Appendix 1.25: Financial governance procedure

Regulatory proposal for the ACT electricity distribution network 2019-24
January 2018

Disclaimer: On 1 January 2018, the part of ActewAGL that looks after the electricity network changed its name to Evoenergy. This change has been brought about from a decision by the Australian Energy Regulator. Unless otherwise stated, ActewAGL Distribution branded documents provided with this regulatory proposal are Evoenergy documents.

Procedure – Financial governance for the EN Division

IMS Document Number :

Process Owner: Commercial Manager (Networks)	**Version:** 1.0
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1 Scope

This procedure applies to the financial governance within the Energy Networks Division.

2 Purpose

The purpose of this procedure is to provide an overarching structure for the Energy Networks Divisions financial governance related to forecasting, budgets and projects. This division has a fully integrated planning process, encompassing the following key planning documents which define and govern the activities undertaken by the division:

- the Energy Networks Strategy;
- the Energy Networks expenditure forecasting methodology - 5 year plan;
- the Energy Networks 10 year capital investment plan;
- the Energy Networks asset management plan;
- the Energy Networks access arrangements plan; and
- the Energy Networks regulatory pricing determinations

The processes undertaken to collate the key planning document listed above, have been individually listed in 2.3 below.

Expenditure within Energy Networks will be spent on either (a) Capital (b) Operational or (c) Maintenance.

3.3.2 provides details on the capital expenditure approval process

3.3.3 provides details on the operational approval process

3.3.4 provides details on the maintenance approval process

3 Governance

1.1 Financial governance

All expenditure is released and recorded in the core finance system, Oracle. This system has financial delegations pre-built into the purchasing and project modules, to ensure that payments are authorised in accordance with the ActewAGL Board's approved Delegations Manual.

2.2 Budget Management

The financial estimates of the expenditure requirements and revenue from the updated Energy Networks Plans (listed above at Section 1) for the next financial year is to be included in the draft budget of the next financial year in February and submitted to the General Manager - Energy Networks for their approval or amendment.

Interaction is to take place between the General Manager – Energy Networks and the Commercial Manager – Networks, during the process of finalising funding priorities to facilitate the efficient management of both financial and non-financial resources within acceptable whole-of-business targets.

Should the Chief Executive or the Board subsequently require a change to the programme for the next financial year (due to funding or other budget approval issues) then the respective Networks Plans are to be amended to reflect those changes.

High-level budgets are to be recorded in the financial system (Oracle). The Commercial Manager will ensure that a review of resource balancing is carried out to ensure that all available resources are effectively deployed and that budgets do not exceed available resources to execute the works.

No expenditure is to take place outside of the financial budget provisions unless there is special authorisation. Special authorisation may be sought from the General Manager, in conjunction with the Commercial Manager, for those expenditures that could not be foreseen during the planning processes (e.g. exceptional storm damage, equipment failure, or unidentified customer initiated works). Wherever possible, such additional unplanned expenditures are to be undertaken within the approved financial budgets by reprioritising other works or achieving savings in other programmes. Any such authorisation must take into account the size of the proposed expenditure and the urgency, or other special unforeseen circumstances, which justify it occurring (e.g. bushfires).

If there is a need for material unbudgeted expenditure and the amount is too large to be accommodated by offsets within the Networks budget, the Chief Finance Officer should be advised and, if the amount is large, it may be necessary to request the Board for an increase of funds with an adjustment to the financial budget forecast.

1.3 Project governance

All Energy Network Division projects are tiered in accordance to a tiering matrix, referred to as the Project Tier Classification Matrix (Project Matrix – refer to Appendix 1). All projects require a tier to be assigned to it before the project is approved. The tiering is used to facilitate appropriate governance arrangements according to the different levels of commercial and implementation risks.

“Projects management process overviews” for Tier 1 to 3 projects are provided in Appendix 2. These documents outline management principles for projects that fall within each project tier, and include: key project documents, stage gates, key tasks, key responsibilities and authorities.

Broadly, projects with a higher risk are monitored closely through project boards, in accordance with Prince2 project management principles. For efficiency, routine and lower risk projects are managed by line managers, as part of broader programs, and do not require the same level of rigorous oversight.

The Project Matrix consists of three core sections (1) Commercial (2) Work Type (3) Technical, with weighting attributed to sub sections to arrive at an overall project tiering level, which will be either Tier 1, 2, 3A or 3B.

