

Notwithstanding the above, in the event that either party does not agree with other party's evaluation of asset condition, then a mutual agreement (between DMAT and Contractor) based upon inspection results may be carried out to finalize the conditions of assets and establish an agreed handover condition report. In the event that no agreement can be reached within 90 calendar days of receipt of the Contractor's submitted handover condition report the previous paragraph shall apply.

## 6.16 Asset Management Procedures

Purpose of the Asset Management Procedure is to define the tools, methodology and stages used by the Contractor to:

- Create a structured register of the operational units managed on each site.
- Assess the overall O&M status of the individual operational units. This overall status may be assessed based on sub-components like the condition of the operational unit, its performance and its criticality.
- Based on this assessment, estimate a 'most probable' year during which the operational unit would require replacement. Also estimate the cost of this replacement.
- Produce and update annually an 'Asset Management Plan' to be submitted to the DMAT.

This document can then be used by the DMAT to define and anticipate the financial and technical means needed to maintain the overall condition of the plants operated and maintained by the contractor and their ability to deliver the required service.

It is to be noted that the replacement of an operational unit when it has reached the end of its economic life and/or failed prematurely is the responsibility of the DMAT.

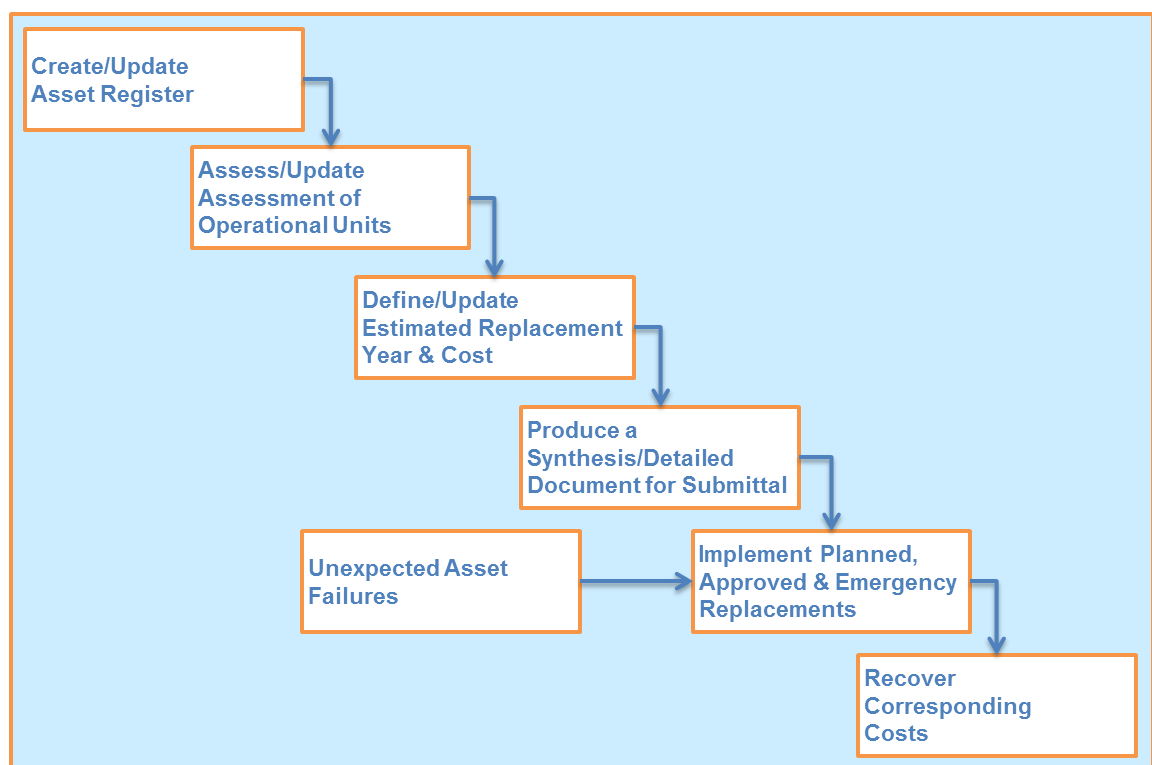


Figure 6-8: Asset Management Procedure