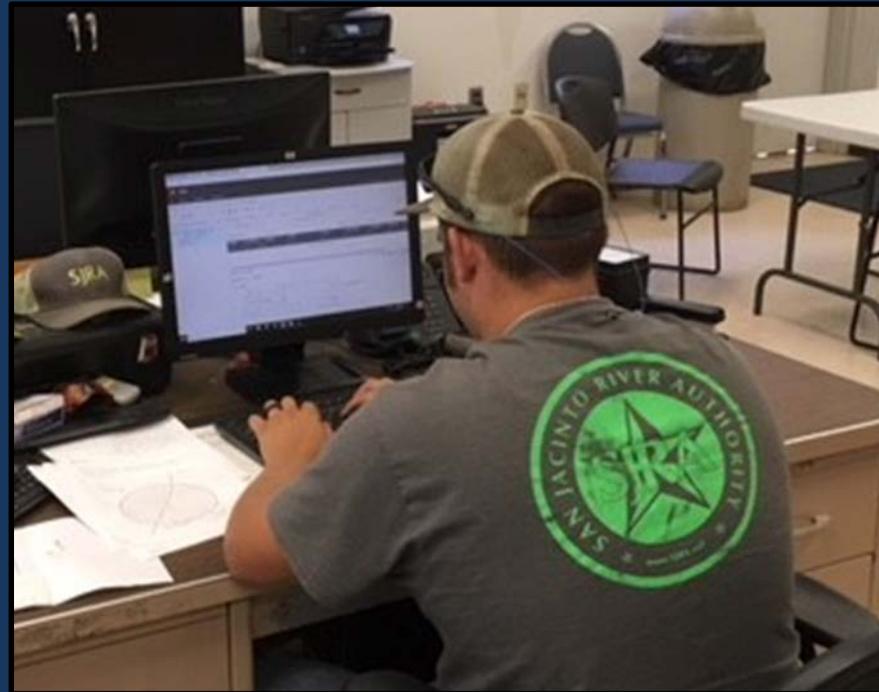
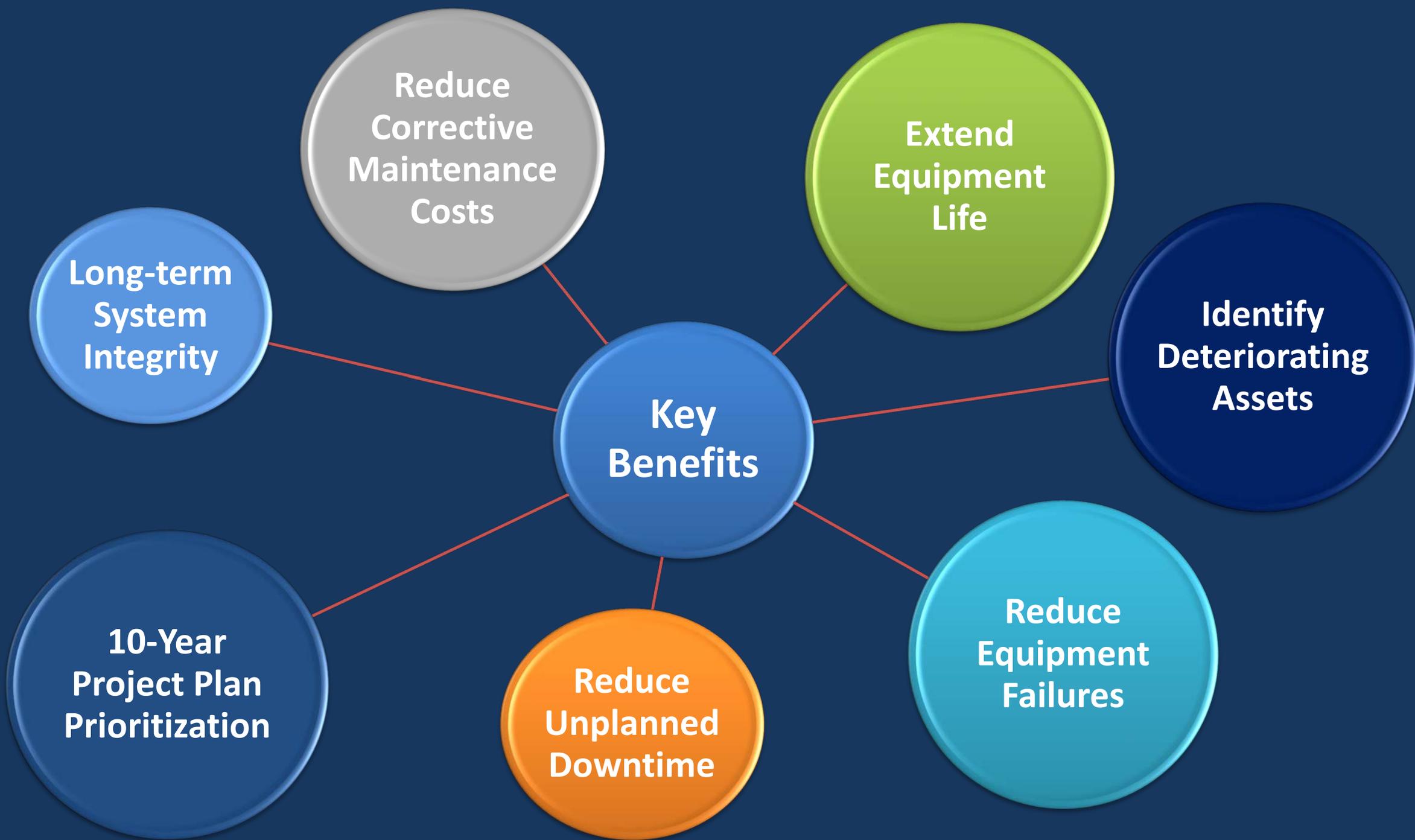




