

# **Irrigation pricing proposal**

**1 July 2025 to 30 June 2029**

**Appendix G Strategic Asset Management Plan**

# Strategic Asset Management Plan

## Sunwater Asset Management and Strategic Objectives

QRN:

Revision 7

### Creation, Review and Approval

<b>Author</b>	Technical Content Advisor	<b>SME</b>	Regional Planning Manager North	<b>Owner</b>	GM Asset Management
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## Document revision history

Revision	Revision Date	Revision Description	Approved By
1	June 2003	Original version	D.Boo GM Asset Management

## Responsibilities

Role	Responsible For
Technical Content Advisor	<ul style="list-style-type: none"> <li>Prepares the document and facilitates the review cycles, compiling comments and creates final version to be published</li> <li>Ensures the document aligns with relevant legislation, government policy and/or Sunwater requirements/ strategies/ values</li> </ul>
Reviewers	<ul style="list-style-type: none"> <li>Review the document according to their area of expertise to evaluate its continuing effectiveness, e.g. achieving its purpose, remains relevant/ current</li> <li>Confirms the document aligns with relevant legislation, government policy and/or Sunwater requirements/ strategies/ values</li> </ul>
Approvers	<ul style="list-style-type: none"> <li>Ensures the document has met compliance requirement and approves the final document</li> </ul>

### Executive summary

Previously, under the *Water Act 2000 (Qld)*, Sunwater was required to prepare a Strategic Asset Management Plan (SAMP) for approval by the regulator for each of its water supply schemes. This requirement was repealed in 2008, however consistent with industry good practice and in alignment with International Organisation for Standardisation (ISO) 55000 asset management standards, we have created a Sunwater-wide SAMP and separate Asset Management Plans (AMP) for Service Contracts on our water supply schemes.

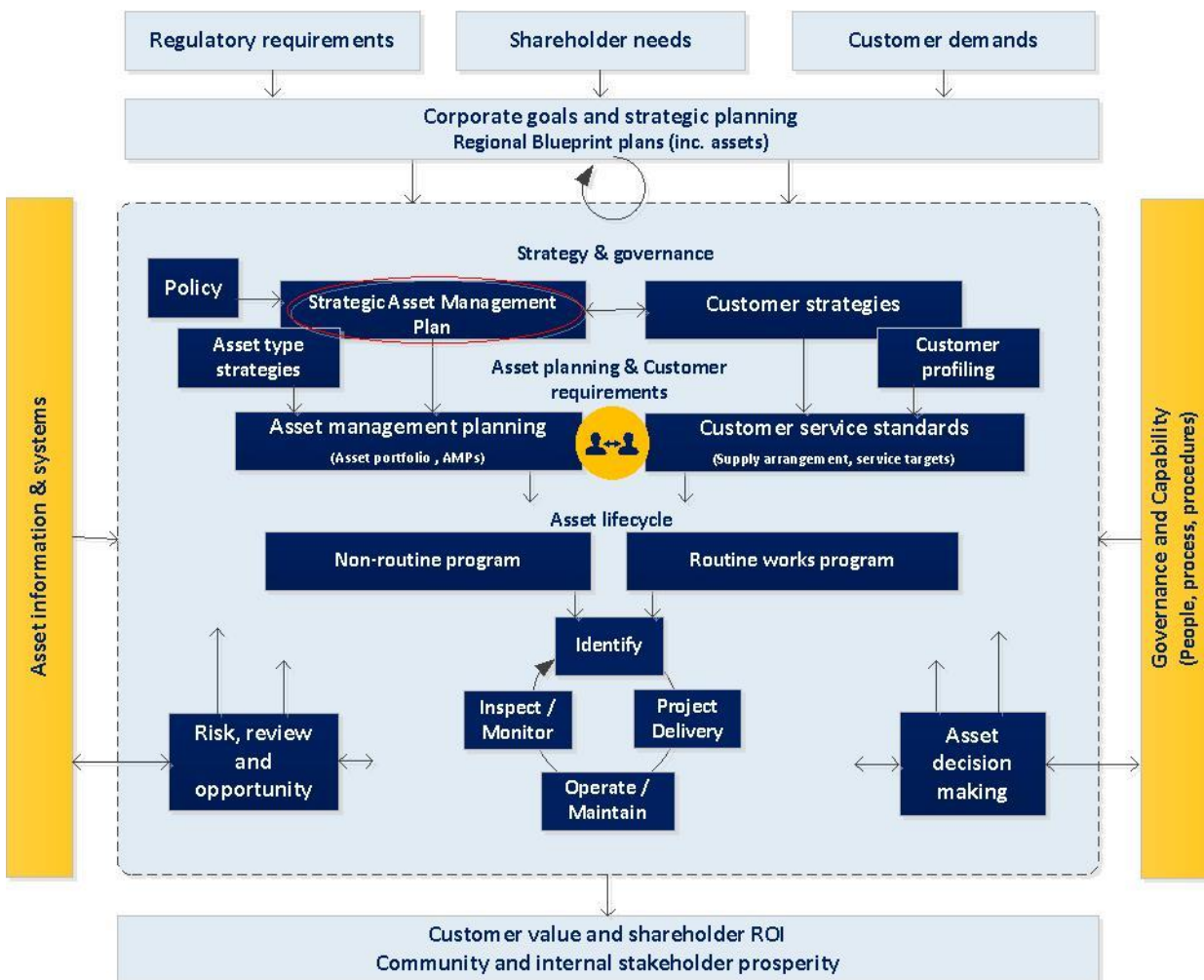
This SAMP document aims to provide asset management objectives, aligned with Sunwater’s strategic goals over the 2023/24 to 2028/29 strategic planning horizons, and a framework for asset management in the form of an Asset Management System (Figure 1) which will be used to achieve these objectives.

The SAMP in its current format, applies to assets used directly for the provision of water services and does not apply to non-water assets such as land, office space, plant and equipment, vehicles and housing.

### Asset Management System

The Asset Management System (AMS) illustrated below (Figure 1), presents Sunwater’s framework for asset management which will be used to achieve our [CORP POL 24 AM01 P01 Asset Management Policy](#) (herein referred to as the “*Asset Management Policy*”) and asset management objectives. A more detailed explanation of the AMS components is provided in Section 5.

Figure 1 Asset Management System



Key components of the SAMP include the *Asset Management Policy* and asset management objectives which provide high-level governance and strategic direction for the AMS.

## Asset Management Policy

The aim of our *Asset Management Policy* is to ensure we manage our assets in a sustainable and commercially focused manner to meet Sunwater's business objectives of safeguarding asset integrity and ensuring optimal service value to our customers.

To do this, we will:

- Manage our assets with a fit-for-purpose mindset, considering customer needs and their future requirements with due consideration for customer engagement and advocacy
- Engage with our customers and stakeholders to define service standards which create value balanced with affordability
- Develop short and long-term financial plans which are informed by a TOTEX approach to ensure our assets achieve desired service standards and acceptable risk levels at the least whole of life cost
- Implement an integrated asset management approach aligned with the requirements of ISO55001
- Monitor the performance of assets against asset management and energy efficiency objectives and strategies
- Manage our assets in compliance with all relevant legislation, regulations, licences, permits, approvals, and authorities
- Manage our assets in an environmentally sustainable manner with due regard to community values and heritage, and strive for a safe, zero harm, working environment
- Manage our assets to ensure we mitigate dam safety risk and meet compliance obligations in accordance with our Dam Safety Policy
- Clearly define accountabilities for the management of assets at all levels within Sunwater and its business partners to support effective outcomes, build asset management capability and foster employee engagement across the business
- Provide effective governance and assurance of our asset management framework across the business
- Ensure energy efficiency is considered in all planning and asset investment decisions
- Continually improve and strengthen our digital strategies to support optimal asset decision making as we transition to a digital engineering environment
- Develop systems and processes which provide reliable and up to date asset data to increase asset knowledge and inform decisions
- Continuously improve, innovate and collaborate with industry to ensure our asset management practices are contemporary and best practice..

### Asset management objectives

Sunwater's asset management objectives are aligned with Sunwater's strategic goals and policy statements and will be used to drive asset management strategy in the business:

- Our assets will be managed to provide a safe environment for our workers and the community and we will continuously reduce dam safety risk as soon as practical.
- Our people will be capable and engaged in asset strategy and execution of initiatives with KPI and asset management accountabilities clearly understood by the business.
- Asset opportunities and innovation will be continually assessed and implemented to improve our value offering.
- Our assets will be fit for purpose and optimally managed throughout their lifecycle to deliver customer and shareholder value.
- Our customer needs will be understood and our customers engaged to develop trust in our asset investments and planning decisions.
- We will collaborate and integrate with internal and external stakeholders to strengthen our asset services and value offering.
- We will continually optimise our asset lifecycle and processes to provide efficient delivery of services to customers.
- We will fully leverage asset opportunities and realise value improvement across the asset management value chain.
- We will provide asset management governance and compliance with all relevant legislation, regulation, licences, permits, approvals and authorities.

