

**Policy Name:** **Asset Management Policy**

Policy Number: E-9

Policy Monitor: Chief Technical Officer, Asset Management and Engineering

Policy Approver: Senior Leadership

Approval Date: April 25, 2018

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## **Purpose**

The Corporation has an asset management policy to leverage the lowest average annual cost of ownership with appropriate regard for the service levels that best meet the needs of customers and stakeholders. The policy will ensure appropriate resources are available to meet our strategic initiatives and objectives in this regard and will provide a clear and consistent framework for the management of corporate assets. This policy will:

- Set clear and consistent principles for the development of the Corporation's asset management plans, processes, and procedures;
- Establish the organization's commitment to asset management and appropriate funding for the entirety of an asset's lifecycle; and
- Ensure the approach to asset management is integrated throughout the organization and aligned with the Corporation's mission, vision, and values.

## **Policy Statement**

The Corporation is committed to the implementation of an asset management framework that is aligned with its strategic plan and objectives. The Corporation will apply sound technical, social, environmental, and economic principles that will consider the current and future needs of customers, employees, and key-stakeholders in all stages of an asset's lifecycle.

## **Guidelines**

The Corporation's mission is to generate, transmit, and distribute clean, reliable, and affordable energy to the Northwest Territories. The implementation of an Asset Management System is intended to:

- Increase the affordability of power by reducing lifecycle costs of our current and future assets;

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- Increase the reliability of power by reducing unplanned outages with cost effective practices; and
- Increase the environmental sustainability of power with improved efficiencies and economical green options.

To achieve the above goals, the Corporation will:

- Develop and implement an Asset Management System that will:
  - Comply with requirements of Federal and Territorial Legislation, the Public Utilities Board (PUB), and our regulators;
  - Implement industry standards and best practices;
  - Benchmark our assets against the CEA asset health index;
- Integrate asset management principles within the Corporation's capital planning, maintenance planning, and operational processes;
- Ensure the completion of root cause analysis and outage reports to allow the dissemination of findings;
- Provide employees with the appropriate training and education to help them fulfill their asset management responsibilities; and
- Monitor the asset management policy, its implementation, and results for continuous improvement.

## **Roles and Responsibilities**

- **Senior Leadership Team** is responsible to:
  - Approve the corporate Asset Management Policy;
  - Champion good asset management practices throughout the Corporation;
  - Implement the Asset Management Policy and provide the resources to ensure it is sustainable in the workplace; and
  - Review and monitor the preparation, implementation, and outputs of the Asset Management Policy.

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– **Asset Managers are responsible to:**

- Develop and maintain the corporate Asset Management Policy for consideration by the Executive Leadership Team;
- Implement the Asset Management Policy with the supplied resources within their division;
- Review the performance of the Asset Management Policy within their division;
- Develop, update, and implement Asset Management Plans for the assets under their control, including determination of asset renewal requirements; and
- Develop, update, and implement the processes and procedures required by the Asset Management Plans.

– **Employees have the responsibility to:**

- Act as stewards for all assets owned or controlled by the Corporation;
- Support the Corporation's asset management culture;
- Support the development of Asset Management Plans and the supporting processes and procedures; and
- Adhere to the Asset Management Policy, including compliance to all applicable Legislation, PUB directives, and regulatory requirements.

**Definitions:**

**Asset** – an item, thing, or entity that has potential or actual value to an organization. The value includes consideration of risks and liabilities.

**Asset Lifecycle** – the life of an asset, beginning with the establishment of a need for it, through its acquisition, operation, maintenance, upgrading, and disposal.

**Asset Management** – a systematic approach to managing an asset through all of its lifecycle phases. This involves applying sound technical, social, and economic principles that will consider the current and future needs of customers, employees, and

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stakeholders to the management of costs, opportunities, risks, and performance of assets.

**Asset Management Plan** – a long term plan for an asset category detailing activities, programs, and the resources required to provide a defined level of service in the most cost effective way.

### **Policy History**

<b>Date</b>	<b>Revision #</b>	<b>Description of Change</b>
April 4, 2018	0	New policy
February 1, 2019	1	Updated formatting