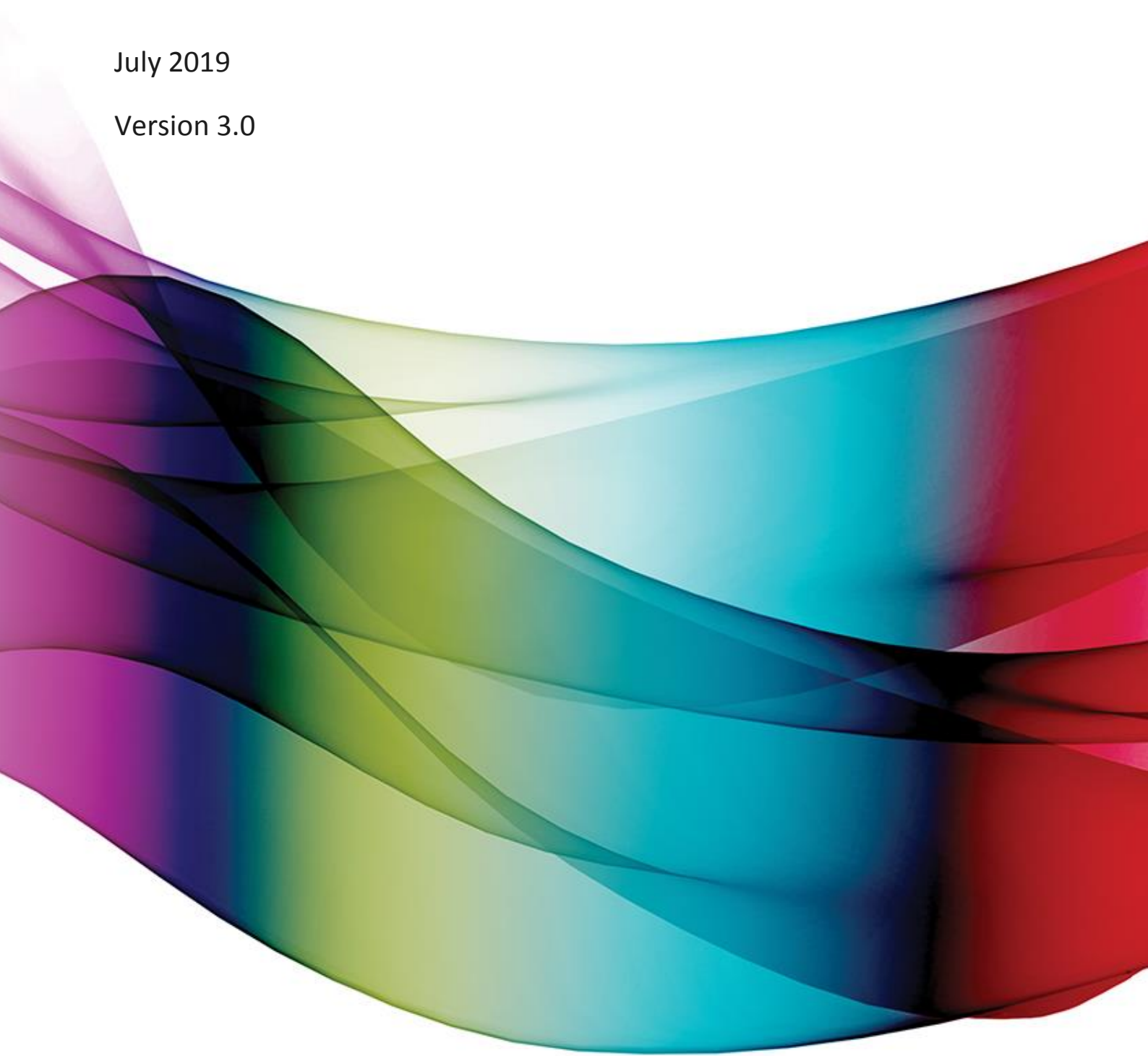


# Asset Management Policy

July 2019

Version 3.0



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## 1. Policy Overview

This policy forms part of TasNetworks' asset management system and framework, which is maintained in accordance with Australian and International standard AS/NZS ISO 55001:2014 – Asset Management. This policy aims to outline TasNetworks' position and communicate TasNetworks' commitments with regard to asset management.