(1) Commercial

- Customer contribution, pricing and contract requirements
- Strategic importance
- External visibility

(2) Work type

- Large scale
- Moderate scale
- Planned or unplanned maintenance
- Standard control
- Asset replacement

(3) Technical

- Project duration
- Urgency
- Management complexity
- Dependencies

Refer to Appendix 2 for details on the project tiers, it provides additional explanations addressing:

- Definition & Risk Profile
- Approval Process
- Required Supporting Schedules
- Governance Requirements

The project approval & variation process is detailed at 3.3.5 & 3.3.6 in the below 3.3 Procedure Step Detail

1.4 Commercial Risk Framework

The Commercial Risk Framework (CRF) policy should be referred to in conjunction with this procedure to ensure sound commercial governance is applied to the processes contained within this document in a consistent manner. The CRF is an integral part of sound management practices and must be integrated into the Energy Network operations.

The CRF is key enabler of the project tiering matrix, as it supports the risk-based approach to ensure that project tiering correctly reflects the risks associated with projects in a prudent and succinct way.

The CRF also provides an overarching layer of guidance and direction, coupled with the financial delegations framework, when the plans (listed above in section 1) are being collated to limit the exposure associated with these plans, whilst concurrently maximising the efficiency and effectiveness of Energy Network Division.

2 Procedure steps

Process No	Task	Responsible Person
3.3.1	**Energy Networks Strategy** This top level document is prepared by the General Manager – Energy Networks in conjunction with other senior managers, who will contribute as required. The General Manager will ensure that this plan clearly articulates the requirements placed upon the business by the ActewAGL Strategic Plan. It is to be finalised at the conclusion of the budget process and is to be communicated to all managers in sufficient time for them to be able to incorporate the key objectives from the divisional strategic plan into the branch plans and subsequent individual performance plans in the financial year to which it applies. All subsequent plans, forecasts, budgets and pricing submissions need to link this Master plan, to ensure they work in cohesion with one another and support the overarching master plan. **Subsequent procedures** The plans listed below join together with the higher-level Networks Business Plan, which in turn must support the overarching ActewAGL Strategic Business Plan. The first draft of these reports is to be completed by the end of January each year, with the final version being signed-off by the end of the budget cycle. • The Energy Networks expenditure forecasting methodology - 5 year plan; • The Energy Networks 10 year capital investment plan; • The Energy Networks asset management plan; These three documents are collated by both the Branch Manager - Asset & Network Work Performance and the Branch Manager – Asset Strategy. 1. The Energy Networks access arrangement plan is compiled by the Branch Manager – Gas Networks 2. The Energy Networks regulatory pricing determination is	

Process No	Task	Responsible Person
	collated by the Director – Regulatory Affairs & Pricing All of the above plans must all take into consideration compliance with: the Utilities ACT; the Consumer Protection Code; requirements of both the technical regulator and the pricing regulator; industrial, public safety and environmental legislation. The respective branch managers must indicate their priority requirements and provide high-level justification for all items included in the first year of these plans, and for other subsequent years where the expenditure proposed materially exceeds (>$500k) previous years for similar expenditures, or if it is for a one off item. Documentation must outline the technical issues, as appropriate, and provide high level supporting arguments to justify why items are included in the respective plans. Business needs are to be prioritised with reference to the current risk management plan and register, with less critical expenditures being deferred until the later months or preceding years.. Continuous and careful consideration must be given to the timing of expenditures with respect to the overall business drivers, cash flow effects and availability of resources. Each year the forward projections are to be reviewed. Items will be added, some others deleted, and some deferred or reprioritised, to ensure a high level of prudency and efficiency on the Energy Networks business. At the time of preparing the financial year budgets and plans (during January and February of each year) a total refresh should be undertaken. Many of the requirements identified in the previous versions will be ‘reset’ to be carried out in the revised appropriate financial year and new programmes are to be introduced and others deleted as necessary. At the annual reset should be pointed and directed by the current the Energy Networks strategic plan, and plans that fallout underneath this overarching plan are to be revised by the managers responsible for programme management and delivery and approved by their respective branch managers. They are then required to be reviewed and signed off by the General Manager, who is the final arbiter of the inclusions and priorities of the respective plans and of the specific detailed forecast expenditures to be included in the next financial year’s budget. Both the Commercial Manager and the Planning & Analysis	

