

Asset Management Policy

Waipa Networks Limited is committed to maintaining, operating and developing its electrical distribution system and supporting management structures to convey electricity to connected consumers in a safe, reliable, efficient and sustainable manner.

This will be achieved through the regular review, continuous development and application of an Asset Management Plan.

The Asset Management Plan provides a governance and management framework that ensures Waipa Networks Limited:

- Sets service levels for its electricity network that reflect safety, customer, community, industry good practice and regulatory requirements.
- Understands what network capacity, reliability, power quality and security of supply will be required both now and, in the future, based on those expected service levels, and what issues drive these requirements.
- Has a robust and transparent process in place for managing all phases of the network lifecycle from concept to disposal.
- Has adequately considered the classes of risk implicit in all of the network lifecycle activities and that it has systematic processes in place to mitigate identified risks.
- Has made adequate provision for funding and resourcing all phases of the network lifecycle for incorporating into Waipa Networks Limited's annual and ten-year budgeting cycles.
- Makes decisions within systematic and structured frameworks at each level within the business eliminating ad-hoc decisions.
- Has an ever-increasing knowledge of its asset locations, ages, conditions, criticality and the networks likely future performance and characteristics as it ages or is required to perform at different levels. This will be supported by asset management systems and processes.

The secondary purpose of this Asset Management Plan is to inform Waipa Networks Limited's stakeholders of the Company's:

- Policies for investment in construction, maintenance, and retirement of assets.
- Policies for operating the network in a safe and prudent manner.
- Security of supply and network reliability targets for different consumer segments.
- Areas of asset management where improvements are required.
- Major network developments and enhancements over the next 10 years.
- Annual capital and maintenance expenditure forecasts.



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