### Asset management roadmap

While this SAMP provides high level asset management objectives, the initiatives to achieve these objectives will be plotted over the 2023/24 to 2028/29 strategic horizons and managed within the business's strategic work programs.

The implementation plan to achieve the asset management objectives is detailed in Section 6.2.

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## 1. Introduction

### 1.1. Background

This document is a Sunwater-wide Strategic Asset Management Plan (SAMP) which describes the asset management objectives for the business and describes how the Asset Management System (AMS) will support the achievement of these objectives. The asset management objectives are aligned with the Sunwater's strategic goals and the SAMP will be updated in line with Sunwater's strategic planning horizons.

The Asset Management Plans are separate from the SAMP and provide a six-year outlook of planned asset activities, expenditure drivers, service requirements and forecast expenditure for each Service Contract within our water supply schemes. The AMS processes as defined in the SAMP document will be used to execute the activities in the Asset Management Plans and will be driven by the asset management objectives to ensure the plan is efficient and continually optimised.

### 1.2. Purpose

The purpose of this document is to:

- Describe our internal and external organisational context.
- Describe the scope of asset management at Sunwater.
- Provide asset management objectives with guiding principles for our asset decision making and improvements to our AMS framework going forward.
- Describe the AMS framework and show how the components interact.
- Describe our implementation plan for the achievement of the asset management objectives using the AMS.
- Describe our improvement plan for the SAMP going forward.

### 1.3. Audience

This document has been written for the following audiences:

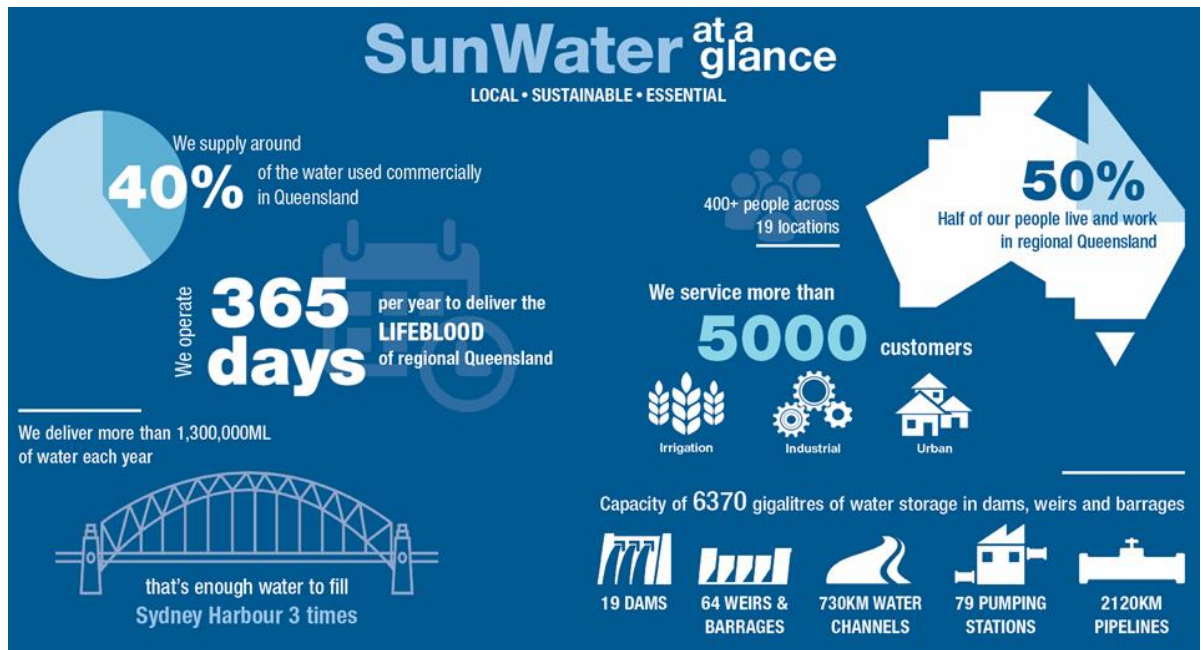
- To our customers – to communicate how our AMS more closely integrates customer strategy with asset management activities and to show how our asset management objectives will work towards achieving a customer value output.
- To our board – to provide confidence in our asset management objectives and their alignment with organisational strategy and to also demonstrate how our AMS framework going forward will meet these objectives.
- To our shareholders – to provide confidence that our asset decision making processes and procedures demonstrate prudence and efficiency and that we have a strong framework for continual improvement.
- To our internal stakeholders – to describe how we will work together within the AMS framework to collaborate and jointly achieve our asset management objectives.

## 2. Organisational Context

### 2.1. Sunwater at a glance

Sunwater is Queensland's largest bulk water service provider. We own and manage a network of dams, balancing and off-stream storages, weirs, barrages, pumping stations, pipes, channels and drains that are used to supply bulk water to more than 5000 customers in the agriculture, local government, mining, power and industrial sectors in Queensland. Our water infrastructure assets have an estimated replacement value of around \$13 billion and supply approximately 40 per cent of all water used commercially in Queensland.

Figure 2 Sunwater at a glance



2.2. Why do we exist?

Sunwater is one of four bulk water entities owned by the Queensland Government, together with Seqwater (the bulk water service provider for South-East Queensland), the Gladstone Area Water Board and the Mount Isa Area Water Board. Sunwater is established under the *Government Owned Corporations Act 1993 (Qld)* and is a registered water service provider under the *Water Act 2000 (Qld)*.

Queensland’s water resource planning and management framework is established in the *Water Act 2000*, including matters such as the allocation of water resources (including surface and groundwater), trading and market arrangements and management of unallocated reserves. Sunwater holds Resource Operating Licences for 23 water supply schemes in Queensland, as listed in Table 1 below.

Table 1 Sunwater operated Water supply schemes

Water supply schemes operated by Sunwater			
<ul style="list-style-type: none"> <li>• Barker Barambah</li> <li>• Bowen Broken Rivers</li> <li>• Boyne River and Tarong</li> <li>• Bundaberg</li> <li>• Burdekin Haughton</li> <li>• Callide Valley</li> </ul>	<ul style="list-style-type: none"> <li>• Chinchilla Weir</li> <li>• Cunnamulla</li> <li>• Dawson Valley</li> <li>• Eton</li> <li>• Julius Dam</li> <li>• Lower Fitzroy</li> </ul>	<ul style="list-style-type: none"> <li>• Lower Mary River</li> <li>• Macintyre Brook</li> <li>• Maranoa River</li> <li>• Mareeba-Dimbulah</li> <li>• Nogoia Mackenzie</li> <li>• Pioneer River</li> </ul>	<ul style="list-style-type: none"> <li>• Proserpine River</li> <li>• St George</li> <li>• Three Moon Creek</li> <li>• Upper Burnett</li> <li>• Upper Condamine</li> </ul>

### 2.3. Our dam safety obligations

In Queensland the responsibility for dam safety rests with the dam owner. Sunwater is required to maintain dam safety standards consistent with a suite of requirements including, but not limited to:

- *Water Supply (Safety and Reliability) Act*
- Dam Safety Condition Schedules (per individual referable dam)
- *Queensland Dam Safety Management Guidelines* (October 2020, Queensland Government)
- *Guidelines on Safety Assessments for Referable Dams* (November 2021, Department of Regional Development, Manufacturing and Water (DNRW))
- *Guidelines on Risk Assessment* (2022, ANCOLD).

In 2003, the Bureau of Meteorology issued updated 'probable maximum precipitation' estimates, which had an impact on the calculation of the 'probable maximum flood'. These climate impacts, together with increasing population growth downstream of some dams and changes to national standards (ANCOLD) and state guidelines, mean that some of Sunwater's dams built before 2003 require upgrading to maintain compliance.

The schedule for upgrade of dams is provided in the *Guidelines on Acceptable Flood Capacity for Water Dams*, with the aim that all Queensland dams meet minimum standards by 2035. Sunwater has a *Dam Safety Policy (DSOO Referable Structures Safety Policy)* which describes how Sunwater intends to meet its dam safety obligations.

### 2.4. Economic regulation

As a Government Owned Corporation, Sunwater is required to operate on a commercial basis as far as practicable, consistent with the principles and framework described in the *Government Owned Corporations Act*. Sunwater is also required to comply with directions made by the shareholding Ministers, as reflected in the *Statement of Corporate Intent*.

