

BPA's Asset Management

NW Power & Conservation Council O&M Subcommittee

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Agenda



- ✓ ***BPA's Mission***
- ✓ ***What is Asset Management***
- ✓ ***Why Asset Management is it important to Bonneville***
- ✓ ***The Asset Management Key Strategic Initiative (AM KSI)***

BPA's Mission

The BPA's mission as a **public service** organization is to **create and deliver the best value** for our customers and constituents **as we act in concert with others to assure the Pacific Northwest:**

- An adequate, efficient, economical and reliable power supply.
- A transmission system capable of integrating and transmitting power from federal and nonfederal generating units, providing service to BPA's customers, providing interregional interconnections, and maintaining electrical reliability and stability.
- **Mitigation of the Federal Columbia River Power System's impacts on fish and wildlife.**

BPA is committed to cost-based rates and public and regional preference in its marketing of power. BPA will set its rates as low as possible consistent with sound business principles and the full recovery of all of its costs, including timely repayment of the federal investment in the system.

Asset Management

Asset Management: *The coordinated activities of an organization to realize value from its assets*

The Purpose of Asset Management (AM)

Value

- Assets deliver **value** and achieve their business objectives
- Aligns assets to our customers **value** propositions
- **Meet** regulatory and statutory obligations
- Safety

Alignment

- AM decisions are informed by asset capabilities, performance, opportunities and constraints
- AM activities are aligned throughout the BPA and considered from a system-wide perspective

Leadership

- Sets clear direction and priorities for asset management
- Organizational structure and culture support AM objectives

Assurance

- Assets will fulfill their required purpose
- AM objectives are achieved consistently and sustainably over time



Asset Management

The Institute of Asset Management Model

The coordinated activities of an organization to realize value from its assets

Foundational Principles, Guidance, & Authority



Institute of Asset Management Asset Management System



Based on

- ISO 55000: AM – Overview, principles and terminology
- ISO 50001 AM - Systems – Requirements
- ISO 55002: AM – Management systems – Guidelines of the application of ISO 55001
- ISO 31000: Risk management – Guidelines and Principals

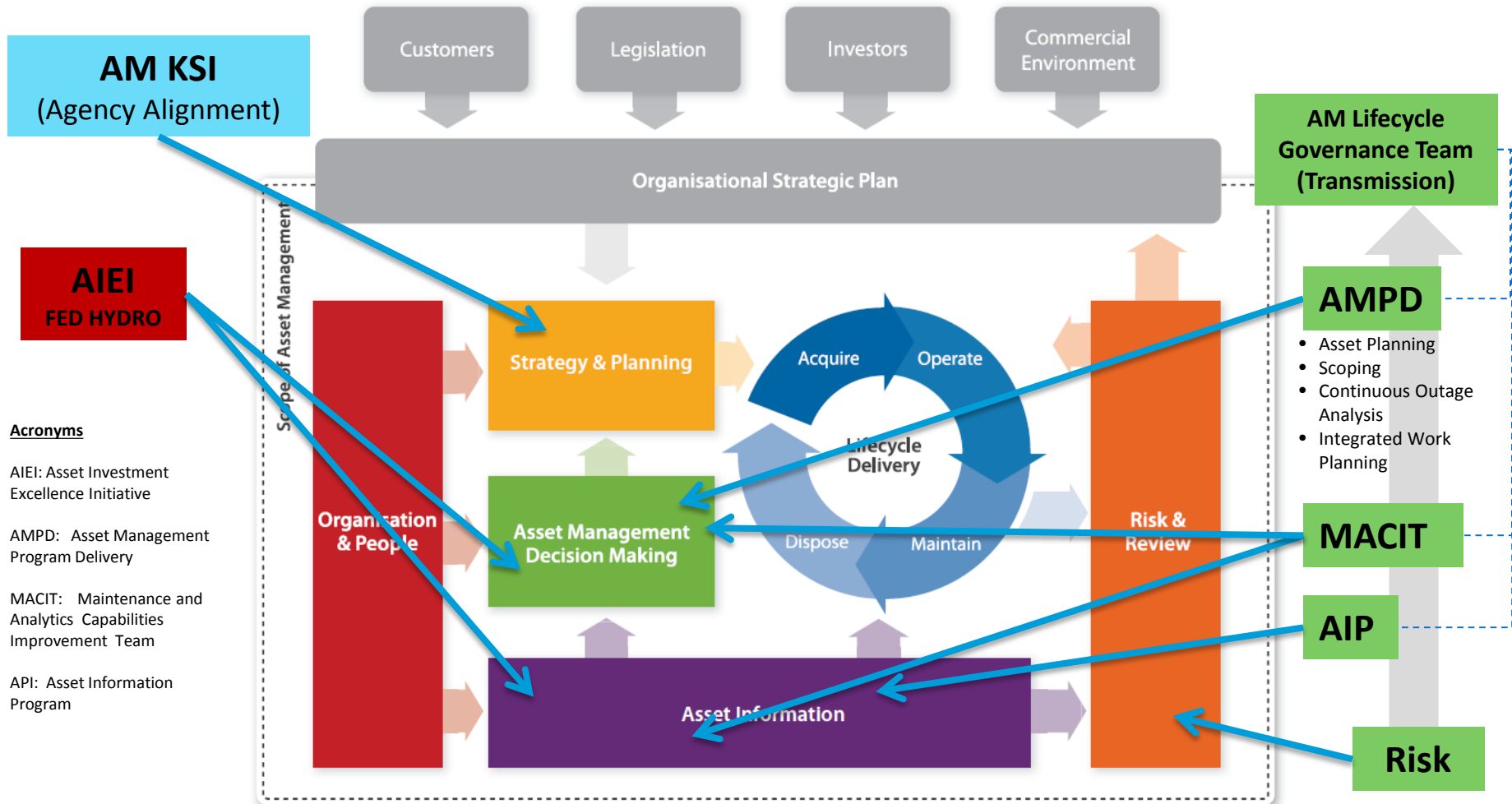
Asset Management Key Strategic Initiative

End State: Bonneville's effective decision making approach optimizes the lifecycle costs of acquiring, operating, maintaining and disposing of our physical assets to extract the highest value. This is accomplished by implementing the Institute of Asset Management's (IAM) leading practice-based framework which consists of six subject areas that aligns with both the ISO 55000 and ISO 31000 standards

2017 Deliverables: Power, Transmission, Facilities, IT and F&W will develop Strategic Asset Management Plans around the IAM framework. Asset category SAMPs will be developed in parallel with the BPA's Strategic Plan. This is accomplished by implementing the Institute of Asset Management's leading practice-based framework that aligns with both the ISO 55000 and ISO 31000 standards. AM KSI will be set to deliver specific Asset Plans in 2018.

- Multiple ongoing supporting initiatives within the business lines

AM KSI and Supporting Initiatives



Acronyms

AIEI: Asset Investment Excellence Initiative

AMPD: Asset Management Program Delivery

MACIT: Maintenance and Analytics Capabilities Improvement Team

API: Asset Information Program



Questions

