



Stop Press

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EVENTS

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AWARDS

Kate Robertson amea@amcouncil.com.au

- Stewart Lawrence elected Melbourne Chapter Chair
- ICOMS Registration Brochure now out
- Membership now available to June 2009 at 50%
- AMF Course dates for 2009 have been selected
- Geoff Cannon awarded an OAM (Order of Australia Medal) See page 5
- Kate Robertson joins the AM Council Staff. See page 6

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Recognising the journey towards excellence

Established in 1996, the Asset Management Excellence Awards is a celebrated annual ceremony which recognises excellence in the application of asset management technologies, in small to large scale companies who either are operating on a national or international level.

Developed by the Asset Management Council, a Technical Society of Engineers, Australia, the Awards includes three prestigious honors; the Asset Management Excellence Award, the Leadership Award, and the AMEA Student Awards.

Participation in the Awards provides a unique opportunity for you to showcase your enterprise and your people to the wider engineering and asset management communities. Included in the Awards is an independent review of your asset management practices and processes by eminently qualified asset management engineers.

The Awards ceremony will be held in conjunction with the ICOMS Asset Management Conference, Sydney, from 1 – 5 June 2009.

Entries for the 2009 Asset Management Excellence Awards are now open until Monday 30th March 2009.

For more information on how to enter the 2009 Asset Management Excellence Awards, please contact Kate Robertson, Excellence Awards and Communications Coordinator by phone on 03 9830 4899 (Wednesday-Thursday), or via email at amea@amcouncil.com.au.



Stuart Gibson (right) was awarded the AM Council Leadership Award in 2008.

New Members

We would like to welcome the following new members for 2009.

Individual Members

Melbourne	Dennis Janossich
Brisbane	Mark Robertson
Illawarra	Franc Spinelli

Corporate BRONZE

Bombardier	
Andrew Howey	Key Representative
Brett Wilson	Corporate nominee
Eric Dube	Corporate nominee

From MY DESK

A shared world view!

As the world slips deeper into the worst recession since WWII, governments are typically responding with massive stimulus packages for infrastructure development. Some, such as the United States, recognise the decayed nature of their basic infrastructure and propose massive programs to upgrade critical infrastructure such as bridges and power grids. Others such as China recognise the essential role that infrastructure plays in both community equity and the need to improve the efficiency of their productive capacity and are funding nation building projects for the benefit of the community as a whole. A significant challenge for all will be assuring that this infrastructure stimulus, which represents future debt, achieves some lasting value and is not a political make work diversion. What is also clearly evident from these events is the significant interconnectedness of our world – no-one country appears to be immune from the contagion – in our modern global economy everyone is connected to everyone else. Likewise our developing asset management profession is increasingly globally connected through organisations that operate around the planet and through institutions that represent national and continental coverage. These co-operative connections will help all in seeking a world wide consensus on what is good asset management and gain agreement that good asset management is too important to be by intellectual property and copyright monopolies that represent product differentiation rather than added value. The world does not need multiple versions of “good asset management” each claiming to be the only true way – such behaviour diminishes us and our profession and dilutes the limited resources necessary to achieve “good asset management”.

As a developing profession in Australia, it could be argued that our asset management constituency should seek to encourage a world consensus on “good asset management”, should seek to be at the forefront of influencing expenditure decisions through the application of lifecycle thinking that is outside the box. How should we spend the economic stimulus, should we instantly spend on more infrastructure (any infrastructure), should we improve efficiency, should we reduce demand or should we do a balanced mix of all three at the same time? These are questions whose solutions represent areas of an asset management services market that have very different players and require quite different capabilities – often they reside in separate authorities with little connectivity and no evident overarching leadership necessary to a holistic outcome. I believe we have an opportunity and a duty to work with others around the world to demonstrate how lifecycle thinking can answer these questions and change our future. I believe AM Council can and should participate in constructive and sharing partnerships both nationally and internationally that can change our planets future.

The AM Council would appreciate your thoughts on this view of the future and our role in that future.

Regards and best wishes

James (Jim) Kennedy
Chairman
January 2009



NEW STAFF!



The Asset Management Council would like welcome Kate Robertson!

