MRWA) which require progressive auditing throughout construction undertaken by both accredited external auditors and internal authority surveillance officers, as opposed to the current process of invasive audits only at the completion of works.

3. What are the benefits and costs associated with regulated timeframes for negotiated electricity connections to new housing developments? Are there any risks associated with regulated timeframes?

Any time savings in the pre-construction phase of the project will allow a project to commence sooner which in turn allows earlier completion.

The risk associated with regulated timeframes is the limited opportunity of enforcement of timeframes, and the tendency for DBs to treat the timeframe as the target timeframe rather than the absolute maximum. A deemed to comply approach once timeframes have been reached would provide certainty that the maximum timeframes are not exceeded.



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4. Are there any other relevant matters that should be brought to the attention of DELWP and the Minister?

ALDE believes it is appropriate to review the use of external contractors to assist with works during periods of high demand for services. It is noted that safety and quality cannot be compromised and ALDE supports stringent accreditation processes. As an example, it is puzzling to the industry how the DBs have a varied approach to using contractors for new tie in works, some will allow an external contractor to undertake live works whilst others will not. A fixed workforce limits the opportunity to undertake works in a timely manner during times of high activity.

Yours faithfully,  
**Association of Land Development Engineers**

Anthony Grodzki