May 2025

Powerlink 2027-32 Revenue Proposal

Regulated Network Project Approval Process

Regulated Network Project Approval Process – Specification

Policy stream	Asset Management	
Authored by	Senior Business Improvement Advisor	
Reviewed by	Project Governance and Assurance Advisor	
	Manager Projects - Regulated	
	Manager Works Delivery	
	Manager Network and Alternate Solutions	
Approved by	General Manager Network Portfolio	

Version history

Version	Date	Section(s)	Summary of amendment
1.0	22/07/2021	All	New document. Original version.
2.0	05/01/2022	Various	Update 2nd Stage approval estimate class, update "Reviewed by" list and include Estimating Review Meeting
3.0	21/06/2024	All	Review and update of complete document. Key changes include: - Amending document to cater for both Single and Two Stage Regulated project approvals - Review and update of high-level process overview - Review and update of accountabilities tables - Amendment of Estimate (Class 5, 3 and 2) deliverables to refer to 'Estimate Maturity Matrix' - Removed reference to 'Phase 1' and 'Phase 2' and replaced with 'Early Works' and 'ITT Preparation' - Update of document title - Removal of NIO and Portfolio Plan from specification - Addition of RIT-T table - Addition of Stage 1 and Stage 2/Full Approval tables - Addition of Gate Review tables - Addition of Tender Period table
3.1	22/07/2024	Various	Minor edits
3.2	16/05/2025	Various	Minor edits - Change to Section 1.2 to remove reference to specific dollar value - Change to "*PROJECT DEVELOPMENT – ITT PREPARATION*" table to include specific reference to GM NP endorsement in the 'Hold Point'

Table of contents

1. Introduction

1.1 Purpose

The purpose of this document is to provide clarity in relation to roles involved in the approval process that supports managing planning and delivery phases of network regulated projects.

1.2 Scope

This document applies the phases that support the delivery of network regulated projects from when the need is identified through to the final approval that will enable a tender to be awarded.

Note – Projects can follow either a single or two stage approval process, depending on the anticipated final cost or other relevant considerations.

1.3 References

Document code	Document title
A2293035	[Project No.] Basis of Estimate - Template
A58264	Appropriation Request template
A688121	Civil Design Advice
A412787	Concept Estimate template
A1987635	Design Management Plan
A217583	Electrical Design Advice
A5175589	Estimating Maturity Matrix
A78942	Project Approval Notification
A369451	Project Management Plan template
A1565121	PPM - Project Initiation Form (PIF) Part A and Part B Original
A152293	Project Scope Report template
A1965616	Secondary Systems Design Advice

1.4 Defined terms

Terms	Definition
BOE	Basis of Estimate
DTS	Delivery & Technical Solutions
ID	Infrastructure Delivery
ITT	Invitation to Tender
OSD	Operations & Service Delivery
PMO	Project Management Office (DTS)
PMP	Project Management Plan
PSR	Project Scope Report
RIT-T	Regulatory Investment Test for Transmission
SAP	Corporate IT system