## 2. Who does this Policy apply to?

This policy applies to all TasNetworks' leaders, team members, trainees and contractors. It may also affect TasNetworks' customers and clients.

This policy also applies to companies within the TasNetworks Group, and a reference to TasNetworks in this policy includes a reference to group companies.

The TasNetworks Group means TasNetworks and its subsidiaries. TasNetworks' subsidiaries as at June 2018 are TasNetworks Holdings Pty Ltd and Fortytwo24 Pty Ltd.

This policy applies to all TasNetworks assets<sup>1</sup> and associated activities. In particular, the assets covered by this policy are as follows:

- Transmission and distribution electricity network;
- Telecommunications network;
- Facilities;
- Fleet;
- Asset Technology (AT); and
- Information Technology (IT).

The activities covered by this policy include:

- framework and strategic planning;
- customer needs analysis;
- demand management;
- configuration management
- cyber security;
- systems engineering;
- asset acquisition;
- operations and maintenance;
- asset renewal;

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<sup>1</sup> Both regulated and unregulated assets are included in the scope of this policy.



- asset disposal; and
- continuous improvement.

This policy is effective from 25 July 2019. This policy does not apply to intangible assets, such as brand and goodwill.



### 3. The Policy

#### 3.1. Purpose

The purpose of this Policy is to:

- outline TasNetworks' position and communicate TasNetworks' commitments with regard to asset management;
- provide consistency with TasNetworks' vision, purpose, strategic focus, and reinforce the associated customer commitments;
- support compliance with relevant asset management laws and other relevant requirements;
- clearly communicate individual team member's responsibilities and joint responsibilities;
- meet the requirements of the Australian and international standard AS/NZS ISO 55001:2014 Asset Management – Management Systems – Requirements; and
- describe the consequences of breaching the Policy so that they may be resolved consistently across the business.

#### 3.2. Benefits

This Policy is the guiding document of the asset management system and has been developed to meet these requirements.

This Policy is a key part of enabling TasNetworks to deliver our vision to be trusted by our customers to deliver today and create a better tomorrow.

### 4. Commitment to Asset Management at TasNetworks

Consistent with our vision and purpose, we strive for excellence in asset management and are committed to providing a safe working environment, value for our customers, sustainable shareholder outcomes, care for our assets and the environment, safe and reliable network services, whilst effectively and efficiently managing our assets throughout their life-cycle.

To achieve this commitment, together we will:

- manage our assets to meet the strategic goals, measures and initiatives outlined in the Corporate Plan;
- comply with relevant legislation, licences, codes of practice, and industry standards;
- apply contemporary condition assessment and risk management techniques to identify and effectively manage risks and opportunities, including at a portfolio level;
- continually adapt, benchmark and improve asset management strategies and practices and apply contemporary asset management techniques, consistent with industry best practices;



- develop and continually improve asset management processes and systems to optimise asset management efficiencies and decision making processes;
- adopt the lowest whole-of-life cost solutions, cognisant of risk, for investment in asset creation, replacement or refurbishment projects;
- operate assets safely within prescribed limits and apply dynamic ratings where appropriate;
- maintain a complete and accurate register and documentation system of all our assets;
- prepare and maintain high quality asset management plans, standards, guidelines and procedures;
- ensure our team members are trained, authorised and competent to undertake their work activities;
- work closely with internal and external service providers and contractors to ensure that work performed on assets is consistent with the relevant standards and this policy; and
- undertake periodic audits to ensure assets are being managed in accordance with this policy and the asset management framework, plans, standards, guidelines and procedures.

## 5. Roles and responsibilities

The TasNetworks **Board** has a responsibility for approving this policy.

The TasNetworks **Chief Executive Officer (CEO)** is responsible for:

- recommending this policy for Board approval; and
- launching this policy, and subsequent revisions, to ensure the policy is clearly communicated across the business.

The TasNetworks **General Manager Regulation, Policy and Strategic Asset Management** is responsible for:

- ensuring this policy is documented, implemented and maintained;
- completing a periodic review of this policy, with recommendations for any changes to be presented to the CEO and Board for approval; and
- ensuring that this policy is communicated, applied across the business, and is available to stakeholders as appropriate.

