

1 Q. Please provide descriptions of current efforts to update the “Long Term Asset
2 Management Plan”, the goals and objectives of such an effort, and expected
3 results.

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6 A. The “Long Term Asset Management Plan” (LTAMP) is a comprehensive listing of the
7 maintenance and/or replacement strategies for all the assets within CFLCo to
8 ensure equipment functions as intended when required. The LTAMP receives inputs
9 from operations, monitoring instruments, in-service failures, and experience gained
10 from completed works. As such, it is a living document that continually needs to be
11 refreshed as new data becomes available. The plan fund is fully allocated, and does
12 not carry an allowance for unforeseen events, but rather carries some lower priority
13 work in each year.

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15 CFLCo’s Long Term Asset Management Plan is centered on meeting contractual
16 obligations, investing in an aging electricity system, and planning for the future.

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18 The goals and objectives of the plan are to:

- 19 1. Maximize the uptime and reliability to meet current and future demands,
20 especially during the “Guaranteed Winter Availability” (GWAC) period;
- 21 2. Asset renewal to ensure that the province is left with a newly reconstructed,
22 viable hydroelectric plant in 2041 upon conclusion of the 1969 power contract;
- 23 3. Focus on sustaining and reliability with no growth;
- 24 4. Develop a fully integrated and inclusive planning tool whereby activities are
25 discovered (preventative maintenance activities), assessed, planned, materials
26 procured, work scope resourced and scheduled in a planned and organized
27 fashion;

- 1 5. Take advantage of synergies in annual planning by allowing similar items to be
- 2 grouped together and provide information for outage plans that meet GWAC
- 3 and other outage and protection schemes at lower costs;
- 4 6. Create relationships and partners with industry experts and Original Equipment
- 5 Manufacturers (OEMs) to establish competitive, strategic, long-term framed
- 6 agreements and relationships for projects and on-going support.

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8 The current LTAMP, dating out to 2041, was developed in 2012, and still forms the

9 basis for the development of the more specific five year and one year budget plans.

10 Prior to the development of the LTAMP, the assets within CFLCo had not undergone

11 significant replacement or upgrade work. There was very little information on which

12 to base the initial plan, so changes have occurred as new information became

13 available, and project costs have increased since the initial estimates were

14 produced.

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16 To keep the LTAMP current and to realize the goals and objectives outlined above,

17 periodic updating of the plan is required. This permits the integration of new

18 information from improvements, assessments, monitoring, testing programs and

19 lessons learned from completed projects. In doing so, the project list can be

20 matured and priorities adjusted for unforeseen events. The project list is prioritized

21 to be executed within CFLCo's ability to finance the capital spend.

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23 The expected results of current efforts to update the LTAMP are to ensure that the

24 most relevant priorities relative to today's asset conditions are implemented, with

25 project estimates and schedules that reflect the latest market conditions. The final

26 result is that an updated plan will help ensure equipment functions as intended

27 when required.