

1 Q. **Reference: Response to CA-NLH-018, part b**

2 Further to the response to CA-NLH-018, part b, please provide a summary of (i) the overall asset
3 management maturity assessment/score for Hydro flowing from the 2022 Asset Management
4 Needs and Readiness Assessment and (ii) the 39 recommendations for continued improvement.

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7 A. The 2022 Asset Management Needs and Readiness Assessment did not assign Newfoundland
8 and Labrador Hydro (“Hydro”) a single overall asset-management maturity score. Rather, it
9 assessed individual elements of Hydro’s asset-management system. Overall, Greeman Asset
10 Management Solutions (“Greeman”) characterized many of Hydro’s practices as being in the
11 early stages of maturity, with many processes already in place but implemented to varying
12 degrees and often within individual functional groups rather than through an integrated,
13 enterprise-wide asset-management system. Individual maturity assessments generally ranged
14 from approximately 12% to 33%, depending on the practice assessed.

15 Greeman identified 39 recommendations across 6 broad areas: Asset Management Strategy and
16 Planning; Asset Information Management; Asset Management Decision-Making; Organization
17 and People Capability; Life Cycle Value Delivery; and Risk and Review. In summary, the
18 recommendations were directed toward:

- 19 • Formalizing Hydro’s asset-management strategy, governance framework, policy and
20 Strategic Asset Management Plan;
- 21 • Improving asset-information governance, data standards, information systems and
22 knowledge management;
- 23 • Establishing more consistent, value-based investment decision-making and greater use
24 of lifecycle costing;
- 25 • Strengthening asset-management governance, organizational capability, training and
26 competency management;

- Improving lifecycle-management practices, including reliability, maintenance, configuration management, aging-asset planning and failure management; and
- Better integrating asset risk with enterprise risk management, asset-health reporting, continuous improvement, audit and management review, asset cost information and stakeholder management.

Hydro notes that the assessment reflected a point-in-time review undertaken during a period of significant organizational change and has continued to mature its asset-management practices since that assessment.

Hydro also underwent an asset management system gap analysis commissioned by the Board of Commissioners of Public Utilities and has reviewed a draft report; however, this report has not been placed on the record.