Grid Asset Management Policy

<table>
<thead>
<tr>
<th>ISSUE DETAILS</th>
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<tbody>
<tr>
<td>Effective Date:</td>
<td>November 2014</td>
</tr>
<tr>
<td>Policy Owner:</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>Written By:</td>
<td>Strategy and Investment Manager, Grid Development</td>
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<tr>
<td>Approved By:</td>
<td>Transpower Board of Directors</td>
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<td>Revision Authority:</td>
<td>The Chief Executive or the General Managers Grid Performance, Grid Development, and Grid Projects have the authority to approve minor (but not material) revisions and amendments without the requirement for a repeat approval.</td>
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<tr>
<td>Review Frequency:</td>
<td>Two yearly</td>
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<tr>
<td>Review Date:</td>
<td>November 2016</td>
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TRANSPOWER APPROVED CORPORATE POLICY

This Policy is to be implemented: November 2014
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1. PREFACE
This document replaces the Grid Asset Management Policy – CP.NR.GP.001, Issue 2.

2. COMPLIANCE REQUIREMENT REFERENCES

2.1 Legislation and regulations
This Policy applies to all Transpower employees, contractors, consultants and business units. This Policy requires compliance with all applicable:
• legislation
• regulations
• approved codes of practice.

2.2 Related policies
This Policy requires compliance with and/or knowledge of the following policies:
• Learning and Development Policy
• Performance and Development Policy
• Recruitment and Selection Policy
• Risk Management Policy
• Safety and Health Policy
• Information Management Policy.

2.3 Key words
• asset lifecycle.
• asset management
• grid
• PAS 55
• policy.

3. PURPOSE OF POLICY
This policy provides the framework for Transpower’s management of the assets of the national grid. The policy guides the development of Transpower’s grid asset management strategies and objectives, and seeks to promote continuous improvement in how Transpower’s assets are managed to meet consumer performance expectations.
4. GRID ASSET MANAGEMENT POLICY
As a service orientated company, Transpower is committed to ensuring that the national grid provides safe, reliable and cost effective electricity transmission services for the benefit of all New Zealanders. We demonstrate this commitment by:

- Embedding a strong safety culture and capability, striving for zero harm to employees and members of the public;

- providing an enduring, reliable and efficient transmission network to meet New Zealand’s present and future needs

- maximising performance of our assets to deliver the performance expected of the grid by consumers, taking into account the trade-off required between cost and risk

- making asset management decisions based on complete, accurate and timely information

- ensuring that the right mix of talented, competent and motivated people are developed and retained to improve our asset management capability

- building effective relationships with all New Zealanders affected by our asset-related activities

- complying with all applicable statutory and regulatory requirements.

5. MONITORING COMPLIANCE WITH THIS POLICY
The Strategy and Investment Manager is responsible for monitoring compliance with this Policy and reporting any non-compliance to the Asset Management Board.

The Strategy and Investment Manager will coordinate all ongoing communications relating to this Policy, in order to build and maintain awareness of this Policy amongst Transpower’s employees, contractors and consultants.