Process No	Task	Responsible Person
	Manager shall review each of these plans comparing the actual period to date and forecast capital expenditures to enable a comparison (including trend analysis of future years price path) to be made with the respective capital expenditure allowances provided by the Regulator in the current price path.	
3.3.2	**Capital expenditure approval process** There are a number of capital expenditure plans that form the basis under which financial and regulatory capital expenditure is to take place, from which subsequent documents are generated, submitted and approved. Each of these plans will be incorporated into the overall higher level long term Energy Networks Capital Investment Plan and Energy Networks Asset Management Plan. The capital expenditure plans are: 1. Customer initiated capital works plan & Gas growth plan The Branch Manager – Customer Connections is responsible for providing the details in the section pertaining to customer initiated capital works for inclusion in the Energy Networks Long Term Capital Investment Plan 2. Gas growth plan The Branch Manager – Gas Networks is responsible for providing the details regarding growth and marketing expansion works for inclusion in the Energy Networks Long Term Capital Investment Plan Both of these plans should consider the following drivers: • Review of historic trends in the context of external factors influencing the movements; • Future economic growth indicators with particular reference to forecast population growth; • Inclusion of known likely projects such as specific new commercial and residential developments; • Inclusion of known and predicted effects of renewable energy sources and other disruptive technology impacting the energy network; • Inclusion of known likely special projects such as major relocations; • Timing of special projects within the 10-year cycle based on customer initiated requirements, risk management and other priorities using the best information available at the time; • Compliance with technical, environmental, safety and other industry standards such as those for	

Process No	Task	Responsible Person
	Metrology; • Costing of the forecasts on the basis of current rates and current efficiency achievements 3. Customer Initiated Program of Works Forecast The Energy Networks Finance Branch responsible for calculating the estimates for these two revenue streams in consultation with Customer Connections and Works Delivery. 4. Asset Specific Plan & Program of Work 5. Asset Management Plan The Branch Manager – Asset Strategy, and the Branch Manager – Gas Networks are responsible for providing details regarding these two plans for inclusion in the Energy Networks Long Term Investment Plan. The following drivers are to be considered: • Review of historic trends; • Review of the assessed condition of the assets; • Assessment of asset failure rates; • Risk Management review and prioritisation; • Review of the requirements of the Technical Regulator; • Planning to achieve service standards; • Compliance with technical standards; • Assessment of Health, Safety and Environmental issues • Timing of projects within the 10-year cycle based on risk management and business priorities using the best information available at the time; and • Costing of the forecasts on the basis of current rates and current efficiency achievements 6. Information Technology and other plans The Asset Information Systems Manager is responsible for providing a forecast regarding Energy Networks IT expenditure plans for inclusion in the Energy Networks Long Term Investment Plan. The following drivers are to be considered: • Review of the business requirements; • Assessment of data requirements for operational, regulatory and financial purposes; • Review of Data Access issues; • Review of Data Security; • Assessment of requirements arising from the	

Process No	Task	Responsible Person
	expansion of the network; • Review of the assessed condition of existing systems and data bases; • Assessment of the timing of fixed asset and inventory items for obsolescence; • Risk Management review and prioritisation; • Consideration of the need to be able to respond to business needs and external regulatory compliance requirements; • Consideration of efficiency gains; • Integration with Corporate strategies; • Compliance with Corporate and Networks technical standards; • Assessment of Health, Safety and Environmental factors; • Timing of projects within the 10-year cycle based on priorities and the best information available at the time; and • Costing the forecasts on the basis of current rates and current efficiency achievements. 7. Gas Networks and Jemena capital expenditure approvals [redacted] [redacted] [redacted]	

Process No	Task	Responsible Person
3.3.3	[redacted] [redacted] [redacted] [redacted] **Operating activities** Non-maintenance operating costs are to be included in divisional financial forecasts. Each Branch Manager is required to justify the costs included in their budget submission each year. The projected budget costs are to be subjected to scrutiny by the Commercial Manager and the Planning & Analysis Manager during the budget cycle. Consideration is to be given to compliance with all applicable legislation including the Utilities ACT, the Consumer Protection Code, occupational health and safety legislation, public safety and environmental legislation and the requirements of both the technical regulator and the pricing regulator. In preparing the budget consideration is also to be given to the levels of expenditure forecast in the respective Pricing Determination.	