1.5   Roles and responsibilities

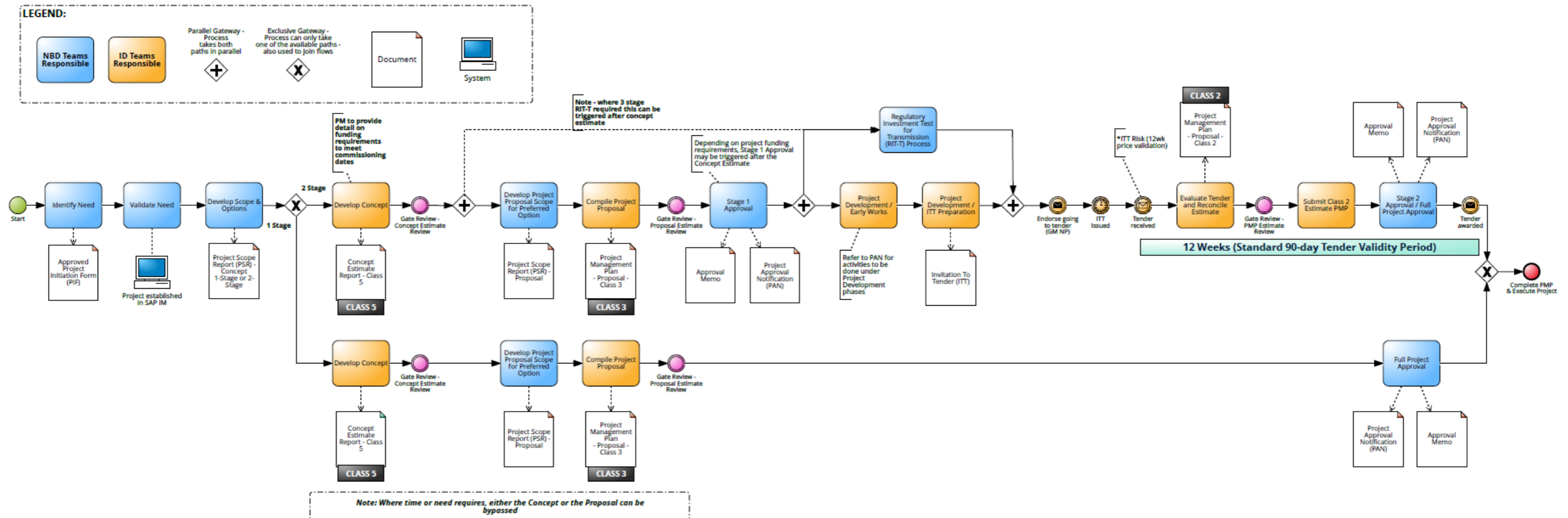| Who	What
Project Governance and Assurance Advisor	Maintain this document in line with the relevant procedures.
Various	Review the content of this document with respect to the integrity and correctness of the document content.
Manager Projects Manager Network and Alternate Solutions Manager Works Delivery General Manager Infrastructure Delivery	As General Manager and Managers of the Accountable Teams for stages of this process, review the content of this document with respect to the integrity and correctness of the document content.
General Manager Network Portfolio	The accountable person for the document outcomes defined within this document.

1.6   Monitoring and compliance

It is the responsibility of the accountable roles and their line managers to ensure compliance with this document.

1.7   Risk management

This document provides guidance relating to tasks carried out by key roles in the Network Project Approval process for network regulated projects. This document aims to reduce the risk to the program of work resulting from a lack of definition of accountabilities and responsibilities associated with these key roles.

2. Regulated Network Project Approval Process Overview

3. Accountabilities for Each Stage Approval Process

PROJECT NEED IDENTIFICATION	
Accountable Team – ASSET STRATEGIES & PLANNING **Deliverable to complete: Approved Project Initiation Form (PIF)**	
Responsible Team	**Input - Detailed Requirements**
ASSET STRATEGIES	For network reinvestment and refurbishment needs • Prepare and publish Condition Assessment Report detailing condition of relevant assets (where applicable), and coordinate condition input from external groups, as required • Review and update Asset Health Indices in line with observed condition • Confirm enduring need for relevant assets • Review all other asset needs at location and/or adjacent locations and identify opportunities to coordinate replacement/refurbishment works • Create/update PRS entry to identify relevant assets/works and required timing • Create Project Initiation Form (PIF)
NETWORK PLANNING	For network expansion needs • Prepare and publish Planning Report detailing increased capacity requirements of network • Create/update PRS entry to identify relevant works and required timing • Create Project Initiation Form (PIF) For network reinvestment needs • Provide confirmation of enduring need (where applicable)
OPERATIONAL SUPPORT SERVICES	For operating (maintenance and refurbishment) projects Create Project Initiation Form (PIF)
NETWORK OPERATIONS	For operating projects • Create Project Initiation Form (PIF) for project needs identified through network events or for project needs identified for future operation needs
PROPERTY	For property acquisition projects • Create Project Initiation Form (PIF) for opportunistic and strategic property acquisition projects, e.g. for purpose of securing environmental offsets

