

MANITOBA HYDRO

2012/13 & 2013/14 ELECTRIC GENERAL RATE APPLICATION

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Manitoba Hydro Undertaking # 81

- (a) Manitoba Hydro to identify when the Enterprise Asset Management Program is expected to be in place and to provide a summary of what the Enterprise Asset Management System will do. Manitoba Hydro to also include how AIP and EHR ties in.
- (b) Manitoba Hydro to indicate to what the Generation South and north milestone refer and when those milestone dates are.

Response:

- (a) The scheduled in-service date for the Enterprise Asset Management (EAM) system is July 2013. The EAM Project is presently in the “build” phase where the software and data processes are being developed to meet the defined user requirements. The scheduled in-service is unlikely to be met and a revised scope, plan, schedule and budget is being prepared for management review.

The EAM system is primarily focused on the day to day maintenance of the physical assets. The core maintenance system is integrated to the financial, human resource, capital planning, equipment condition, reliability and materials management systems & processes to provide asset related information enabling more comprehensive asset management and improved asset performance. Asset condition information captured in EAM will be interfaced with Manitoba Hydro’s Asset Investment Planning (AIP) system.

The AIP system is focused on long term capital planning for the replacement/rehabilitation of aging assets and end of life condition reporting. The system is designed to bring in asset condition information (equipment health rating) from

various systems such as EAM, spreadsheets etc. The system then models the generation system and uses equipment condition, probability of failure, lost generation cost and other factors to predict optimal replacement times for equipment as well as predicting the unmitigated risk.

HydroAMP is only one of a number of equipment health rating (EHR) methodologies used by Manitoba Hydro's equipment experts to evaluate the condition of critical assets that is input into both EAM and AIP systems. HydroAMP uses standard scorecards for each asset type and is a set of templates that can be used in spreadsheet or database form. The HydroAMP methodology is supported by the Centre for Energy Advancement through Technology Innovation (CEATI).

- (b) The Generation South and North milestone refers to the completion and approval of the Asset Condition Report for Generation Assets. The estimated date is December 31, 2013.