Kate is the newest member of the Asset Management team, entering the position of Excellence Awards and Communications Co-ordinator. Kate has a strong background in Arts and is undertaking the task of developing and co-ordinating the Excellence Awards. It is nice to have a new smiling face around the workplace –

welcome aboard Kate.

Electronic version of AMMJ

Members of the AM Council/MESA are entitled to a complimentary copy of the eAMMJ. The current edition (February) may now be downloaded from the following special web page:

www.maintenancejournal.com/AMMJFeb09RBmesa.htm

The Asset Management and Maintenance Journal is also available in a quality print version for an annual subscription of A\$170.00.

Calendar of Events

- ❖ ICOMS Asset Management Conference 2009
June 1-5, Sydney
www.amcouncil.com.au
- ❖ ABRAMAN Conference 2009 (Brazilian Maintenance Association),
August 31 to September 4th. in Recife, Brazil
- ❖ World Congress on Engineering Asset Management 2009 (WCEAM 2009), Athens, Greece, September 2009. For further details
www.wceam.com
- ❖ SMRP 17th Annual Conference, October 19-22, 2009, St Lois, Missouri. For further details
www.smrp.org
- ❖ Euromaintenance 2010: 11-13th May 2010

Do You Have News?

If you have a news item or letter to the editor, deadlines for forthcoming newsletters are given below.

Newsletter deadline

March	February 21
April	March 21

From the CEO

Welcome to 2009. It is certainly shaping to be a challenging year on many fronts. And with challenge comes opportunity for growth.

Your office bearers and staff are striving to improve the information, dialogue and networking for our members and asset management community. Well equipped maintenance engineering and asset management practitioners make such a positive difference to local economies and society quality of life, by improving reliability, and increasing revenue and ROI. Late last year, we introduced technical FAQ's and Q&As.

Not everyone agrees with the views in the FAQs, and have written to suggest alternative perspectives.

Share your opinion with other AM practitioners:

<http://amcouncil.com.au/cms/yabb/YaBB.pl>

Chapter News

Gippsland

What's happening in the Gippsland Chapter?

- Ray Beebe is planning to further the chapter's involvement with engineering and asset management by arranging some meetings with the Gippsland Engineers Australia group. More information will be given out closer to the dates.
- Gippsland Chapter Chair Ray Beebe is among the speakers at the 2009 Strategicorp Meeting, Manly 3/4 March. See www.strategicorp.com for details and how to register. Only \$450 for two days, including evening function!

Canberra

What's happening in the Canberra chapter?

Geoff Cannon received an Australia day honour, being appointed the medal of the Order of Australia (OAM) in recognition for outstanding achievement and service.

Geoff received the OAM for meritorious service to the Royal Australian Navy in the field of Weapons Electrical Engineering and the support and development of Combat Data Systems and Weapons Systems.

Congratulations Geoff!



Tasmania

- While the Tasmania chapter has been somewhat dormant over the past few years, there has been a show of interest from local Tasmanians to get the chapter back up and running. If you have any queries or wish to get involved contact the secretariat for more information.

Sydney

26 February 2009

Our February Meeting will be the Chapter's Annual General meeting. This will include election of Chapter office bearers and committee members for 2009.

Following the AGM an update on preparations for ICOMS09 will be provided. Input from the membership will also be sought for the Chapter's 2009 Technical programme, site visits and possible alternate meeting venues.

Time: 6:00pm to 7:30pm
Venue: Energy Australia Auditorium
RSVP by email : 25 Feb 2009

26 March 2009

Our March Sydney Chapter meeting will be a presentation on Enterprise Asset Management implementation titled "Assess to Implement". The "Assess to Implement" methodology and tool kit is a structured guide of how to implement Asset Management business improvements in a large asset centric organisation. This presentation describes a process which assists the implementation of business improvement initiatives with a strong focus on the probability of success rather than the "correctness" of the Asset Management content. Asset Management, in asset centric organisations, is a core process that is very often seen as a supporting service; this methodology ensures that there is a strategic alignment of Asset Management that underpins any business improvement initiative.