All TasNetworks **Leaders** and **Team Members** have a responsibility for advancing asset management under these existing policies and principles.

## 6. References

The following references are relevant to the policy:

### External



- Australian and international standard AS/NZS ISO 55001:2014 Asset Management - Management Systems - Requirements

#### Internal

- TasNetworks Public Interest Disclosures (“Whistleblowers”) Policy and Procedure
- TasNetworks Performance Management Process
- TasNetworks Code of Conduct

### 6.1. Compliance

All Team Members are responsible for complying with this policy, and any breaches of this policy will be treated seriously and may result in disciplinary action being undertaken.

#### Public Interest Disclosure Statement (“Whistleblowers”)

If an individual is concerned about consequences associated with reporting a serious breach of this Policy, that individual should refer to the Public Interest Disclosure (Whistleblowers) Policy available on The Zone or talk to their Leader.

### 7. Need to know more or have a question?

All Team Members will have access to this Asset Management policy and underpinning policies on The Zone. Support and further information is available from your Leader, People & Performance Partner, People Direct, or the Technical Leader Asset Strategy.

### 8. Administration of this Policy

This policy is administered by Regulation, Policy and Strategic Asset Management and will be reviewed on a triennial basis, or earlier if there is a significant change to the business that impacts this policy, and updated where applicable.

Authorisations		
Action	Name	Date
Prepared by	Brent Mckillop	May 2019
Reviewed by	Robert Smith	July 2019
Reviewed by	Wayne Tucker	July 2019
Authorised by	Lance Balcombe	July 2019

Document control				
Date	Version	Description	Author	Approved by



August 2014	1.0	Board approval	B Mckillop	Board
June 2016	1.1	Update draft	B Mckillop	
July 2016	1.2	Draft post review comments	B Mckillop	
August 2016	1.3			CEO
August 2016	2.0	Update to new policy format		Board
May 2019	2.1	Update draft	B.Mckillop	
June 2019	2.2	Draft post review comments	B.Mckillop	
July 2019	3.0	Board approval	B.Mckillop	Board





## POLICY ASSET MANAGEMENT

TasNetworks delivers electricity and telecommunication network services, creating value for our customers, our owners and the community.

This Asset Management Policy applies to all TasNetworks assets and associated activities. Our team members and contractors must comply with this policy and will be supported, resourced, and trained to follow this policy and associated documentation.

Consistent with our vision and purpose, we strive for excellence in asset management and are committed to providing a safe working environment, value for our customers, sustainable shareholder outcomes, care for our assets and the environment, safe and reliable network services, whilst effectively and efficiently managing our assets throughout their life-cycle.

To achieve this commitment, together we will:

- ▶ manage our assets to meet the strategic goals, measures and initiatives outlined in the Corporate Plan;
- ▶ comply with relevant legislation, licences, codes of practice, and industry standards;
- ▶ apply contemporary condition assessment and risk management techniques to identify and effectively manage risks and opportunities, including at a portfolio level;
- ▶ continually adapt, benchmark and improve asset management strategies and practices and apply contemporary asset management techniques, consistent with industry best practices;
- ▶ develop and continually improve asset management processes and systems to optimise asset management efficiencies and decision making processes;
- ▶ adopt the lowest whole-of-life cost solutions for investment in asset creation, replacement or refurbishment projects;
- ▶ operate assets safely within prescribed limits and apply dynamic ratings where appropriate;
- ▶ maintain a complete and accurate register and documentation system of all our assets;
- ▶ prepare and maintain high quality asset management plans, standards, guidelines and procedures;
- ▶ ensure our team members are trained, authorised and competent to undertake their work activities;
- ▶ work closely with internal and external service providers and contractors to ensure that work performed on assets is consistent with the relevant standards and this policy; and
- ▶ undertake periodic audits to ensure assets are being managed in accordance with this policy and the asset management framework, plans, standards, guidelines and procedures.



Lance Balcombe  
Chief Executive Officer



Dan Norton  
AO Chairman

This policy forms part of TasNetworks' asset management system and framework, which is maintained in accordance with Australian and International standard AS/NZS ISO 55001:2014.