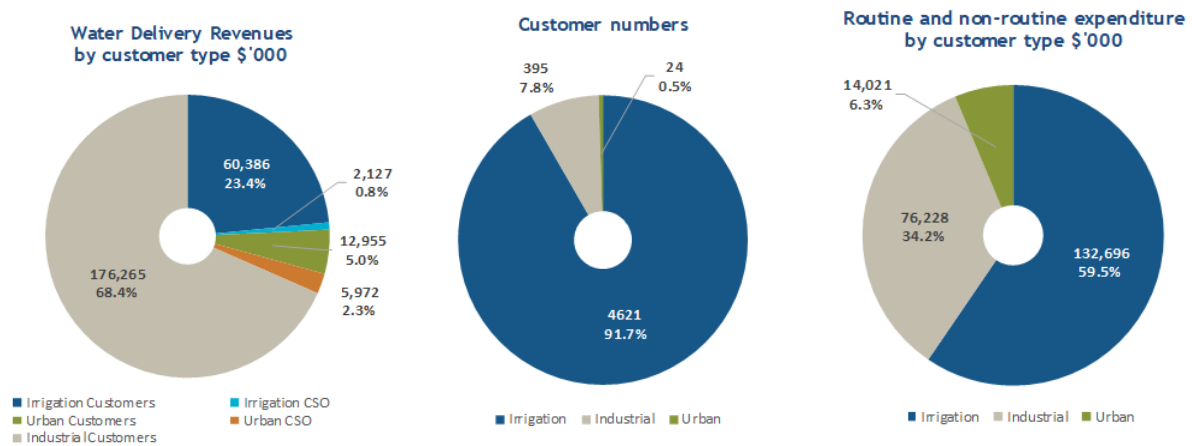
Sunwater's irrigation prices are determined by the shareholding Ministers, based on advice provided by the Queensland Competition Authority (QCA). In advising the government on appropriate irrigation prices, the QCA considers a range of matters including the prudence and efficiency of Sunwater's operating and capital costs. The QCA recommends irrigation prices for 23 Sunwater bulk water supply schemes and four distribution systems<sup>1</sup>.

### 2.5. Our customers

Our extensive network of water supply infrastructure supports mining, power generation, industry, urban development and irrigated agriculture throughout rural and regional Queensland. Irrigation makes up over 90 per cent of our customer base and almost 60 per cent of our costs, but less than a quarter of our revenues, as shown in Figure 3.

<sup>1</sup> Following the 2012 Irrigation Price Review, the Queensland Government began considering in more detail local management of Sunwater's eight distribution systems. At the time of publication of this document, two distribution systems had transitioned to local management arrangements (LMA). The remaining schemes are still going through the process and, at this stage, it is uncertain whether they will proceed to LMA or remain with Sunwater. This needs review, its 4 schemes (St George, Theodore, Emerald and Eton), the process is no longer proceeding on the other four.

Figure 3 Indicative key customer statistics for 2018/19



## 2.6. Our corporate structure

As a corporation, Sunwater is managed by a Board that is accountable to shareholding Ministers for the attainment of Sunwater’s purpose and for ensuring the ongoing performance and sustainability of the company.

The Board appoints the Chief Executive Officer who appoints the Executive Leadership Team responsible for the day –to-day operations of Sunwater, consistent with legislative and contractual requirements, and policies and directives established by the Board.

In addition, Sunwater is a Government Owned Corporation and required to operate in accordance with Queensland agencies such as the *Investment Guidelines for Government Owned Corporations* (2013, Queensland Treasury).

Of particular significance to the development of this SAMP are:

- dam safety requirements described in the *Water Supply (Safety and Reliability) Act 2008 (Qld)*
- Resource Operations Licences
- water resource management arrangements
- economic regulatory framework.

## 2.7. Our corporate strategies

Sunwater produces a range of corporate and strategic plans and statements, including a five-year Corporate Plan and a one-year Statement of Corporate Intent for our shareholding Ministers (updated annually). Sunwater’s Strategic Roadmap, as of October 2018, is presented in Figure 4 below. Our focus is on delivering water for the prosperity of our customers and the community.

Figure 4 Sunwater’s Strategic Roadmap

	<p><b>OUR PURPOSE</b></p> <p><b>Delivering water for prosperity</b></p>			
	<p><b>OUR STRATEGIC GOALS</b></p> <ol style="list-style-type: none"> <li>1. Safe and engaged people</li> <li>2. A sustainable business ("here today and here tomorrow")</li> <li>3. Stakeholder-centric business</li> <li>4. Operational Excellence</li> <li>5. Water Infrastructure Leader</li> </ol>			
	<p><b>OUR VALUES</b></p> <table border="0"> <tr> <td data-bbox="788 557 963 672"> <p><b>VALUE PEOPLE</b> Everyone matters and we are committed to respect and zero harm for our people</p> </td> <td data-bbox="1011 557 1212 672"> <p><b>WORK TOGETHER</b> We are our best when we work together as one Sunwater and with our customers front of mind</p> </td> <td data-bbox="1244 557 1445 672"> <p><b>TAKE RESPONSIBILITY</b> We all have a part to play to deliver on our promises and challenge our thinking</p> </td> </tr> </table>	<p><b>VALUE PEOPLE</b> Everyone matters and we are committed to respect and zero harm for our people</p>	<p><b>WORK TOGETHER</b> We are our best when we work together as one Sunwater and with our customers front of mind</p>	<p><b>TAKE RESPONSIBILITY</b> We all have a part to play to deliver on our promises and challenge our thinking</p>
<p><b>VALUE PEOPLE</b> Everyone matters and we are committed to respect and zero harm for our people</p>	<p><b>WORK TOGETHER</b> We are our best when we work together as one Sunwater and with our customers front of mind</p>	<p><b>TAKE RESPONSIBILITY</b> We all have a part to play to deliver on our promises and challenge our thinking</p>		
	<p><b>OUR STRATEGIC PRIORITIES</b></p> <ol style="list-style-type: none"> <li>1. 2022 – 2025: Optimise our water infrastructure maintenance and operations capability</li> <li>2. 2025 – 2030: Become the preferred proponent and policy shaper for bulk water supply with relevant industries</li> <li>3. 2030 +: Be the custodian of Regional Queensland’s water system</li> </ol>			

**2.8. Enterprise risk and opportunity assessment**

Sunwater’s Enterprise Risk Management System is an essential element of corporate governance and supports the establishment, monitoring and maintenance of controls to enable the delivery of our strategic and operational objectives.

**2.9. Integration with corporate systems**

Sunwater’s business operations are supported by a range of business management systems – one of which is the asset management system. The asset management system integrates and aligns with all the key business management systems including:

- *Quality Management (ISO 9001:2015)*
- *Strategic Asset Management (ISO 55001)*
- *Environmental Management (AS/NZS ISO 14001:2004)*
- *Safety Management (AS/NZS 4801:2001)*
- Risk Management Framework
- Dam Safety Management Program (DSMP001).

**3. Scope of asset management at Sunwater**

**3.1. Application of the SAMP**

This SAMP applies to:

- Physical assets owned and managed by Sunwater and used directly for the provision of water services.
  - Physical assets owned and managed by Sunwater subsidiary companies and used directly for the provision of water services: Eungella Water Pipeline Pty Ltd
  - North West Queensland Water Pipeline Pty Ltd
  - Burnett Water Pty Ltd.
- All phases of the asset management lifecycle including planning, design, procurement (including acquisition and construction), operation, maintenance (including renewals, refurbishments and replacement), enhancements, monitoring, reporting, decommissioning and disposal.

This SAMP does not apply to:

- The management of assets owned by others that Sunwater maintains and operates under agreed terms and arrangements.
- Non-water assets such as land, office space, plant and equipment, vehicles and housing.

Whilst the SAMP in its current format does not consider non-water assets, future revisions may consider including these assets as part of the asset management strategy.

### 3.2. Asset base

Sunwater owns and operates the majority of bulk water infrastructure in Queensland, outside of South-East Queensland.

We have an extensive asset base including:

- 22 referable storage structures (19 dams and 3 balancing and off-stream storages)
- 64 weirs and barrages (non-referable structures)
- 79 major pumping stations
- 2120 km pipelines
- 730 km water channels<sup>2</sup>
- 11 small licensed water and sewage treatment plants.

In addition to assets owned directly by Sunwater, Sunwater owns and operates subsidiary facilities as listed below:

- Eungella Water Pipeline Pty Ltd (EWP) – owns and operates a 123 km-long pipeline and associated pumping equipment that transports water from Eungella Dam near Mackay to Moranbah, principally for use by the mining industry. EWP also owns and operates 116 km of eastern and southern spur pipelines that take water from the Eungella Water Pipeline and the Burdekin-Moranbah Pipeline to coal mines and related users in the northern Bowen Basin.
- North West Queensland Water Pipeline Pty Ltd (NWQWP) – owns and operates a 113 km of pipeline and associated pumping equipment that transports water from Lake Julius near Mount Isa to the Ernest Henry Mine and a number of rural users. NWQWP also owns and operates the Cloncurry Pipeline, a 38km extension pipeline from the NWQWP to the township of Cloncurry for domestic and industrial supply.
- Burnett Water Pty Ltd (BW) – owns and operates Paradise Dam and Kirar Weir in the Burnett River catchment and 164,000 ML of water allocations.

### 3.3. Our services

Our fundamental service to customers is to store and release water to satisfy customer demand. This is subject to the *Water Act 2000 (Qld)*, associated plans and operating licenses and customer water allocations.