Note: A Project Initiation Form (PIF) for a new project need may be raised by several other areas of the business, in addition to those specified in this table. All PIFs generated outside of Asset Strategies that relate to work on Network Assets must be submitted to Asset Strategies for review and endorsement (including for alignment with broader asset strategies and plans) prior to being considered an "approved PIF".

PROJECT NEED VALIDATION	
Accountable Team – NETWORK & ALTERNATE SOLUTIONS **Deliverable to complete: Project establishment in SAP IM**	
Responsible Team	**Input - Detailed Requirements**
NETWORK & ALTERNATE SOLUTIONS	• Review PIF for appropriateness of information on need and that minimum criteria provided • Review and confirm need (including enduring need) and suitability of supporting justification (including PRS entry) • Review Network Portfolio Plan to confirm project timing and identify all other project works with needs at the same location and/or adjacent locations • Review Area Plans & Asset Plans as required • Identify opportunities to address identified need in conjunction with other project work • Prepare and issue an Appropriation Request Proforma
ADMINISTRATION TEAM (NBD)	• Establish new appropriation request (project) in SAP IM based on parameters in Appropriation Request Proforma
ASSET STRATEGIES	• As required, provide additional information detailing asset considerations and timing
NETWORK PLANNING	• As required, provide additional information detailing enduring need, or opportunities to optimise network, and timing
PORTFOLIO PLANNING & OPTIMISATION	• As required, provide additional information regarding Area Plans & Asset Plans
NETWORK OPERATIONS	• As required, provide additional information detailing project need and timing
PROPERTY	• As required, provide additional information detailing project need and timing

PROJECT SCOPE & OPTIONS	
Accountable Team – NETWORK & ALTERNATE SOLUTIONS **Deliverable to complete: Approved Project Scope Report**	
Responsible Team	**Input - Detailed Requirements**
NETWORK & ALTERNATE SOLUTIONS	• Confirm Appropriation Request for newly identified projects established in SAP IM • Review and confirm need and suitability of supporting justification (including PRS entry) • Review and consider alignment of proposed project works with other needs at location and/or adjacent locations • Confirm requirement for RIT-T assessment, or exemption • Develop options to meet identified need • Document all options in the Project Scope Report (PSR) and send draft PSR to all relevant stakeholders for review • Incorporate feedback and obtain approval for PSR
ADMINISTRATION TEAM (NBD)	• Issue formal request for estimate to appropriate mailbox, following finalisation of Project Scope Report
ASSET STRATEGIES	• As required, provide additional information detailing end of life considerations and timing • Review and comment on all relevant PSRs, incl. feedback on effectiveness of options in development to address current & future asset/network needs
NETWORK PLANNING	• As required, provide additional information detailing enduring need, or opportunities to optimise network, and timing • Review and comment on all relevant PSRs, incl. feedback on effectiveness of options in development to address current & future asset/network needs
PORTFOLIO PLANNING & OPTIMISATION	• Review and comment on all relevant PSRs, incl. feedback on coordination with Area Plans & Asset Plans

NETWORK OPERATIONS	• Review and comment on all relevant PSRs, incl.
	  o Feedback on key outage risks/considerations with potential to impact delivery of options, and
	  o Feedback on effectiveness of options in development to address current and future asset/network needs

COMMUNITY & DELIVERY SERVICES	• Review and comment on all relevant PSRs, incl.
	  o Feedback on property related matters, such as access constraints and approval requirements
	  o Feedback on cultural heritage considerations and landholder/community impacts

