



STRATEGIC ASSET MANAGEMENT POLICY

This policy is part of a broader asset management system (management system) that sets out the commitments and approach for effectively and sustainably managing the provision of water services through the Union Water Supply System (UWSS).

1. SCOPE

This policy applies to the management of activities associated with the lifecycle management of all Union Water Supply System Inc (UWSS Inc.) owned assets. Where the provision of drinking water is supported by other assets not owned by UWSS Inc, the UWSS Inc. will collaborate with those asset owners to promote the principles outlined in this policy.

2. ASSET MANAGEMENT POLICY REQUIREMENTS

Asset management principles in line with ISO 55001 and Effective Utility Management have been applied in shaping the policy requirements below. The principles are further outlined in the UWSS Strategic Asset Management plan. The policy requirements are set out below.

UWSS Inc. shall:

1. Formalize practices and responsibilities using a coordinated approach that ensures financial sustainability, following recognized asset management principles, while simultaneously communicating relevant policies and programs to internal and external stakeholders.
2. Manage service delivery to customers considering:
 - i. Complying with all legislated requirements
 - ii. Protecting and upholding public safety, community well-being and the environment
 - iii. Reliably meeting the informed expectations of stakeholders and the public.
3. Ensure the long-term sustainability and environmental adaptability of the organization by:
 - i. Upholding service levels at the minimum sustainable cost by minimizing expenditures on capital and operational costs, without deferring or underfunding maintenance or renewal.
 - ii. Proactively planning the long-term financial needs considering the full lifecycle needs and costs of assets including the capital and operating needs and revenues.
 - iii. Evaluating and understanding climate related vulnerabilities and prioritizing appropriate adaptation actions.
 - iv. Defining climate change mitigation goals and objectives and prioritize appropriate mitigation actions.
4. Demonstrate fiscal responsibility through effective asset management decision making by:
 - i. Utilizing decision making approaches based on reliable and accurate data, risk analysis, lifecycle analysis, and service delivery expectations and needs.



Union Water Supply System Inc.

- ii. Including the understanding of climate related vulnerabilities and opportunities in decision making.
 - iii. Using a consistent and comprehensive investment and business planning approach across the organization.
 - iv. Considering the long term financial contingency needs of the organization.
 - v. Co-ordinating with local municipal authorities involved in the delivery of service to customers.
5. Ensuring that adequate resources are provided for implementation of this policy.
 6. Ensure appropriate opportunities for engagement with relevant interested parties throughout asset management planning processes. Create opportunities for the public and other interested parties to provide input on their needs and expectations.
 7. Ensure compliance with applicable regulations and legislation including but not limited to:
 - i. O. Reg. 588/17 as amended by O. Reg. 193/21 (legislation relating to Asset Management Plans)
 - ii. Safe Drinking Water Act, 2002, S.O. 2002, c. 32
 - iii. Planning Act, R.S.O. 1990, c. P.13 (Ontario's land-use planning framework)
 8. Aligning with other organizational policies including a Tangible Capital Asset (TCA) Policy

3. RESPONSIBILITIES

This policy shall be governed and overseen by the UWSS Board of Directors.

The implementation of actions within UWSS Inc. required to achieve the policy requirements shall be the responsibility of the Chief Executive Officer of UWSS Inc.

Further roles and responsibilities are set out in the UWSS Strategic Asset Management Plan which forms Part B of this Policy.