Sunwater's services are delivered via Service Contracts associated with each of the Water Supply Schemes. These Service Contracts group assets relate to common services and delivery areas in a Water Supply Scheme and include the following types:

- 23 Bulk Supply Service Contracts<sup>3</sup> – providing bulk water services that store and distribute raw water entitlements to river customers,.
- 4 Irrigation Distribution and Drainage Service Contracts – diverting water from bulk water storage to the customer's own offtake using a network of Sunwater owned pumps, pipes and/or channels. In addition, Sunwater provides drainage services to some Service Contracts.
- 11 Commercial Pipeline Service Contracts – providing raw bulk water delivery to commercial customers throughout regional Queensland.
- 2 Potable water treatment and distribution network Service Contracts – providing potable water treatment services to town water customers; and

<sup>2</sup> Some channels are leased.

<sup>3</sup> Includes Julius Dam



- 2 Hydroelectric generator Service Contracts - providing hydroelectric power generation services.

Standard customer supply contracts include clauses on supply arrangements and the schedule of fees and charges. Sunwater provides information on past and forecast routine and non-routine expenditure to irrigation customers and stakeholders in the form of the annual Service and Performance Plans (SPP's)..

Sunwater provides water delivery, operation and maintenance of infrastructure, and engineering consultancy services to 57 Service Contract areas.

#### 4. Asset management objectives and principles

##### 4.1. Our asset management objectives

The following asset management objectives (Table 2) are aligned with our *Asset Management Policy* and Strategic goals; being achievable and measurable; clearly articulated, understandable and useful. These objectives were developed with consideration of a number of inputs including our strategic business objectives, regulatory obligations, *Statement of Corporate Intent*, risk management framework, relevant corporate policies, and guidance provided in the *ISO 55000* standard series.

Sunwater’s asset management objectives will be used to drive asset management strategy in the business and the implementation plan for these objectives is described Section 6.2.

*Table 2 Asset management objectives*

Sunwater’s strategic goals		Asset management objectives
Safe and engaged people	Our success will be measured by our employee engagement and safety metrics aiming to achieve zero harm with our people.	Our assets will be managed to provide a safe environment for our workers and the community, and we will continuously reduce dam safety risk as soon as practical.  Our people will be capable and engaged in asset strategy and execution of initiatives with KPI and asset management accountabilities clearly understood by the business
A Sustainable business	Sunwater will safely deliver water for prosperity now and in the future for Queensland. This will be achieved through meeting our customer and communities changing demands, whilst minimising the impact from our activities on the environment, effectively managing our assets and nurturing relationships with all the communities where we operate. We instill good governance principles and will be reliable and resilient in the face of a changing world and during adverse events. We will continue to ensure that	Asset opportunities and innovation will be continually assessed and implemented to improve our value offering.  Our assets will be fit for purpose and optimally managed throughout their lifecycle to deliver customer and shareholder value.

Sunwater’s strategic goals		Asset management objectives
	<p>Queensland’s catchment plans consider the impacts of climate change and provide sustainable water allocation for the environment, agriculture, industries and population centres.</p>	
A stakeholder-centric business	<p>We strive to build relationships with stakeholders based on trust; actively working with our customers, Shareholders and industry groups, and in the communities in which we operate.</p> <p>Minimising the impacts of our operations and projects, and creating opportunities for benefits beyond water delivery, wherever possible, is at the heart of our approach. We acknowledge that we operate on Aboriginal land, and that Aboriginal and Torres Strait Islander peoples are the traditional custodians of this country.</p>	<p>Our customer needs will be understood, and our customers engaged to develop trust in our asset investments and planning decisions.</p> <p>We will collaborate and integrate with internal and external stakeholders to strengthen our asset services and value offering.</p>
Operational excellence	<p>We deliver water for the prosperity of our customers in regional communities. We will execute on our business strategy effectively and consistently by creating a workplace that is exceptional at problem-solving, teamwork and leadership and using contemporary systems, processes and technology.</p> <p>We aim for best practice and fit for purpose asset management and manage our assets in focused manner, to safeguard asset integrity and ensure optimal service value to our customers. This is our core business.</p>	<p>Our asset management will be planned and managed to a life-cycle approach and aligned with best industry practise (e.g., ISO 55001).</p> <p>We will continually optimise our asset lifecycle and processes to provide efficient delivery of services to customers.</p>



Sunwater’s strategic goals		Asset management objectives
Water infrastructure leader	<p>Our focus is to successfully plan, design, construct and commission quality bulk water infrastructure solutions that drive economic growth and jobs in regional economies by making the best use of our valuable water resource.</p> <p>We will develop a state-wide bulk water infrastructure development master plan, using best-practice analysis frameworks to establish investment priorities by assessing emerging market drivers and trends to guide investment pathways.</p>	<p>Our asset management strategies and objectives will be aligned with the organisation’s infrastructure development master plan.</p> <p>We will fully leverage asset opportunities and realise value improvement across the asset management value chain.</p>
Policy alignment		
Policy and governance	See policy statements	We will provide asset management governance and compliance with all relevant legislation, regulation, licences, permits, approvals and authorities.

#### 4.2. Asset management principles

The asset management principles have been developed to guide asset planning, decision-making, monitoring and improvement programs. The principles were developed with consideration of our policy statements, the *ISO 55000* series and Sunwater strategic information.

- We manage assets to provide value to our customers, stakeholders and shareholders.
- The system for managing assets will be an agreed, clearly articulated framework that underpins achievement of the *Asset Management Policy* and objectives.
- We will improve asset management efficiency through the simplification of processes, where appropriate to do so.
- We understand our assets including their purpose, criticality, capability, performance, condition and history, and operate within these bounds.
- We will collect and store accurate asset data and make it readily available to all those that require access to it.
- We will develop and implement asset plans, initiatives and standards that are required to support achievement of the objectives, in a timely manner.
- We will plan for the management of our asset portfolio over the short, medium and long term, to ensure we can deliver on our service commitments into the future.
- We will consistently manage our assets to have a risk profile that aligns with the Sunwater risk appetite.
- Responsibilities for the management of assets will be clearly allocated at all levels within the business, to appropriately skilled teams.
- The performance of assets and the asset management system will be monitored against objectives to inform future strategies and plans, and aid continuous improvement.
- We support analysis, research and development in asset management related areas that improves our asset management practices and contributes to achievement of our objectives.

- We will service, monitor, maintain and replace assets to ensure the ongoing operational performance and service capacity required to meet service standards.
- Assets will be refurbished through their service lives, as necessary, to extend service lives as long as economically feasible.

## 5. Asset Management System (AMS)

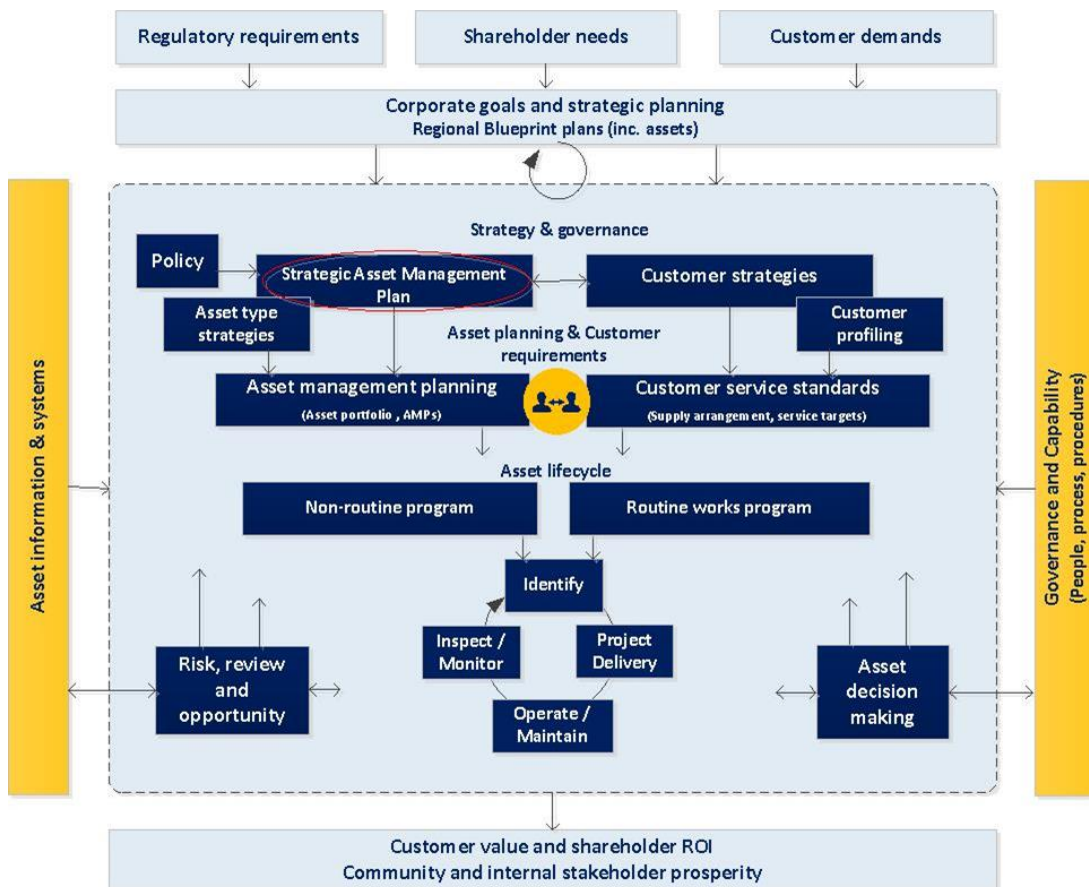
### 5.1. Overview

Sunwater uses a ‘life-cycle’ approach to asset management which considers the ‘whole-of-life’ implications of acquiring, operating, maintaining and disposing of our assets to meet customer service targets.. Our 2023/24 to 2028/29 strategic focus is on customer value and building a regional blueprint to better understand our customer’s drivers. This focus will in-turn provide greater input to our asset planning and allow us to proactively prepare our asset plans to align with our customer’s objectives and see beyond the original design intent of the infrastructure.

