



Supporting
document 5.6

Asset Management Policy

2020-2025
Regulatory Proposal
January 2019



Asset Management Policy

Purpose

SA Power Networks Strategic Intent is to be “A leader in delivering energy services that customers value”.

SA Power Networks is committed to managing its assets to provide valued services to our customers; comply with Licence and Regulatory obligations; provide a safe environment for employees, contractors and the community; and deliver optimal returns to shareholders.

The purpose of this Policy is to:

- provide consistency with SA Power Networks’ vision, purpose and strategic focus;
- provide a framework for setting asset management objectives
- communicate SA Power Networks’ commitments with regard to managing its assets to provide valued services to our customers, to provide a safe environment for employees, contractors and the community, and to deliver optimal returns to shareholders
- support compliance with licence, regulatory obligations and other relevant requirements.

Principles

SA Power Networks will manage its assets to meet the strategic goals, measures and initiatives outlined in the Corporate Strategic Plan.

SA Power Networks will comply with relevant legislation, licence & obligation, code of practice, regulatory obligations and other relevant requirements.

SA Power Networks’ Asset Managers will set up asset management objectives derived from and consistent with corporate objectives.

SA Power Networks will employ good asset management practice to deliver value from assets and to manage the life cycle of assets prudently and efficiently.

SA Power Networks will operate existing assets within the full range of their engineering specification through adopting a risk based approach and where prudent, will increasingly consider investment in short life assets to accommodate new technology developments and the changing nature of the industry.

SA Power Networks will establish Asset Management Strategies, Objectives and Plans on provision of the levels of service that our customers and the community seek and are prepared to pay for. They will be delivered in the most cost effective way.

SA Power Networks will establish, implement and maintain processes and procedures for identifying opportunities and assessing, prioritising and implementing actions to achieve continuous improvement in asset management.

SA Power Networks will undertake periodic audits to ensure assets are being managed in accordance with this policy and the asset management framework, plans, standards, guidelines and procedures.

Policy Area	Assets
Policy Number	4.1
Approved by Board	March 2009

Definitions

Assets means tangible or intellectual property (either owned, leased or maintained under contract) that provides service potential for future economic benefits and includes plant, equipment, electricity distribution infrastructure, information assets, information technology system assets, buildings, land, easement rights, stocks and spares.

Asset management: The set of coordinated activities that an organisation undertakes to realise value from assets in the delivery of its outcomes or objectives in the most cost effective and prudent manner. Realisation of value requires the achievement of a balance of costs, risks and benefits, often over different timescales.

Information Assets comprises all forms of knowledge or data that is processed, stored and transferred that has value to the organisation.

Information Technology System Assets includes information, the computer processors that support business and control functions, all associated peripheral equipment, networks and communication links, all forms of software, business applications and programs, all forms of electronic storage media and printed material.

Infrastructure: the stationary systems forming the electricity distribution network serving the community, where the system as a whole is intended to be maintained indefinitely at a particular level of service potential by the continued replacement and refurbishment of its components (e.g. poles, conductor, cable, transformers).

Intellectual property means any patent, copyright, design or trademark, and any right to registration of any patent, copyright, design or trademark, or any other similar right including rights to trade secrets, know how, proprietary or confidential information.

Responsibilities

The Chief Executive Officer is responsible for the proper management of assets within SA Power Networks through setting the desired organisational and network outcomes.

Chief Financial Officer is responsible for developing and recommending to the CEO the performance targets and direction for SA Power Networks' assets to support its business direction.



General Manager Network Management is responsible for defining, implementing and documenting asset work programmes in the asset management plan which supports the Strategic Asset Management Plan and for the management of the electrical network assets to meet the performance outcomes defined in those plans.

General Manager Field Services and **General Manager Construction & Maintenance Services** are responsible for delivering the work on electrical network assets as set out in the work programmes.

General Managers are responsible for adherence to this policy as it applies to non-electrical network assets under their control, specific accountabilities being Chief Information Officer for information assets and information technology system assets, Chief Financial Officer for fleet assets, General Manager People and Culture for buildings and property assets, and Company Secretary for real estate and easement rights.

Controlled Document ID	A-40
Policy Area	Assets
Policy Number	4.1
Approved by Board	1/03/2009
Custodians	General Manager Network Management
Major Version	4
Commencement Date	1/03/2009
Review Date	3/12/2018
Next Review	2/12/2019