Process No	Task	Responsible Person
3.3.4	**Overhead costs** To ensure that overhead costs are allocated to the Energy Networks business in an equitable way that is fair to customers, and that can be supported by evidence based material, a Fixed Price Service Charge (FPSC) model is used to allocate out corporate services outlays. The FPSC identifies direct drivers (where possible), and uses indirect drivers that best represent an accurate mechanism for cost allocation; and application of a generic driver, when no direct or indirect drivers are available. Projects, both operational and capital, are burdened with overhead costs through the financial system (Oracle) at periodic intervals.	
3.3.5	**Maintenance** The Branch Manager's for Asset Strategy and Asset & Network Performance and Gas Networks are both responsible for providing the Energy Networks programs. These programs are the outcome of the underlying ongoing planning and analysis function and are to be supported by other more specific and detailed planning and analytical studies as appropriate. They will take into consideration the Risk Management Plan and will reflect the priorities of that programs. Consideration is to be given to compliance with all applicable reliability, regulatory requirements, and legislation including the Utilities ACT, the Consumer Protection Code, occupational health and safety legislation, public safety and environmental legislation and the requirements of both the technical regulator and the pricing regulator. Consideration is also to be given to the levels of expenditure forecast in the respective Pricing Determination. These programs form the basis of all financial and regulatory maintenance budgets and forecasts and are the key underlying documents for the maintenance expenditure approval processes. The figures in the first year, after the current year, are to be used for the next financial year budget and any changes to the budget are to be reflected by an adjustment to the first year of the respective Energy Networks Asset Management Plans. Once the Energy Networks Asset Management Plans have been finalised in any particular year, they are to be copied over	

Process No	Task	Responsible Person
	to a new file to form the basis of ongoing planning for the next version due for completion the following January.	
	Project approvals	
	No expenditure is to be incurred on the Energy Network capital or unregulated business projects unless that project has first been approved in accordance with the financial delegation manual.	
3.3.6	A Project Approval Form must be completed and authorised by the people who have the required delegation approval level (ascertained via the financial delegations manual before work commences on construction, other acquisition processes, maintenance or other activities which will incur cost to the EN business (other than internal costs associated with design, estimating and providing quotations). The Project Approval Form must contain the following information: • A summary description of the works to be carried out; • The reason why the proposed expenditure is required; • The classification type of the Project Activity (e.g. unregulated business; capital, operational). The project classification type is to be authorised by the Commercial Manager or their delegate; • An estimate of the costs of the works generated out of City Works; • A summary of the customer requirements where the Project is for customer initiated capital work; • For all augmentation works, what alternate options have been considered, generally this will include: • A summary of the various options considered; • The respective arguments for and against the various options; and • The reasons for recommending the option chosen • Cross referencing to the respective item in the Energy Networks Long Term Capital Investment Plan, and the Energy Networks Asset Management Maintenance Plan (where relevant); • Reference to other special planning reports (where relevant); • How the works are to be funded (e.g. capital contribution, ActewAGL funded, covered by the	

Process No	Task	Responsible Person
3.3.7	regulated asset base); • The reason/ authority for charging an external party; • Details of the amounts payable by external parties: • Where applicable, the calculation of the amount to be recovered via capital contributions will be worked out in conjunction with EN Finance ; and • For unregulated business, the calculation of the amount to be invoiced and the margins which apply. • Reference to budget availability, including a statement of how much of the budget has already been allocated; • Timing of the works; • The Project No; • Project tier rating (using the Project Tiering Matrix); and • A detailed Revenue Estimate of the amount to be charged to an external customer including both margin and GST (if applicable) The completed Project Approval Form is to be signed by the person initiating the project and the signatures required per the delegations approval manual. The project cost estimates calculations, the revenue estimates calculations, and the reason for the expenditure, the registered project type and the financial justification for the expenditure are to be submitted to the Commercial Manager, or their delegate, for review and signature on the Project Approval Form. If the approval is required from the General Manager, or a higher level of authority, the Project Approval Form is to be submitted to the officer with the respective level of financial authorisation for their signature. **Project variations** ActewAGL's financial delegations manual provides a further contingency amount of authorised expenditure for unforeseen changes in costs, and variations to projects and contracts. This contingency amount is based on approval value. If it becomes evident that expenditure is likely to exceed the amount of the Project Approval plus the contingency amount, a Project Variation Form is to be prepared and approval for the additional expenditure sought. This needs to occur as soon as possible after the situation is known and before any commitment is made to incur the additional expenditure.	