The AMS (Figure 5) provides a structured framework for Sunwater’s asset management processes and procedures and is strongly focused on strengthening the alignment between asset planning and Sunwater’s Corporate strategy. The AMS builds on Sunwater’s existing processes of asset management, and provides stronger integration with internal business areas that contribute to asset management outcomes, customer value and shareholder return on investment.

The AMS will be used to drive the asset management objectives which will be actioned by initiatives in our strategic work programs.

Figure 5 Asset Management System (AMS)

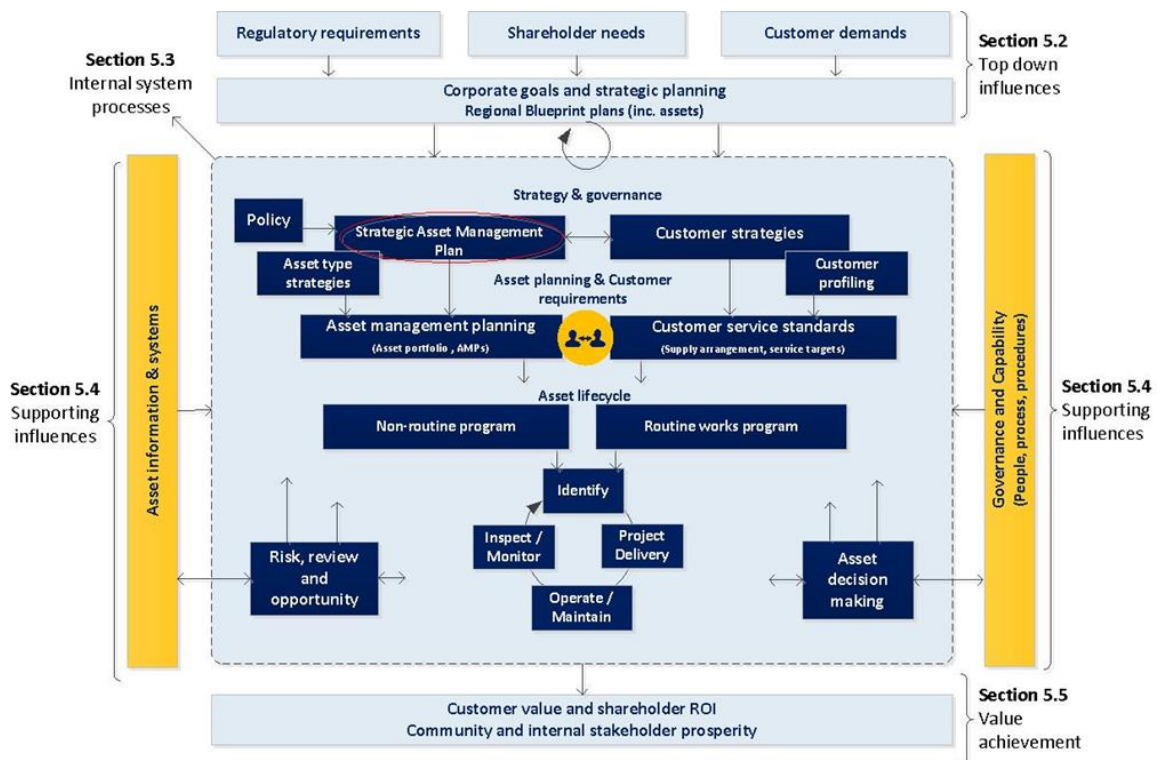


To describe our Sunwater AMS (Figure 5), the framework has been broken into components as listed and illustrated in Figure 6 and further described in detail in the following sections.

The building blocks of the AMS can be described as follows:

- Top down influences (Section 5.2) – represents external stakeholder influences and the creation of corporate plans and strategies used to formulate the asset management objectives.
- Internal system processes (Section 5.3) – represents interconnecting activities internal to the asset management system that execute Sunwater’s asset management processes, lifecycle and objectives.
- Supporting influences (Section 5.4) – represents the business’s internal capability to strengthen and support asset management processes.
- Value achievement (Section 5.5) – represents the targeted end state where asset management activities and objectives have been effectively delivered to provide customer value, shareholder return on investment and community prosperity.

Figure 6 Sections of the AMS



Sections 5 through 5.5 inclusive provide detailed explanations of these system components and the part they play in the AMS framework.

## 5.2. Top down influences

### 5.2.1. External stakeholder drivers

As described in Section 2 Organisational Contextt, Sunwater has a unique mix of business drivers that inform the nature of asset management in its business. Key external business drivers include: regulatory compliance and requirements; shareholder needs, and customer demands, which are reflected through into our corporate goals and strategic planning activities.

### 5.2.2. Corporate goals and strategic planning

Our corporate goals and strategic planning activities are driven by external stakeholder drivers which are captured in documents such as:

- The *Shareholder Mandate and Strategic Expectations* – which provides an understanding of shareholder expectations.
- The *Sunwater Regional Blueprint* – which sets the long-term vision for growth in infrastructure and increased availability of water in regional Queensland.

Our corporate level strategies are captured in documents such as the *Statement of Corporate Intent* and Corporate plans which are reviewed in line with Sunwater’s corporate planning cycles, and executed by a strategic program of works over the following strategic horizons:

- FY22-25 horizon – strategic action
- FY25-30 – strategic intent
- FY30+ - strategic vision.

Sunwater’s strategic goals (Figure 7), underpin our asset management objectives (Section 14) and drive an aligned strategy at Sunwater.

Figure 7 Sunwater’s strategic goals

PURPOSE	DELIVERING WATER FOR PROSPERITY				
5 Strategic Goals	Safe and engaged people	A Sustainable business	A stakeholder-centric business	Operational excellence	Water infrastructure leader

### 5.3. Internal system processes

Within the AMS, the following internal processes work together to achieve asset management objectives and provide governance in asset decision making and optimal customer value.

#### 5.3.1. Strategy and governance

##### 5.3.1.1. Asset Management Policy

Our *Asset Management Policy* provides governance in our asset management processes and direction in the creation of our asset management strategies and objectives.

##### 5.3.1.2. Strategic Asset Management Plan

The SAMP document contains our asset management objectives which are consistent with our *Asset Management Policy* and corporate strategies. *Asset Management Policy* and asset management objectives remain relatively fixed over the strategic planning horizons, the initiatives and executable strategy will be reviewed in line with ongoing business initiatives and Key Performance Indicators (KPI).

##### 5.3.1.3. Customer strategies

Sunwater’s *Regional Blueprint*, along with the *Business Development Strategic Plan* and *Sunwater’s Corporate Strategy*, are key strategies going forward. They define Sunwater’s relationship with our customers, the services we provide and the expected demand for those services. In addition, these documents identify strategic water solutions to manage future demands and supply constraints. Our customer strategies help direct our long-term asset portfolio direction and strategy.

##### 5.3.1.4. Asset type strategies

Our asset type strategies are constantly evolving to provide fit-for-purpose asset management plans. Asset life is initially assigned by a standard asset ‘type’ and may be further refined through condition-based decay curves, asset portfolio analyses and individual strategies informed by maintenance history.

The asset strategies provide guidance on the maintenance and replacement activity and frequency which is applied to the whole of life plans for our assets. This will in-turn provide a revised long-term forecast of an optimised asset investment portfolio.

#### 5.3.1.5. Customer profiling

Customer profiling initiatives currently underway with our industrial customers enable us to understand and predict long-term behaviours and support proactive and sustainable facility-based decisions. Opportunities to strengthen the alignment of customer understanding with our asset portfolio decisions is part of our AMS framework improvement strategy.

### 5.3.2. Asset planning and customer requirements

#### 5.3.2.1. Asset management planning

While the immediate program for the next year's budget is well defined as it is informed with known asset condition and performance data, asset plans become less certain as the program moves further into the planning horizon. Consequently, the medium to long term work program reflects an asset portfolio level view of work effort and focus. The program is informed through asset condition and risk, service history and broader strategic objectives.