Glenn Hopkins has over 25 years experience in Asset Management working within many industry sectors both in Australia and Internationally. Glenn has worked predominantly as a Project Manager and Senior Consultant in developing information system generated business improvements. He combines his detailed understanding of asset-centric businesses and information systems knowledge with the practical tools necessary to construct projects with a high confidence of success. This knowledge is tempered by his experience in communicating directly with Senior Management relating improvement opportunities in terms of the corporate plan's desired outcomes. Glenn has over 14 years experience in generating business improvement from the Ellipse ERP and has worked with SAP and Maximo.

Corporate GOLD Profile – Sydney Water



Sydney Water delivers essential and sustainable water services for the benefit of the community.

Sydney Water is a statutory state owned corporation, constituted under the State Owned Corporations Act 1989. It operates under the Sydney Water Act, 1994.

Sydney Water supplies drinking water, recycled water, wastewater and some stormwater services to over 4 million people in Sydney, the Illawarra and the Blue Mountains.

Sydney Water's three main objectives are to:

- protect public health
- protect the environment
- be a successful business

Sydney Water:

- employs about 3,200 staff and many contractors
- collects income of over \$1.7 billion, mainly for its water and wastewater services
- manages assets with a replacement value of more than \$30 billion
- has operating expenditure of about \$1 billion
- Is investing \$4.6 billion in capital works over the next four years.

This program of works includes building the desalination plant, a number of recycling plants and essential projects to maintain infrastructure and service new growth areas.

Sydney Water's programs have received multiple national and international awards recognising its work with business, industry and government to improve water efficiency and ensure the long-term sustainability of Sydney's water supply.

ICOMS 2008 Technical Proceedings

Available for purchase

USB version of the 2008 proceedings are available at \$121 (AM Council / MESA Members \$110.00) GST inclusive. This price includes postage and handling.

2007 ICOMS Proceedings are also available at fire-sale prices. For more information, [click here](#).

Please make enquiries to Tina Grenfell, Ph: 03 9830 4899 or email to info@amcouncil.com.au

ICOMS Asset Management Conference Sydney 2009

Sydney, 1 – 5 June 2009

Sydney Masonic Centre (SMC)



Workshop 1: Managing wastes to reduce costs and improve performance: Joel Davison, Management Consultant, Prospect Consulting

When the economy slows companies often look to cost cutting for relief; projects are terminated, equipment replacements are delayed and people are made redundant. Unfortunately these actions only provide short term relief because they usually fail to address wastes - activities that are unproductive or that fail to add value. Removing wastes from a business reduces costs and positions the business for growth when good times return. However, wastes can be hard to see, confronting to address and challenging to overcome.

The aim of this workshop is to review each of the major Lean Wastes and to discuss experiences dealing with them. Participants will be invited to explore wastes across industries and within specific businesses, to discuss the behaviors that lead to wastes, and to share successful and unsuccessful approaches to mitigating them. Each of the Lean wastes will be examined systematically with the aim of enabling participants to consolidate their learnings into successful waste investigations for implementation on return to the workplace.

Workshop 2: The Asset Management Operational Strategic Plan: S. Bradley Peterson, President & CEO, Strategic Asset Management, USA

The workshop topic will be "Creating and Implementing a Strategic Plan for Asset Management". Plant Asset Management has become a growing trend within organizations and continues to gain momentum. This workshop will help participants better understand how to create and implement a successful plan for their organization. As well as answer any questions that may be troubling or confusing the participant in reference to developing a strategic plan for asset management.

Workshop 3: Reliability Skills for Asset Managers: David Sherwin

The workshop is intended for those using Reliability in their work as well as managers in need of an overview of the subject as applied to Asset Management. The focus is on Reliability theory necessary to find the best solutions in Assets Selection, Maintenance and Replacement. Each of the following topics is introduced in the context of its uses in the field of focus.

- Definitions, Probability and Distributions (very brief)
- Bathtub Curves for Parts and Systems
- System Reliability, Availability, Maintainability and Productiveness (Expected Mean Output under prescribed Maintenance)

- Data Collection and Analysis: Need and Methods (based on the presenter's paper to this conference)
- Matrix Methods for Maintained Systems avoiding use of Calculus and Transforms

Participants will also be briefly introduced to the following topics as applications of the theory covered, and issued with relevant notes and papers for private study after the course.

All these topics use parts of (a) to (e) above.

- Life-cycle Costs or Profits from ownership of an Asset or System of Assets
- Age and Block Renewal Models
- Inspection and Continuous Condition Monitoring
- Opportunity Maintenance (wait for a failure or statutory stoppage and then catch up on the Preventative Maintenance).