# What is Asset Management?

Asset management is a systematic process of developing, operating, maintaining, upgrading, and disposing of assets cost-effectively.





**Reduce  
Corrective  
Maintenance  
Costs**

**Extend  
Equipment  
Life**

**Identify  
Deteriorating  
Assets**

**Reduce  
Equipment  
Failures**

**Reduce  
Unplanned  
Downtime**

**10-Year  
Project Plan  
Prioritization**

**Long-term  
System  
Integrity**

**Key  
Benefits**

# Level of Service



Customers



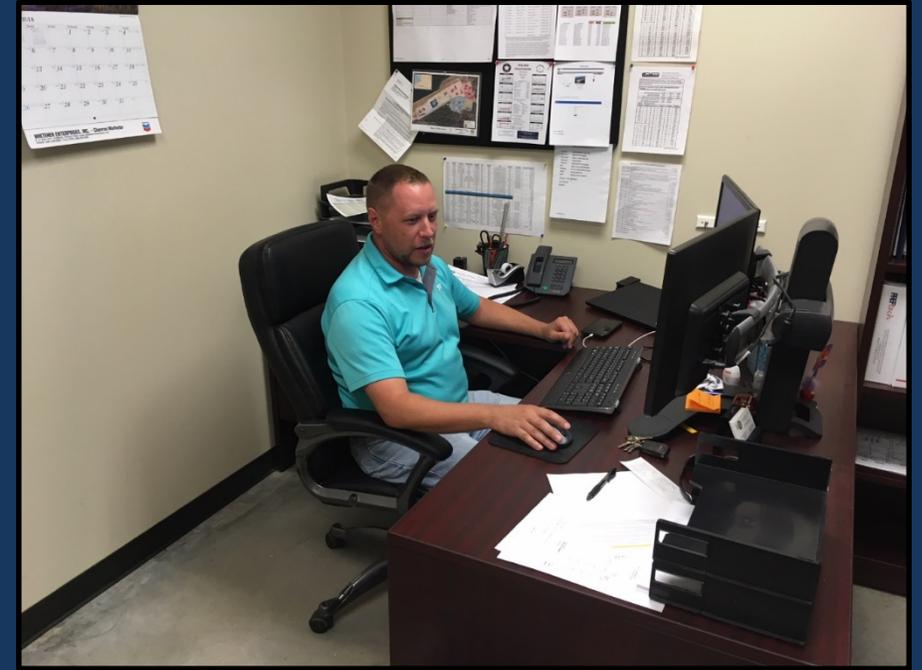
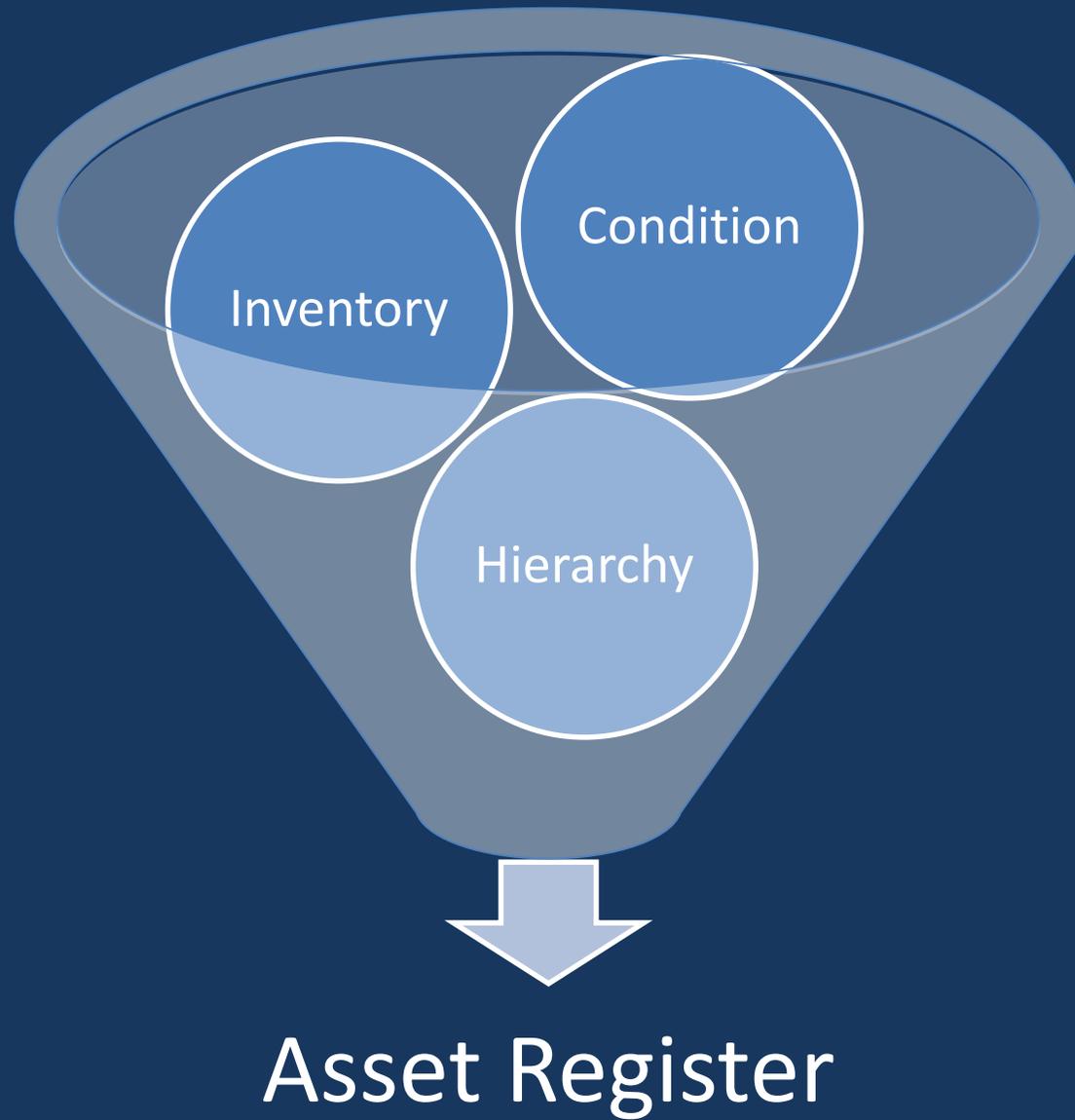
Regulatory



Management



# Asset Organization



# Risk Exposure

## Likelihood of Failure



## Consequence of Failure



# Mitigation Strategies



# Define Risk Exposure

## Likelihood of Failure (LOF)

Determines the likelihood of an asset to fail defined in years.