DEVELOP CONCEPT	
Accountable Team – INFRASTRUCTURE DELIVERY **Deliverable to complete: Approved Concept Estimate Report**	
Responsible Team	**Input - Detailed Requirements**
ASSET STRATEGIES	• Risk Assessment Input (Portfolio Risk System 2 (PRS2))
NETWORK & ALTERNATE SOLUTIONS	• Project Scope Report (Concept) • Approval for concept phase costs obtained, and budget released to DTS • Clarification provided of scope at triangle meetings/kick-off meetings
ADMINISTRATION TEAM (NBD)	• Release funds for concept phase costs
NETWORK OPERATIONS	• Outage availability and Return to Service times
FIELD DELIVERY	• Provide input and documentation in accordance with the 'Estimate Maturity Matrix'
DESIGN SOLUTIONS	• Provide input and documentation in accordance with the 'Estimate Maturity Matrix'
COMMUNITY & DELIVERY SERVICES	• Provide input and documentation in accordance with the 'Estimate Maturity Matrix'
INFRASTRUCTURE DELIVERY	• Provide input and documentation in accordance with the 'Estimate Maturity Matrix' • Project site developed in Project Server • Site visit (if required) • Submit to Project Estimating Review Meeting
ESTIMATING	• Contemporary construction prices (benchmarking/cost-planning) • **Class 5 Estimate**[1] • Estimating Risk Assessment
MATERIALS PROCUREMENT	• Identify long-lead items and estimate funds required (if required)

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[1] In accordance with Estimating Maturity Matrix

GATE REVIEW – CONCEPT ESTIMATE REVIEW – CLASS 5	
Accountable Team – INFRASTRUCTURE DELIVERY **Deliverable to complete: Approved Concept Estimate Report**	
Responsible Team	**Input - Detailed Requirements**
PROJECT MANAGEMENT OFFICE (PMO)	• Chair the meeting • Provide governance
ESTIMATING	• Estimate quality check
MANAGER PROJECTS (Infrastructure Delivery and Major Customers, both Managers present)	• Ensure consistency with project portfolio • Accuracy of estimate • Stress test contents of the Concept Estimate Report – i.e. Outages, Resources, Assumptions, Exclusions, Risks etc. • Rigorous check of milestones to ensure deliverability
ID/MCG PROJECT TEAM	• Compile Concept Estimate Report • Present Concept Estimate Report to the meeting • Post-review, submit the estimate to Sponsor via ID Request (mailbox)

COMPILE PROJECT PROPOSAL	
Accountable Team – INFRASTRUCTURE DELIVERY **Deliverable to complete: Approved Project Management Plan (Proposal)**	
Responsible Team	**Input - Detailed Requirements**
ESTIMATING	• **Class 3 Estimate**[2]
ASSET STRATEGIES	• Risk Assessment Input (Portfolio Risk System 2 (PRS2))
NETWORK & ALTERNATE SOLUTIONS	• Project Scope Report (Proposal) • Approval for proposal phase costs obtained, and budget released to DTS • Clarification of scope published as Proposal Phase Project Scope Report
ADMINISTRATION TEAM (NBD)	• Funds for Proposal phase costs released
NETWORK OPERATIONS	• Provide input and documentation in accordance with the 'Estimate Maturity Matrix'
FIELD DELIVERY	• Provide input and documentation in accordance with the 'Estimate Maturity Matrix'
DESIGN SOLUTIONS	• Provide input and documentation in accordance with the 'Estimate Maturity Matrix'
COMMUNITY & DELIVERY SERVICES	• Provide input and documentation in accordance with the 'Estimate Maturity Matrix'
HSE	• Provide input and documentation in accordance with the 'Estimate Maturity Matrix'