2009 Asset Management Council Annual Dinner

The Asset Management Council Gala Dinner is an opportunity for individuals to come together with colleagues, guests and friends to mark the significant achievements of those who entered the 2009 Asset Management Excellence Awards.

To be held in Sydney during the ICOMS Asset Management Conference, on the evening of Wednesday 3rd June 2009, the Asset Management Council Gala Dinner will be an event brimming with entertainment, inspiring speakers, and fine food and wine.



To reserve your ticket in advance or for more information, please contact Kate Robertson, Excellence Awards and Communications Coordinator by phone on 03 9830 4899 (Wednesday-Thursday), or via email at kate.robertson@amcouncil.com.au.

Training Dates, 2009

Asset Management Fundamentals 2009

Brisbane, 21 April

Adelaide, 4 May

Melbourne, 9 July

Canberra, 21 August

Perth, 18 September

Brisbane, 6 October

Sydney, 12 November

This one day course will provide participants with an understanding of how their businesses can benefit from effective asset management capability.

For more information contact Tina Grenfell at info@amcouncil.com.au or tel: (03) 9830 4899

Question:

We are heading into, or are already in, a severe economic downturn. In a heavily resource based and hence asset intensive economy such as Australia, this will put pressure on costs and asset management activities will wear much of the pain. We are already seeing deferments and cutbacks in maintenance activities in organisations that will potentially negatively impact the long term integrity and cost of assets and hence the value these assets bring to the business.

How can this vital business tool be explained and sold to boards and executives as a key tool to help them manage their businesses through and beyond the current downturn?

Answer:

An organisation is in control of its assets and therefore has good asset management systems when everything that happens does so for well understood and demonstrable reasons. And just as importantly, what is not done is likewise not done for well understood and demonstrable reasons.

But that is only part of the answer and having “control” goes one step further. “Control” requires the ability to demonstrate the link between the business needs and the what, when and why of asset maintenance.

forum discussion and comments-
<http://amcouncil.com.au/cms/yabb/>
 YaBB.pl.

- Is maintenance actually delivering the expected benefits?

With the use of any asset, changes in operational tasking and changes triggered by budgetary pressures including financial crises are a constant issue that both planners and operators have to be able to accommodate. As a result, operators and maintenance planners alike need to be able to answer the questions such as:

- How should the maintenance program change if we decide to use our assets differently (differing reliability, costs etc)?
- What is the likely effect if a maintenance task is deferred for some time, say - two (2) months?
- What is the likely effect if a shut down is deferred for some time, say - six (6) months?
- How do I demonstrate that my assets are fit for purpose?

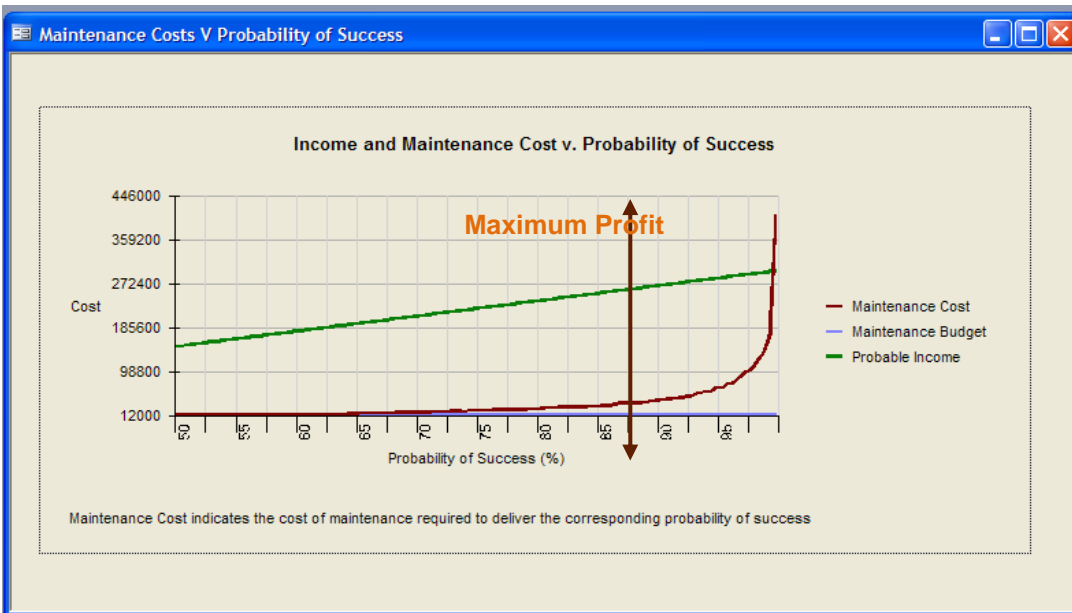
With the ability to adequately answer the above questions, asset managers will be able to demonstrate