Process No	Task	Responsible Person
3.3.8	**Recurrent project activities** Where there are recurrent small value and routine expenditure items with a unit cost below $1,000, in order to save in the administrative burden of having to create and close projects, a single project is to be created each financial year to allocate this type of expenditure to. At the beginning of each financial year the respective Manager is to close the old project and open a new project for the amount in respect of these works embedded in the high level approved budget for the new financial year. The Project Approval is to follow the same general processes as any other Project Approval.	

2.1 Responsibilities

2.1.1 General Manager (Networks)

- Ensure that this Procedure is complied with across the business;
- Complete the Networks Business Plan in a timely manner;
- Ensure that the updates to the Energy Network Plans are completed within the budget timeframe;
- Approve the above Plans;
- Resolve any conflicts of priority in respect of the allocation of funds or other resources required by the respective Plans

2.1.2 Commercial Manager (Networks)

- Ensure that the relevant indexation is carried out for forward years of the respective Plans;
- Participate in the estimation of Capital Contribution revenues;
- Provide comparisons with regulatory targets;
- Carry out approximate resource balancing for the next year's budget to ensure that resourcing levels are appropriate for the execution of the respective programmes; and
- Co-ordinate budget inputs within the appropriate timeframes

2.1.3 Branch Managers (Networks)

- Approval and allocation of funding for the projects in their area of responsibility;
- Approving the scope of projects (when required); and,
- Nominating an officer to manage the respective projects

2.1.4 Project Officers (Networks)

- Preparation and submission of Project Scoping Statements and Project Briefs for approval (as required);
- Managing, monitoring and reporting the respective projects' funding and resource utilisation and progress; and
- Verifying the completeness of installation and the implementation of commissioning procedures3

3 References

- ActewAGL Administrative and Financial Delegations Manual
- Asset Management Policy
- Commercial Risk Framework Policy

5. Continuous review and improvement

The custodian of this document shall ensure that it is reviewed at least every two years. The review will consider the following:

- Whether the document remains relevant, suitable, appropriate and consistent with overarching strategic and business plans, and related policies;
- Opportunities for continual improvement with approaches to the activities and plans contained in this document will be contemplated; and
- Enhancements to the format, communication and implementation of this policy will also be reviewed.

Appendix 1 – Project Tier Classification Matrix

Energy Networks

Project Tier Classification Matrix

Project Details

Project Number:	20004315	Project Definer:	Benjamin Roesler
		Project Manager:	Senthil Sambandam
Project Name:	ANU Backup Feeder Replacement	Project Tier Classification:	**Tier 3A**

Financial				
Total cost (budget)	>$1.1m	$550k - $1.1m	$100k - $550k	<$100k
	● Very High	○ High	○ Medium	○ Low
Commercial				
Customer Contribution, Pricing and Contracts	Fixed Price; Pain/Gain Arrangement; Non-standard contracts	Fixed price per block/ICRT; Non-standard contracts	Cost plus; Standard connection agreements	Standard connection agreements; Miscellaneous regulated charges; Not applicable
	○ Very High	○ High	○ Medium	● Low
Strategic Importance	Affects core corporate or energy networks strategy, of key executive interest, or key AER influence	Affects some aspects of corporate strategy or key elements of energy networks strategy	No direct impact on corporate strategy and moderate impact of energy networks strategy	No direct impact on corporate strategy and minimal impact on energy networks strategy
	○ Very High	● High	○ Medium	○ Low
External visibility	Highly visible to government, public and/or large customer groups	Highly visible to some customers and/or interest groups	Moderate external visibility	Minimal external visibility
	● Very High	○ High	○ Medium	○ Low
Work Type				
Work Type	Augmentation, and; Large scale: Customer Initiated; Contestable; Relocation; Operational Technology; Facilities Refurbishments	Moderate scale: Customer Initiated; Contestable; Relocation; Operational Technology; Facilities Refurbishments Major scale: Asset Replacement	Planned Maintenance; Unplanned Maintenance; and, Minor scale: Customer Initiated; Contestable; Relocation; Alternate Control Quoted Services; Operational Technology; Facilities Refurbishments & Fit-outs Moderate scale: Asset Replacement	Standard Control*; Overhead; Alternate Control Fee Based Services; Facilities Maintenance and *Minor Scale:* Asset Replacement **Includes all operational projects*
	○ Very High	● High	○ Medium	○ Low
Technical				
Problem clarity and Requirements Volatility	Problem or opportunity is unclear/ambiguous/ undefined Requirements poorly understood, volatile and/or largely undefined	Objectives defined and problem and/or opportunity undefined Basic requirements understood, some change expected	Objectives defined and problem or opportunity is understood Basic requirements understood, minor change expected	Clear business objectives, easily understood problem or opportunity Basic requirements are understood, straightforward and/or flexible
	○ Very High	○ High	● Medium	○ Low
Technical complexity and Safety	Solution likely to use immature, unproven or complex technologies or work practices	Solution likely to use technology or work practices which is proven but is new to ActewAGL	Solution likely to use existing well understood technologies or work practices	Solution uses existing standardised technologies, work practices or routine and standard processes
	○ Very High	○ High	○ Medium	● Low

