

6.6 Asset Management Team

The Asset Management Team is the cross- functional group responsible for managing the asset management process. Its primary responsibilities are to involve all users of asset management information, gather input, define goals and objectives, prepare the Asset Management Plan, and manage periodic audits of asset management performance.

The job of the team is to formulate an AM 'strategic' plan, to formulate policy, standards, procedures and forms and ensuring thorough, consistent AMP across the organization. However, it is important to separate the operational activity with the development and review of asset management policy. Alternatively this can be carried out by the client, therefore removing the new stakeholder but keeping the tasks and actions required by the asset management custodian.

6.6.1 Asset Management Plan Document

The Asset Management Plan document is a 'living document' that defines goals, objectives, strategies, and specific assignments for the development and maintenance of a consistent and effective asset management program involving all functions of a utility.

- Lay out objectives, levels of detail, 'to do' lists for the overall program
- Assigns responsibilities in each division
- Oversees plan implementation
- Monitors performance against plan, makes mid-course corrections
- Long-term effort

6.6.2 Specific Asset Plans

Specific Asset Plans are at the heart of the asset management process. Each asset has an Asset Plan that defines the activities required by that asset - maintenance, refurbishments, and ultimate replacement. Each of these activities is associated with its expected cost. In other words, the Asset Plan is both an activity plan and a financial plan. Asset Plans are routinely updated through ongoing condition monitoring and become increasingly accurate.

Asset plans are defined by time period (typically by year) and, when combined, provide a financial plan for all asset-related activities at an enterprise level that looks forward many years. This financial plan supports both near-term budgeting and long term financial planning processes.

These asset plans are also the primary keys to the substantial savings available from asset management. Every asset has a life cycle plan which include initial costs, O&M activities (and costs), likely refurbishment activities (and costs) and timing/costs of replacement. All asset plans, added together, give us asset costs well into the future.