Asset Management Plans developed for our water supply scheme Service Contracts provide customers with a five-year snapshot of the program forecasts over the next regulatory period. The plans provide a summary of non-routine items scheduled in each Service Contract. .

#### 5.3.2.2. Customer service standards

Water Supply Arrangement and Service Targets define the scheme level service arrangements between Sunwater and its customers. Sunwater develops Service and Performance Plans (SPP's) for our 26 irrigation Service Contracts which provide a summary of historical routine and non-routine performance, and a five-year forecast of future expenditure and service target<sup>4</sup> .

#### 5.3.2.3. Customer engagement

An important strategic focus for our business in asset planning and service delivery is customer engagement. Our Service and Performance Plans (SPPs) are formed in consultation with customer representative groups during regional engagement meetings. While the plans contain service and cost details applicable to customers, our Asset Management Plans provide an overview of the scheme's asset profile and justification of future works and estimated expenditure required to maintain the scheme customer service standards.

### 5.3.3. Asset lifecycle

Sunwater's asset lifecycle management incorporates two broad activity types, described as routine works (higher frequency repetitive activities); and non-routine works (lower frequency or one-off refurbishment, replacement, enhancement or new asset activities). The non-routine activities also include emergency works such as flood repairs.

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<sup>4</sup> The complete list of service targets is included in each scheme's Water Supply Arrangements and Service Targets document.

### 5.3.3.1. Non-routine program

Sunwater has developed whole of life strategies around the maintenance and replacement of its asset portfolio which is based on the concept of optimised life-cycle cost. Key inputs to the approach are the risk and condition of each asset. The current condition of an asset informs an prediction of the future work to ensure an asset continues to provide the required level of service, at an acceptable risk. Sunwater maintains a program of asset inspections and condition assessments which updates our knowledge of asset condition. This information feeds into the annual review of the non-routine program and ensures items requiring refurbishment or replacement are prioritised accordingly in the program of works.

The non-routine program is managed by the asset planning group who have a strong regionally-based knowledge of asset condition and riskbased on periodic inspections, condition assessments and support services for each service contract.

### 5.3.3.2. Routine works program

Sunwater's routine works program includes day-to-day facility operations, environmental management, preventative and minor corrective maintenance, condition monitoring, legislated (Dam Safety) and non-legislated safety inspections. The execution and monitoring of the program is predominately carried out by Sunwater's regional operations centres.

### 5.3.3.3. Project Delivery

Sunwater's aworks and programs are diverse in scale, scope and complexity. Projects may be capital or expense and delivered through the planned corrective maintenance (PCM) program or as a special purpose (major) projects.

The PCM program encompasses the majority (by number) of non-routine Sunwater projects that generally consist of asset refurbishment, enhancement or replacement works. These works are managed by project delivery teams embedded within the regional operations groups utilising PCM procedures and guidelines. These are:

- *Planned Corrective Maintenance Development Process (#2819200)*
- *Program Delivery Planned Corrective Maintenance Guideline (#2819202)*
- *Program Delivery Planned Corrective Maintenance Procedure (#2819205).*

Projects of 'material' significance to Sunwater utilise the Portfolio, Program and Project Management Framework (P3MF). These works are generally considered 'major projects', and have complexity, cost and risk profiles that suit this management framework and ensures effective delivery of project objectives. .

The P3MF framework typically consists of the project lifecycle phases of initiation, evaluation and definition, execution, closure and benefits realisation.

The benefits of this approach will help provide the following project outcomes:

- Business focussed processes that address the complete lifecycle of opportunities.
- Movement of opportunities through defined and disciplined processes in a series of controlled steps.
- Structured processes for decision making including formal decision review checkpoints or gates at each significant step in the process.
- Clear performance targets discussed and agreed with project stakeholders.
- Emphasis on pragmatic and effective planning and Front-End Loading.
- Timely use of Value Improving Practices (VIPs).



- Independent review as the opportunity moves through gated milestones of project execution and delivery.
- Benefits realisation and learnings reintegrated into future works programs.

Projects delivered under P3MF are predominately undertaken through Sunwater's Infrastructure Development and Delivery group..

#### 5.3.3.4. Operate / maintain

The routine works programs are carried out by the regional operations groups who have a clear understanding of their facilities and the water supply scheme rules. Shutdowns and outages are planned and coordinated by the operations groups in consultation with customers and according to the scheme rules and targets.

#### 5.3.3.5. Inspect / monitor

Sunwater maintains its asset condition information through:

- Periodic condition assessments carried out by engineering or regional staff according to an asset condition assessment schedule.
- Condition monitoring activities carried out on a routine basis by expert service providers.
- Performance analysis using real time tracking to monitor the unplanned downtime and performance KPI for particular assets.

Asset condition information is used to optimise routine and non-routine works programs.

### 5.4. Supporting influences




Whilst the supporting influences are represented as interfacing with the AMS' internal system processes, they are closely linked to and interact with key internal system processes such as asset decision making and risk, review and governance processes. These interactions provide the: asset governance, risk mitigation, asset optimisation, efficiency and value improvement opportunities that are key to achieving our asset management objectives. These interactions ensure that our asset strategy, planning and asset lifecycle processes are informed and optimised in a way that aims to deliver maximum customer value.

The asset management objectives aim to strengthen the value offering from our asset information and management systems and also our governance and capability from people, process and procedures. Our current strategic initiatives to strengthen our digital strategy, provide asset management and assurance and develop capability and leadership, will help drive the achievement of our asset management objectives.

### 5.5. Value achievement

In achieving of our asset management objectives through a strong AMS framework , our value achievement objectives can be monitored and improved. Figure 8 shows the measures and values we aim to achieve for our customers, shareholders, community and internal stakeholders.

Figure 8 Sunwater Measures and Values

Strategic Goals	Safe & engaged people	A sustainable business	Stakeholder-centric business	Operational excellence	Water infrastructure leader
<b>Strategic Measures</b>	<ul style="list-style-type: none"> <li>• % Employee engagement</li> <li>• % Talent retention</li> <li>• % Distinctive capabilities filled</li> </ul>	<ul style="list-style-type: none"> <li>• Supply to Demand ratio</li> <li>• \$ Electricity costs / ML pumped water</li> <li>• CO2 emissions / ML delivered water</li> </ul>	<ul style="list-style-type: none"> <li>• Customer net promoter score</li> <li>• Corporate stakeholder net promoter score</li> </ul>	<ul style="list-style-type: none"> <li>• Water delivery reliability</li> <li>• Cost variance</li> <li>• Delivery asset availability %</li> </ul>	<ul style="list-style-type: none"> <li>• % Projects on time &amp; on budget</li> <li>• % Successful project funding applications</li> <li>• % of QLD water yield managed by Sunwater</li> </ul>
<b>Values</b> The foundation of how we deliver for our customers	 <p>VALUE PEOPLE</p>		 <p>TAKE RESPONSIBILITY</p>		 <p>WORK TOGETHER</p>



## 6. Implementation and monitoring

To establish the AMS and to provide an implementation plan for the achievement of the asset management objectives, the roles and responsibilities within the AMS framework have been established and an implementation plan provided describing how the AMS will achieve the asset management objectives.

### 6.1. Roles and responsibilities

Sunwater Operations are organised into regions that locate our staff as close as practicable to our customers and assets while maintaining efficiencies. The four operating regions are North, Central, South, and Burnett and Lower Mary. These regional locations are supported by centralised head office services for asset planning and asset strategy.

Within the context of the AMS, clearly defined roles and responsibilities are essential to the achievement of objectives and the translation of these into asset management objectives. Within the AMS the roles and responsibilities which are applicable are described Table 3.