[2] In accordance with Estimating Maturity Matrix

GATE REVIEW – PROPOSAL ESTIMATE REVIEW – CLASS 3	
Accountable Team – INFRASTRUCTURE DELIVERY **Deliverable to complete: Project Management Plan - Proposal**	
Responsible Team	**Input - Detailed Requirements**
PROJECT MANAGEMENT OFFICE (PMO)	• Chair the meeting • Provide governance
ESTIMATING	• Estimate quality check • Detailed review of risk table in line with Class 3 requirements • Benchmarking of contemporary pricing
MANAGER PROJECTS (Infrastructure Delivery and Major Customers, both Managers present)	• Ensure consistency with project portfolio • High quality Project Management Plan - Proposal • Accuracy of estimate • Stress test contents of the Project Management Plan – Proposal, i.e. Outages, Resources, Assumptions, Exclusions, Risks etc. • Rigorous check of milestones to ensure deliverability
ID/MCG PROJECT TEAM	• Update Project Management Plan – Proposal in line with Class 3 requirements • Present Project Management Plan – Proposal to the meeting • Post-review, submit the Project Management Plan - Proposal to Sponsor via ID Request (mailbox)

STAGE 1 APPROVAL	
Accountable Team – NETWORK & ALTERNATE SOLUTIONS **Deliverable to complete: Stage 1 Project Approval Notification (PAN)**	
Responsible Team	**Input - Detailed Requirements**
NETWORK & ALTERNATE SOLUTIONS	• Review Project Management Plan – Proposal (PMP)and estimate and confirm alignment with Project Scope Report • As required, undertake assessment to determine the preferred option and confirm that the preferred option provides the greatest economic benefit and best non-financial outcomes of all credible network options • Confirm the need justifies the estimated project expenditure • Confirm project expenditure has been included in the expenditure plan/allowance • Develop all required approval documentation including the Project Approval Recommendation and Approval Memorandum • Coordinate the endorsement, recommendation and approval of the Approval Memorandum in accordance with the Compliance Manual • Develop the Project Approval Notification (PAN) following Approval by the appropriate financial delegate
ADMINISTRATION TEAM (NBD)	• Issue Project Approval Notification (PAN) to appropriate distribution list • Update SAP IM to reflect parameters in the PAN
PMO	• Issue Project Action Advice (PAA) after receipt of Project Approval Notification (PAN)
ASSET STRATEGIES	• As required, provide confirmation of the preferred option and that the need justifies the estimated project expenditure
NETWORK PLANNING	• As required, provide confirmation of the preferred option and that the need justifies the estimated project expenditure
OPERATIONS & SERVICE DELIVERY	• As required, provide confirmation of the preferred option and that the need justifies the estimated project expenditure • As required, endorse, recommend and approve the Approval Memorandum in accordance with the Compliance Manual
COMMUNITY & DELIVERY SERVICES	• As required, provide confirmation of the preferred option and that the need justifies the estimated project expenditure

REGULATORY INVESTEMENT TEST FOR TRANSMISSION (RIT-T)	
Accountable Team – NETWORK & ALTERNATE SOLUTIONS **Deliverable to complete: Published RIT-T documentation**	
Responsible Team	**Input - Detailed Requirements**
NETWORK & ALTERNATE SOLUTIONS	• Identify and assess all credible network options to meet the identified need • Develop the RIT-T cost-benefit model, including coordination of required inputs • Identify the preferred option that maximises net economic benefits or minimises the total cost to customers • Develop RIT-T documentation and obtain approval • As required, coordinate the assessment of non-network solutions
ASSET STRATEGIES	• Define maintenance costs for base case and options included in the RIT-T assessment • As required, provide guidance and/or input into the assessment of non-network solutions
NETWORK PLANNING	• Provide a Planning Statement including confirmation of enduring need, network impacts (including load and generation at risk) for base case and options included in the RIT-T assessment and requirements for non-network solutions • As required, provide guidance and/or input into the assessment of non-network solutions
PORTFOLIO PLANNING & OPTIMISATION	• Calculate risk costs for base case and options for RIT-T • Review compliance and provide input to RIT-T documents and arrange publication of RIT-T documents on Powerlink and AEMO websites • Manage the public consultation process, including preparation of market Notices and undertaking the necessary communication activities to facilitate stakeholder and non-network engagement • As required, provide guidance and/or input into the assessment of non-network solutions • Issue the RIT-T Conclusion and Status of Approval Memorandum
COMMUNICATIONS, CUSTOMER & ENGAGEMENT	• Assist with publication of RIT-T documents on Powerlink's website
NETWORK REGULATION	• As required, management of RIT-T dispute resolution process and AER engagement