## Consequence of Failure (COF)

Determines the consequence of an asset failing in relation to social, environmental and financial impacts.



## Mitigation Factor

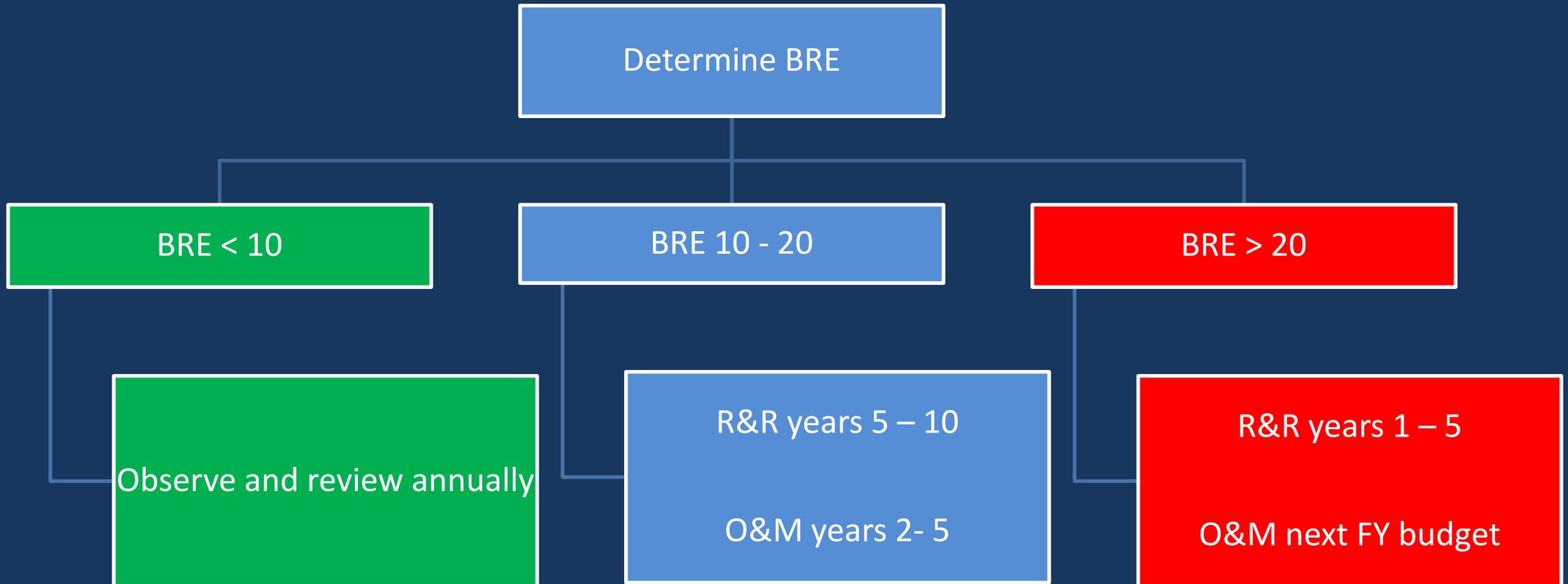
Determines any current mitigation to reduce LoF and CoF (redundancy, etc.)



## Business Risk Exposure (BRE)

Determines a standardized assessment of risk exposure due to an asset failing.

# 10-Year Project Plan / O&M Budget



- *R&R Projects are generally higher dollar value and include multiple assets being renewed.*
- *O&M items are usually single asset renewals*

# Summary

1

- Continuous condition assessment of assets

2

- Annual review of individual asset scores
- Compilation of facility asset scores

3

- Prioritization of asset condition ranking
- Development / Update of 10-Year Project Plan





Questions?