*Table 3 Roles and responsibilities applicable within the AMS*

Role	Core Asset-Related Responsibilities
The Board	<ul style="list-style-type: none"> <li>• Endorse corporate vision, strategy and values</li> <li>• Set risk appetite within parameters set by shareholder</li> <li>• Provide guidance regarding risk appetite</li> </ul>
CEO / Executive Leadership Team	<ul style="list-style-type: none"> <li>• Set vision and purpose in accordance with company objectives and purpose</li> <li>• Develop Strategy, Corporate Plan and Statement of Corporate Intent</li> <li>• Monitor progress of strategy implementation</li> <li>• Advise board on risk impacts to enable setting of risk appetite</li> <li>• Approve policies in accordance with Government Owned Corporations policies and requirements and other compliance obligations</li> <li>• Approve operation and capital expenditure annual budgets, monitor budgets</li> <li>• Develop and implement stakeholder engagement strategy</li> </ul>
General Manager Asset Management	<ul style="list-style-type: none"> <li>• Develop and implement <i>Asset Management Policy</i></li> <li>• Prepare and manage the <i>Strategic Asset Management Plan</i></li> <li>• Ensure asset standards are established and documented</li> <li>• Maintain and improve the asset management suite of Methodologies</li> <li>• Provide governance oversight and assurance for implementation of the Asset Management System</li> <li>• Prepare and implement an Asset Management Improvement program</li> <li>• Prepare and manage the individual asset management plans</li> <li>• Manage the Asset Portfolio Investment Program</li> <li>•</li> <li>• Perform asset condition and risk assessments</li> <li>• Undertake asset performance assessments</li> <li>• Develop and implement routine maintenance plans</li> <li>• Establish and maintain asset information</li> <li>• Work with Operations to define the renewals program objectives, scope, customer impacts, constraints and budgets (P&amp;IDs)</li> </ul>

Role	Core Asset-Related Responsibilities
General Manager Operations (by Region)	<ul style="list-style-type: none"> <li>• Manage the non-routine program execution</li> <li>• <del>Prepare detailed program/project business cases</del></li> <li>• Ensure renewals program aligns with established Asset Management Plans</li> <li>• Develop fit-for-purpose renewals project solutions that achieve Sunwater’s strategic asset management and business objectives</li> <li>• Engage with customers regarding asset planning</li> <li>• Ensure maintenance costs are justified and supported by pricing frameworks</li> <li>• <del>Deliver the renewals works program within budgetary and business parameters</del></li> <li>• </li> </ul>
Chief Development Officer	<ul style="list-style-type: none"> <li>• Initiate, plan, deliver and closeout the Major Projects program of works in accordance with all agreed project specific metrics</li> <li>• Delivery, closure and operationalisation</li> </ul>
General Manager Engineering Services	<ul style="list-style-type: none"> <li>• Establish technical services support frameworks across the business</li> <li>• Manage technical assurance and skills including governance/review capability (including Registered Professional Engineer Queensland (RPEQ) supervision) to support infrastructure and asset management</li> <li>• Develop and further establish engineering standards frameworks</li> <li>• Continue development of technical drawing standards across the business</li> </ul>
General Manager Asset Integrity	<ul style="list-style-type: none"> <li>• Manage Dam Improvement Program (DIP)</li> <li>• Dam Safety Management Program (portfolio risk assessment, comprehensive risk assessment, 20-year dam safety reviews)</li> <li>• Dam safety technical decision-making</li> </ul>
General Manager Stakeholder Relations	<ul style="list-style-type: none"> <li>• Create customer strategies</li> <li>• Create the <i>Regional Blueprint</i> for long term customer strategies</li> </ul>

## 6.2. Implementation plan

An implementation plan defining the means by which the AMS will achieve the asset management objectives has been provided in the table below, as a mechanism to connect to the initiatives within our strategic programs for work and execute the objectives.

The initiatives aligned to this plan will be planned across Sunwater’s strategic horizons and monitored as part of the Key Performance Indicator (KPI) performance review process (Table 4). New initiatives will be added, as required, to achieve these objectives.

Table 4 Initiatives to achieve the Strategic Asset Management Objectives

Sunwater’s strategic goals		Asset management objectives	Our AMS will provide:
A safe high-performance culture	‘Act on it’ safety mindset	Our assets will be managed to provide a safe environment for our workers and the community, and we will continuously reduce dam safety risk as soon as practical	<ul style="list-style-type: none"> <li>• procedures in place for management of high-risk assets</li> <li>• strong culture of dam safety management and compliance</li> </ul>

Sunwater’s strategic goals		Asset management objectives	Our AMS will provide:
			<ul style="list-style-type: none"> <li>• safe work procedures for high-risk assets</li> <li>• assets designed with a safety mindset.</li> </ul>
	Our people deliver results, and are engaged and capable	Our people will be capable and engaged in asset strategy and execution of initiatives with KPI and asset management accountabilities clearly understood by the business	<ul style="list-style-type: none"> <li>• asset strategy linked to business goals</li> <li>• KPI’s and targets clearly communicated by line managers</li> <li>• asset management capability developed across asset management roles</li> <li>• responsibilities and accountabilities clearly understood within business units.</li> </ul>
A sustainable business	Innovation and business improvement focus	Asset opportunities and innovation will be continually assessed and implemented to improve our value offering	<ul style="list-style-type: none"> <li>• continual improvement in our digital strategies and information management capabilities</li> <li>• governance and continual review and improvement of our processes and procedures</li> <li>• our strategic initiatives connected across the business</li> </ul>
	Assets and resources optimised	Our assets will be fit for purpose and optimally managed throughout their lifecycle to deliver customer and shareholder value.	<ul style="list-style-type: none"> <li>• asset lifecycle integrated across project and program planning</li> <li>• continual feedback of condition and risk information to optimise asset maintenance and service delivery.</li> </ul>
Supportive stakeholders	Our customers value us	Our customer needs will be understood and our customers engaged to develop trust in our asset investments and planning decisions	<ul style="list-style-type: none"> <li>• stronger alignment with customer strategy in asset management strategy and planning</li> <li>• customer profiling and demand understood and used to optimise asset type strategies</li> <li>• communication strategies created for customers to achieve engagement, transparency and trust.</li> </ul>
	We collaborate with all stakeholders	We will collaborate and integrate with internal and external stakeholders to strengthen our asset services and value offering.	<ul style="list-style-type: none"> <li>• stakeholder engagement in operational issues such as shutdown planning</li> <li>• customer engagement in service and non-routine program delivery</li> </ul>

Sunwater’s strategic goals		Asset management objectives	Our AMS will provide:
			<ul style="list-style-type: none"> <li>leverage strategic initiatives across the business to achieve improvement asset management outcomes.</li> </ul>
Commercially focused operations	Efficient service delivery to our customers	We will continually optimise our asset lifecycle and processes to provide efficient delivery of services to customers	<ul style="list-style-type: none"> <li>asset strategies continually revised to meet customer service requirements</li> <li>options studies leveraged and informing future plans</li> <li>energy efficient strategies in new and existing assets</li> <li>efficient routine and non-routine planning and execution.</li> </ul>
	Value improvement focused	We will fully leverage asset opportunities and realise value improvement across the asset management value chain	<ul style="list-style-type: none"> <li>opportunities and partnerships explored to improve value offering</li> <li>assess and implement value adding opportunities across the asset lifecycle.</li> </ul>
Policy alignment			
Policy and governance	See policy statements	We will provide asset management governance and compliance with all relevant legislation, regulation, licences, permits, approvals and authorities	<ul style="list-style-type: none"> <li>asset governance and assurance in effective and efficient policies and procedures</li> <li>safety and legislation considered in our procedures and work instructions</li> <li>engineering standards maintained and design / review / signoffs undertaken by qualified personnel</li> <li>strong dam safety management program.</li> </ul>

### 6.3. Monitoring

Due to the overall strategic alignment of the asset management objectives with Sunwater’s strategic goals and work programs, the initiatives within these programs will be leveraged to strengthen the establishment of the AMS framework across Sunwater and to monitor the achievement of the asset management objectives by establishing a series of improvement KPI’s.

In addition to this, the maturity of the AMS will be benchmarked and assessed using the *Self-Assessment Methodology for ISO 55000*; which reviews the asset management maturity of a business against an established set of asset management standards provided in the *ISO 55000*, standard of asset management.

Sunwater has a well-established framework for measuring KPI and monitoring progress against defined targets. Monitoring and improvement activities against this SAMP and other aspects of the Asset Management System will be integrated with the existing KPI framework, using the existing approach and methodologies.

## 7. Related legislation and documents

Table 5 Associated Documents

Sunwater references	Legislation, Standards and other references
<ul style="list-style-type: none"> <li>• AM01 P01 Asset Management Policy</li> <li>• Planned Corrective Maintenance Development Process (#2819200)</li> <li>• Program Delivery Planned Corrective Maintenance Guideline (#2819202)</li> <li>• Program Delivery Planned Corrective Maintenance Procedure (#2819205)</li> <li>• AM31 Asset Performance Monitoring and Measurement</li> <li>• AM21 Asset Refurbishment Planning – Methodology for Condition Assessments of Assets</li> <li>• Corporate Plan</li> <li>• DSMP001 Dam Safety Management Program Procedure</li> <li>• DS00 Referable Structures Safety Policy</li> <li>• Environmental Policy</li> <li>• Fees and Charges Schedule</li> <li>• Guide to SAP PM Asset Hierarchy Development</li> <li>• Methodology for Risk Assessment of Infrastructure Assets</li> <li>• Non-Routine Works delivery Methodology</li> <li>• Options Analysis Guidelines – Non-Regulatory Period</li> <li>• AM 11 G4 Options Analysis Guidelines Regulatory Period</li> <li>• Procedure Map – Asset Strategy and Development</li> <li>• Business Management (Quality) Policy</li> <li>• Enterprise Risk Management Policy</li> <li>• Risk Management Framework</li> <li>• Routine Works Planning and Delivery Methodology</li> <li>• Statement of Corporate Intent</li> <li>• Sunwater Dam Improvement Plan</li> <li>• Supply Contract Standard Conditions</li> <li>• Water Supply Arrangements and Service Targets</li> <li>• Work Health, Safety and Well-Being Policy</li> <li>• Shareholder Mandate and Strategic Expectations</li> <li>• Sunwater Regional Blueprint</li> <li>• Business Development Strategic Plan</li> <li>• Customer Strategy</li> <li>• Asset Management System Manual</li> <li>• Regional Blueprint</li> </ul>	<ul style="list-style-type: none"> <li>• Government Owned Corporations Act 1993 (Qld)</li> <li>• Water Act 2000 (Qld)</li> <li>• Water Supply (Safety and Reliability) Act</li> <li>• Queensland Dam Safety Management Guidelines (October 2020, Qld Government)</li> <li>• Guidelines on Safety Assessments for Referable Dams (November 2021, Department of Regional Development, Manufacturing and Water (DNRW))</li> <li>• Guidelines on Risk Assessment (2022, ANCOLD)</li> <li>• Statement of Corporate Intent</li> <li>• the Guidelines on Acceptable Flood Capacity for Water Dams</li> <li>• Investment Guidelines for Government Owned Corporations (2013, Queensland Treasury and Trade)</li> <li>• Water Supply (Safety and Reliability) Act 2008 (Qld)</li> <li>• Quality Management (ISO 9001:2015)</li> <li>• Strategic Asset Management (ISO 55001)</li> <li>• Environmental Management (AS/NZS ISO 14001:2004)</li> <li>• Safety Management (AS/NZS 4801:2001)</li> </ul>