PROJECT DEVELOPMENT – EARLY WORKS	
Accountable Team – INFRASTRUCTURE DELIVERY **Deliverable to complete: Updated Project Management Plan**	
Responsible Team	**Input - Detailed Requirements**
HSE	• Risk Assessment Input • Project Support
NETWORK OPERATIONS	• Outage windows confirmed
FIELD DELIVERY	• Condition assessments (if required)

DESIGN SOLUTIONS	• Design Schedules
	• Design Advices – per discipline
	• Design Management Plan
	• Design Risk Assessment – technical
	• Functional Design Workshop
	• Substation Plant Schedule
	• Substation Single Line Diagram
	• Line Layout Design
	• Standard Lattice Tower Designs
	• Structure Loads and Geometrics (for new structures)
	• Lines Bill of Materials
	• SPA / PATL – DCT:
	    o Concept Substation General Arrangement
	• SPA / PATL – CT:
	    o SiD Completed
	    o Design completed to a level of maturity to go to market - minimum 15%, no more than 40% design (equivalent to a conceptual design):
	        ▪ Electrical design
	        ▪ Civil Design
	        ▪ Secondary Systems Design
	        ▪ Telecoms design
	• Design Drawings Issued for Review

COMMUNITY & DELIVERY SERVICES	• Easement Access • Engagement with Landholders, Communities and Traditional Owners
INFRASTRUCTURE DELIVERY	• Project Development
PROCUREMENT	• Long lead time items ordered (if required)
HOLD POINT *Progression from Early Works to ITT Preparation is dependant on details provided in the Project Approval Notification (PAN) – refer to PAN.*	

PROJECT DEVELOPMENT – ITT PREPARATION	
Accountable Team – INFRASTRUCTURE DELIVERY **Deliverable to complete: Tender Prepared (Invitation to Tender – ITT)**	
Responsible Team	**Input - Detailed Requirements**
HSE	• Project Support
NETWORK OPERATIONS	• Outages and staging confirmed
FIELD DELIVERY	• Project Support
DESIGN SOLUTIONS	• Project Support
COMMUNITY & DELIVERY SERVICES	• Development Approvals • Land Option Agreements
INFRASTRUCTURE DELIVERY	• Invitation To Tender (ITT) Packaged Developed • Site Access • Project Cash flow Planned • Revised approved Project Staging Plan (if required) • Revised approved Outage Plan (if required)
CONTRACT SERVICES	• Support Project Manager with Contracts / Compile ITT
HOLD POINT *Only progress following completion of ITT Preparation tasks <u>AND</u> receipt of endorsement from GM Network Portfolio (NP) to progress to tender*	

TENDER PERIOD	
Accountable Team – INFRASTRUCTURE DELIVERY **Deliverable to complete: Receiving the Tender**	
Responsible Team	**Input - Detailed Requirements**
INFRASTRUCTURE DELIVERY	• Liaise with Tenderers to manage queries relating to the tender • Facilitate tender inspection
CONTRACT SERVICES	• Support Project Manager with tender

EVALUATE TENDER AND RECONCILE ESTIMATE	
Accountable Team – INFRASTRUCTURE DELIVERY **Deliverable to complete: Updated Project Management Plan – Proposal (Class 2)**	
Responsible Team	**Input - Detailed Requirements**
NETWORK ALTERNATE SOLUTIONS	• Compile Approval Documentation
INFRASTRUCTURE DELIVERY	• Tender evaluation • Reconcile and re-assess risk • Revised Project Management Plan – Proposal (Class 2)[3]
ESTIMATING	• Reconcile Estimate and reassess risk and estimating allowances. • Update Basis of Estimate (BOE) in line with revised estimate, market feedback entered into system
CONTRACT SERVICES	• Support Tender evaluation