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Appendix 2 – Tier 1 to 3 project management process overview

Project Tier	Definition/Risk Profile	Approval Process	Required Supporting Schedules	Governance Requirements
Tier 1	Very high risk projects – with significant material value, technical complexity, customer interaction, significant external contracts and procurement, duration is typically > 12 months **Examples:** Major network relocations, Major augmentation projects	Per Financial Delegations – to be managed through a Project Board **Phases include:** Phase 1 – Start up Phase 2 – Initiation Phase 3 – Procurement Phase 4 – Deliver (Design, Construct) Phase 5 - Close	Engineering options analysis (including drawings) Business Case (Start-up) Project Brief (Start-up) PID – including lifecycle and costing options. PID must address: • regulatory funding • budget availability • project cost estimate • project delivery schedule • project work breakdown structure • customer contribution calculation • funding agreement/draft revenue contract • quantified risk assessment • capital works approval	Designated Project Manager Monthly Project Board meeting Monthly project reporting that includes: schedule, scope, budget, revenue, margin, risks, contracts, etc.) Monthly forecast BPR highlight report Earned value Exception report (when scope, scheduled, or budget are forecast to exceed tolerances) End of Project Report at completion **Governance Members include**: Project sponsor and Project Board
Tier 2	High risk projects – with significant value, technical complexity, requires external contracts and procurement, duration is typical 6 – 12 months **Examples:** Feeder replacements, lock replacement, large scale solar connections, urban residential development,	Per Financial Delegations – to be managed through a Project Board **Phases include:** Phase 1 – Start up Phase 2 – Initiation Phase 3 – Procurement (if required) Phase 4 – Deliver (Design, Construct and Procurement in not	Engineering options analysis (including drawings) Business Case (Start-up) Project Brief (Start-up) PID – including lifecycle and costing options. PID must address: • regulatory funding • budget availability • project cost estimate	Designated Project Manager Designated Delivery Manager Designated Defining Manager (Asset Class/Customer Initiated Manager) Monthly Board Report that includes: schedule, scope, budget, revenue & margin, risks, contracts, etc.) Earned value

	large relocations, transformer replacements	completed in Phase 3) Phase 5 - Close	• project delivery schedule • customer contribution calculation • funding agreement/draft revenue contract • quantified risk assessment • capital works approval	Exception report (when scope, scheduled, or budget are forecast to exceed tolerances) End of Project Report at completion **Governance Members include:** Project Board/Project Review Committee POW Committee
Tier 3 A	Medium risk projects – with moderate value, non-standard connection agreements, alternate control **Examples:** Customer relocations, mains relocations	Per Financial Delegations & Standard approval process **Phases include:** Phase 1 – Initiate Phase 2- Design Phase 3 – Deliver (detailed design, procure, construct) Phase 4 - Close	Engineering options analysis (including drawings) Business Case (including lifecycle and costing of options, regulatory funding, budget availability) Project Cost Estimate Project Delivery Schedule Customer Contribution Calculation Funding Agreement/Draft Contract Quantified Risk Assessment Capital Works Approval	Designated Project Manager (may also be the Delivery Manager) Designated Defining Manager (Asset Class/Customer Initiated Manager) Joint Defining Manager and Delivery Manager Review Monthly highlight/project report (scope, delivery, budget, revenue & margin, risks) – This may be combined at the asset class or program level and incorporated into the POW reporting suite **Governance Members include**: POW Committee, Delivery Performance Review Members
Tier 3 B	Low risk projects – which are low value, routine work, standard connections, standard control, duration < 3 months	Per Financial Delegations & Standard approval process (noting that Commercial Manager approval is not required for projects <$22k)	Engineering options analysis (including drawings) Business Case – Short Form (including lifecycle and costing of options, regulatory funding, budget	Designated Project Manager (may also be the Delivery Manager) Designated Defining Manager (Asset Class/Customer Initiated Manager)