## 8. Definitions

Table 6 Acronyms and abbreviations

Acronym / abbreviation	Explanation
AM	Asset Management
AMP	Asset Management Plan
AMS	Asset Management System
ANCOLD	Australian National Committee on Large Dams
BW	Burnett Water Pty Ltd
DIS	Drawing Information System
DIP	Dam Improvement Program
DSMP	Dam Safety Management Program
EAP	Emergency Action Plan
ERP	Enterprise Resource Planning
EWP	Eungella Water Pipeline Pty Ltd
GIS	Geographical Information System
GOC	Government Owned Corporation
ISO	International Organization of Standardization
KPI	Key Performance Indicator
NSP	Network Service Plan
NWQWP	North West Queensland Water Pipeline Pty Ltd
OEM	Original Equipment Manufacturer
P3MF	Program and Portfolio Management Framework
PCM	Planned Corrective Maintenance
QCA	Queensland Competition Authority
ROL	Resource Operations Licence
RPEQ	Registered Professional Engineer Queensland
SAMP	Strategic Asset Management Plan
SAP PM	SAP Plant Management

Acronym / abbreviation	Explanation
SCADA	Supervisory Control and Data Acquisition
SCI	Statement of Corporate Intent
SWIMS	Sunwater Information Management System
WHS	Workplace Health and Safety

Table 7 Glossary of Terms

Defined Term	Explanation
Asset	An item, thing or entity that has potential or actual value to an organisation and is realised by a balancing of costs, risk, opportunities and performance. Value can be tangible or intangible, financial or non-financial, and includes consideration of risks and liabilities. It can be positive or negative at different stages of the asset life. Physical assets usually refer to equipment, inventory and properties owned by the organisation. Physical assets are the opposite of intangible assets, which are non-physical assets such as leases, brands, digital assets, use rights, licences, intellectual property rights, reputation or agreements. A grouping of assets referred to as an asset system could also be considered as an asset. (AS ISO55000:2014)
Asset Hierarchy	The structure within an asset register that establishes the dependency or interrelationship of functional locations and equipment for the purpose of effective asset management. (A Guide to SAP PM Asset Hierarchy Development - AM40_G3)
Asset Integrity	A standard of operating that aims to protect equipment, health, safety and environment. It applies to all stages of the equipment life cycle. (Inspectioneering 2018, 'Overview of Asset Integrity Management', < <a href="https://inspectioneering.com/tag/asset+integrity+management">https://inspectioneering.com/tag/asset+integrity+management</a> >)
Asset Life	The period from asset creation to asset end-of-life. (AS ISO55000:2014)
Asset Management	A coordinated activity of an organisation to realise value from assets. Activity can also refer to the application of the elements of the asset management system, the approach, the planning, the plans and their implementation. (AS ISO55000:2014)
AMP	Asset Management Plan  Documented information that specifies the activities, resources and timescales required for an individual asset, or a grouping of assets, to achieve the organisation's asset management objectives. The grouping of assets may be by asset type, asset class, asset system or asset portfolio. An asset management plan is derived from the strategic asset management plan and may be contained in, or be a subsidiary plan of the strategic asset management plan. (AS ISO55000:2014)
Asset Management Policy	The principles and mandated requirements derived from and consistent with the organisational/corporate plan, providing a framework for the development and implementation of the asset management strategic plan and the setting of the asset management objectives. (Global Forum on Maintenance and Asset Management 2014, 'The Asset Management Landscape: second edition', available at: <a href="http://www.gfmam.org/publications.html">http://www.gfmam.org/publications.html</a> ).

Defined Term	Explanation
Asset Management Strategy	The strategic plan for the management of the assets of an organisation that will be used to achieve the organisational/corporate objectives. Long-term approach to management of the physical assets. Includes a set of strategic statements that describe current and future service levels the organisation is planning to deliver and current and future asset management capabilities that the organisation needs in order to sustainably deliver these outcomes. (Global Forum on Maintenance and Asset Management 2014, 'The Asset Management Landscape: second edition', available at: <a href="http://www.gfmam.org/publications.html">http://www.gfmam.org/publications.html</a> )
Asset Management System	This is a management system for asset management whose function is to establish the Asset Management Policy and asset management objectives. It is a subset of asset management (AS ISO55000:2014).
Asset Type	The grouping of assets having common characteristics that distinguish those assets as a group or class. For example: physical assets, information assets, intangible assets, critical assets, enabling assets, linear assets, information and communications technology assets, infrastructure assets, moveable assets. (AS ISO55000:2014)
Life Cycle	The stages involved in the management of an asset. The naming and number of the stages and the activities under each stage usually vary in different industry sectors and are determined by the organisation. (AS ISO55000:2014)
Maintenance Policy	A set of organisational rules that define the thresholds and basis for making decisions about the activities required to conserve the service potential of an asset without extending its life. (Victoria State Government 2017, 'Asset management Accountability Framework', Department of Treasury and Finance, Melbourne)
Monitoring	Determining the status of a system, a process or an activity. (AS ISO55000:2014)
Objective	Result to be achieved. An objective can be strategic, tactical or operational. They can relate to different disciplines (health and safety, environmental goals) and can apply at different levels (such as strategic, organisation-wide, project, process). An objective can be expressed in other ways, e.g. as an intended outcome, a purpose, an operational criterion, an asset management objective or by the use of other words with similar meaning. In the context of asset management systems, asset management objectives are set by the organisation, consistent with the organisational objectives and Asset Management Policy to achieve specific measurable results. (AS ISO55000:2014)
Organisational Objective	Overarching objectives that set the context and direction for an organisation's activities. Organisational objectives are established through the strategic level planning activities of the organisation. (AS ISO55000:2014)
P3MF	The Project, Program and Portfolio Management Framework (P3MF) is the integrated delivery, governance and assurance methodology used to enable successful delivery of initiatives and projects across Sunwater's Enterprise Investment Portfolio.
Policy	Intentions and direction of an organisation as formally expressed by its top management. (AS ISO55000:2014)
Risk	The effect of uncertainty on objectives. An effect is a deviation from the expected and can be either positive or negative. Risk is often characterised by reference to potential 'events' and 'consequences', or a combination of these. (AS ISO55000:2014)



Defined Term	Explanation
Risk Management	The coordinated activities to direct and control an organisation with regard to risk. (Victoria State Government 2017, 'Asset management Accountability Framework', Department of Treasury and Finance, Melbourne)
Service Contract	Service Contracts are specific to a particular service type and represent a group of assets that generate cash inflows largely independent of cash flows from other groups of assets. For example, a bulk water Service Contract area may include a dam, associated weirs, water accounting services, and a range of operational and maintenance services for customers in that area.
Stakeholder	A person or organisation that can affect, be affected by, or perceive themselves to be affected by a decision or activity. (AS ISO55000:2014)
Strategic Asset Management Plan	Documented information that specifies how organisational objectives are to be converted into asset management objectives, the approach for developing asset management plans and the role of the asset management system in supporting achievement of the asset management objectives (AS ISO55000:2014)
Sustainable Asset Management	The amount and timing of investment in resources and systems necessary to make sure our assets can make the social, economic and environmental contribution that we need or want at the least cost, risk and impact in a sound governance and decision-making framework (Waverly Council 2013, 'Strategic Asset Management Plan4')

## 9. Approval and review details

<b>Owner:</b>	General Manager Asset Management	<b>Issue Date:</b>	November 2023
<b>SME:</b>	Regional Planning Managers	<b>Next Revision Date:</b>	November 2025