to their CEOs the relationship between business risk (reliability) and profit – therefore enabling the CEO to choose the best mix for the circumstances at that time.

And as those circumstances change, the asset manager must be able to therefore adjust the current maintenance plans accordingly to deliver the required risk (reliability) and profitability - perhaps even to model such an occurrence for the CEO, see Figure 1 below - for both the short and long terms!

With this ability, the asset manager can engage any CEO in a meaningful way –

without having to resort to a technical discussion. Of course, if the CEO now wants to know “how does the modelling work”...!



It is not uncommon for a CMMS to schedule tasks that relate to equipment no longer in use, or tasks that deliver no significant benefit. It is not uncommon for the benefit of a maintenance task to be undefined – other than to repair something.

You are in control if you can answer:

- What maintenance has to be done, when and to what specification?
- How do we know what maintenance to do?
- How do we demonstrate the adequacy of that maintenance?
- How do we know the maintenance actually performed is the maintenance we authorised to be performed?

Next issue: Somebody once told me that 95% of the lifecycle cost of asset ownership is predetermined at the end of the design phase. What impact does this have on the continuous improvement of asset management during the operations phase? Why should I bother if I can only influence 5% of the life cycle cost?

Patron, Supporters and Corporate Members

Patron



Corporate Gold

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Energy Australia	www.energy.com.au
GE Energy	www.ge-energy.com/oc
GHD Pty Ltd	www.ghd.com.au
John Holland P/L	
Orontide Group Limited	www.orontide.com.au
RailCorp	www.railcorp.nsw.gov.au
RCR Engineering	www.rcrtom.com.au
Rylson Pty Ltd	www.rylson.com.au
Silcar Pty Ltd	www.silcar.com.au
Skilled Group Limited	www.skilled.com.au
Strategic Asset Management Inc	www.samicorp.com
Sydney Water Corporation	www.sydneywater.com.au
Transfield Services	www.transfieldservices.com
United Group Rail	www.unitedgrouppltd.com
United Group Services	www.unitedgrouppltd.com

Corporate Silver

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Capability by Design	www.cbdesign.com.au
Fremantle Ports	www.fremantleports.com.au
IFS Australia P/L	www.ifsworld.com
Infor Global Solutions P/L	www.infor.com/solutions/eam/
Lloyd's Register Asia	www.lr.org
Rio Tinto Coal Australia	www.riotintocoalaustralia.com.au/
SKF Australia Pty Ltd	www.skfcm.com

Corporate Bronze

AMMS Group	www.ammsgroup.com.au
Arms Reliability Engineers	www.reliability.com.au
BAE Systems	www.baesystems.com
Bombardier	
Boral Asphalt	www.boral.com.au
Brisbane City Council	
Broadcast Australia	

Bulk West Engineering	www.bulkwestengineering.com.au
Bureau Veritas (IRC)	www.irc-australia.com
Connell Wagner P/L	www.conwag.com
CSBP Limited	www.csbp.com.au
CSL Limited	www.csl.com.au
ENERGEX	
Energy Safe Victoria	
Griffith City Council	
International Protective Coatings	www.internationalpaint.com
IPM Operation & Maintenance	www.ipplc.com.au
K2 Technology	www.k2techno.com.au
KDR Creative Software Pty Ltd	www.kdr.com.au
MainCo Melbourne Pty Ltd	www.maincomelbourne.com
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PSN Water	www.psnwater@psnwater.com.au
QENOS	www.qenos.com
Resolve FM	
Seqwater	
The Asset Partnership	www.assetpartnership.com
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