ONTARIO POWER GENERATION

Guideline

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Title:
ASSET MANAGEMENT OVERSIGHT COMMITTEE TERM OF REFERENCE

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Asset Management Oversight Committee Term Of Reference

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Receives Authority from:
N-PROC-AS-0084, Nuclear Asset Management and Investment Planning

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1.0 OBJECTIVES

This Terms of Reference describes the objectives, accountabilities, and deliverables of the Asset Management Oversight Committee (AMOC) at full maturity. This document serves as an implementation document to **N-PROC-AS-0084, Nuclear Asset Management and Investment Planning**.

1.1 Asset Management Oversight Committee

AMOC is the Asset Owner, composed of a senior management committee with representation from the generating stations and supporting business units. AMOC consists of two levels: Site AMOC (SAMOC) and the Nuclear AMOC (NAMOC).

1.2 Site Asset Management Oversight Committee (SAMOC) Objectives

There are three nuclear site AMOCs: Darlington, Nuclear Waste Management, and Inspection & Reactor Innovation. The Pickering site may also implement the Asset Management process and this AMOC Terms of Reference to meet specific business needs.

SAMOCs review, challenge, and approve/reject asset investment options as candidates into the site asset investment portfolio. SAMOCs should also review and approve all submissions and updates to the risk profiles for the site assets.

SAMOC may engage a site screening committee to screen asset investment options before submission to SAMOC.

SAMOCs may approve an asset investment option with investment cost less than or equal to $20 million, and may recommend an asset investment option with investment cost greater than $20 million to the NAMOC for approval. SAMOCs may also recommend asset investment options with investment cost less than or equal to $20 million to the NAMOC for approval on a case by case basis as determined by each SAMOC or at the request of the NAMOC.

After reviewing an asset investment option submission, SAMOCs may:

- Approve;
- Recommend to NAMOC for approval;
- Conditionally approve with changes or follow-up actions; or
- Reject with follow-up actions as needed.

SAMOC oversight includes:

1. Maintaining a list of all material site assets under the Asset Hierarchy and reviewing the Asset Hierarchy on a periodic basis

2. Validating that asset investment options:

    a. Have been systematically identified and evaluated

b. Adequately assess and address key asset risks

c. Are viable and are aligned with resource requirements and availability of other site groups such as Work Management, Generation Planning, Supply Chain, Engineering, Projects & Modifications, and Finance

3. Reviewing project charter status for new start projects

4. Monitors Asset Management KPIs

5. Supporting the optimization of the asset investment portfolio, such as providing recommendation to NAMOC of project new starts for the business planning period

1.3 Nuclear Asset Management Oversight Committee (NAMOC) Objectives

NAMOC reviews, challenges, and approves/rejects asset investment options as candidates into the asset investment portfolio. NAMOC should review and approve all submissions with investment cost exceeding $20 million and updates to the risk profiles for the fleet assets.

Only NAMOC may approve asset investment options with investment cost greater than $20 million after such asset investment options have been recommended for approval by a SAMOC.

After reviewing a submission, the NAMOC may:

1. Approve;
2. Conditionally approve with changes or follow-up actions; or
3. Reject with follow-up actions as needed.

NAMOC oversight shall include similar activities as SAMOC's in reference to **Section 1.2** Items 1 – 4 for asset investment options that requires approval from NAMOC.

In addition, the NAMOC carries out a number of other oversight activities, including:

- Optimizes the fleet asset investment portfolio on a periodic basis by setting project new starts for each approved investment option over the business planning period to maximize total portfolio asset investment net value within financial, resource and scheduling constraints.

- Approves re-allocation of project portfolio budget between SAMOCs, as needed

- Reviews and approves Value Framework and Risk Tolerance

2.0 MEMBERSHIP AND QUORUM

Membership	SAMOC	NAMOC
Sponsor	Site SVP or Site VP	• President, Nuclear • CNO
Chairperson	Director, Controllership (site)	VP, Operations Controllership
Other quorum members[1]	• Director, Engineering • Director, Operations and Maintenance • Director, Work Management (or equivalent) • Director, Projects & Modifications • Director, Planning & Projects Controls	• SVP, Nuclear Fleet Operations • SVP, Nuclear Engineering & Chief Nuclear Engineer • SVP, Pickering • SVP, Darlington • VP, Nuclear Waste Management • VP, Inspection & Reactor Innovation • VP, Projects & Modifications • VP, Planning & Projects Controls
Non-quorum	• Senior Manager, Investment Management • Senior Manager, Planning & Reporting	• Director, Controllership (central) • VP, Engineering Strategy
Minimum quorum required	Shall consist of 5 out of 7, with mandatory attendance of the sponsor or the chairperson	Shall consist of 7 out of 11, with mandatory attendance of the sponsor or the chairperson
Delegate	One of the direct reports of the quorum member and will be empowered to make decisions on behalf of the quorum member	

3.0 MEETING STRUCTURE

3.1 Meeting Frequency

- SAMOCs – once every month, subject to individual site business needs
- NAMOC – once every three months, subject to business needs

3.2 Meeting Agenda and Materials

New or revised materials should not be accepted for inclusion in a meeting after the materials freeze date. Exceptions require approval from the chairperson on a case by case basis.

The agenda for AMOC meetings should follow a standard format that includes the review of:

[1] As applicable or equivalent position

- Minutes and Actions from previous meeting
- Asset Management program update including operational and financial metrics, as well as asset risk profiles
- Asset Investment Options Templates (AIOTs)
- Current year project performance, business planning forecasts and long-term outlook forecasts, as applicable.
- Current asset investment portfolio
- Emergent/other issues, such as updates to baseline asset risk profiles

Meeting materials for SAMOC and NAMOC should be submitted to the applicable Controllership representative by the materials freeze date prior to the scheduled date of the meeting.

An AMOC action log with owner of the action and target completion date should be maintained and sent out within five business days following each meeting.

4.0 DEFINITIONS AND ACRONYMS

Refer to the equivalent section in **N-PROC-AS-0084, Nuclear Asset Management and Investment Planning**.

5.0 REFERENCES

Refer to the equivalent section in **N-PROC-AS-0084, Nuclear Asset Management and Investment Planning**.