GATE REVIEW – PMP ESTIMATE REVIEW – CLASS 2	
Accountable Team – INFRASTRUCTURE DELIVERY **Deliverable to complete: Project Management Plan - Proposal**	
Responsible Team	**Input - Detailed Requirements**
PROJECT MANAGEMENT OFFICE (PMO)	• Chair the meeting • Provide governance
ESTIMATING	• Estimate quality check • Detailed review of risk table in line with Class 2 requirements • Benchmarking of contemporary pricing
MANAGER PROJECTS (Infrastructure Delivery and Major Customers)	• Ensure consistency with project portfolio • High quality Project Management Plan – Proposal (PMP) • Accuracy of estimate • Stress test contents of the Project Management Plan – Proposal, i.e. Outages, Resources, Assumptions, Exclusions, Risks etc. • Rigorous check of milestones to ensure deliverability
ID/MCG PROJECT TEAM	• Update Project Management Plan - Proposal in line with Class 2 requirements • Present Project Management Plan - Proposal to the meeting • Post-review, submit the Project Management Plan - Proposal to Sponsor via ID Request (mailbox)

[3] In accordance with Estimating Maturity Matrix

STAGE 2 / FULL PROJECT APPROVAL	
Accountable Team – NETWORK & ALTERNATE SOLUTIONS **Deliverable to complete: Stage 2 Or Full Project Approval Notification (PAN)**	
Responsible Team	**Input - Detailed Requirements**
NETWORK & ALTERNATE SOLUTIONS	• Review Project Management Plan – Proposal (PMP) and estimate and confirm alignment with Project Scope Report • As required, confirm outcomes and completion of the RIT-T • Confirm project expenditure has been included in the expenditure plan/allowance • Develop all required approval documentation including the Project Approval Recommendation and Approval Memorandum • Coordinate the endorsement, recommendation and approval of the Approval Memorandum in accordance with the Compliance Manual • Develop the Project Approval Notification (PAN) following confirmation of Approval by the appropriate financial delegate
ADMINISTRATION TEAM (NBD)	• Issue PAN to appropriate distribution list • Update SAP IM to reflect parameters in the PAN
PMO	• Issue Project Action Advice (PAA) after receipt of Project Approval Notification (PAN)
OPERATIONS & SERVICE DELIVERY	• As required, endorse, recommend and approve the Approval Memorandum in accordance with the Compliance Manual

4. Distribution list

Divisional Distribution	Contact details
Chief Executive	N/A
Delivery and Technical Solutions	EGM DTS, GM Design Solutions, GM Community & Delivery Service, Manager PMO, Manager Projects
Energy Futures	N/A
Finance and Governance	N/A
Operations and Service Delivery	EGM OSD, GM Field Delivery, GM Network Operations, Manager Works Delivery
People and Corporate Services	GM HSE
Network and Business Development	EGM NBD, GM Network Portfolio, GM Asset Strategies & Planning
Group/Team Distribution	**Contact details**
DTS – Infrastructure Delivery	Infrastructure Delivery
DTS – Design Solutions	Design Coordination
DTS – Community & Delivery Service	CDS Managers, Business Advisory Solutions & Support (BASS)
OSD – Works Planning, Network Operations	Works Planning Leaders, Net Ops Leaders
NBD – Network Portfolio	NP Managers, Administration Team Leader
NBD – Asset Strategies & Planning	AS Manager and Team Leader
PCS – HSE	HSE Managers
FG – Contracts	Manager and Team Leader Contracts
External Distribution	**Contact details**
N/A	N/A