Fundamentals of Asset Management

Step 7. Optimize Operations & Maintenance (O&M) Investment

A Hands-On Approach

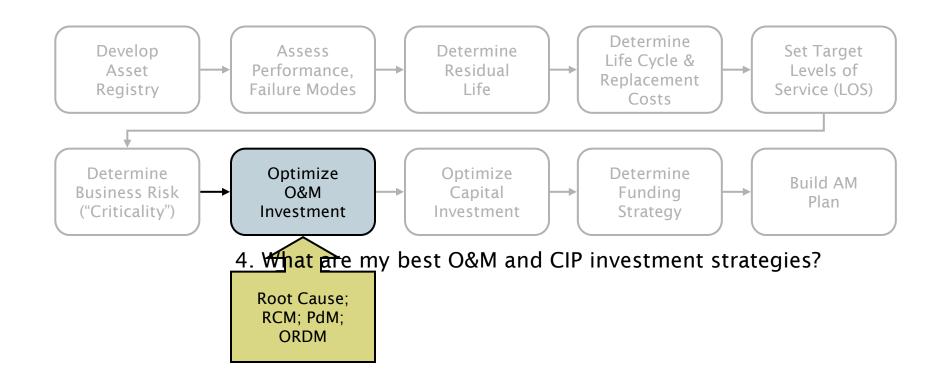
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Tom's bad day...
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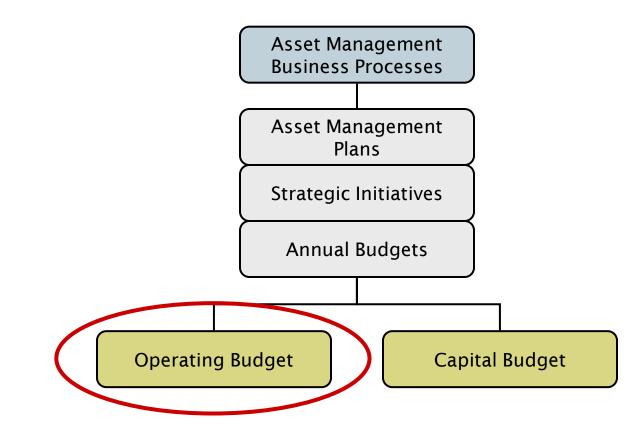
Fourth of 5 core questions

- 4. What are my best O&M and CIP investment strategies?
 - What alternative management options exist?
 - Which are the *most feasible* for my organization?

AM plan 10-step process



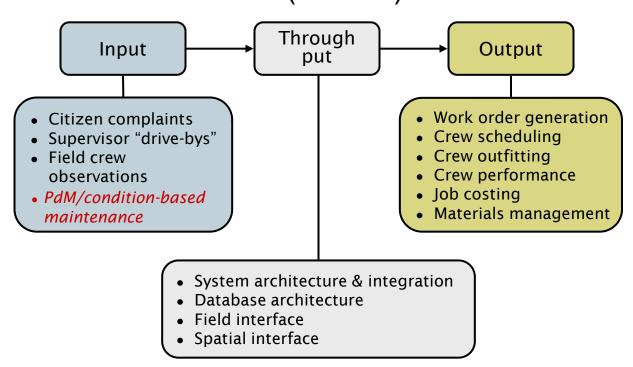
Recall view 4: Management framework



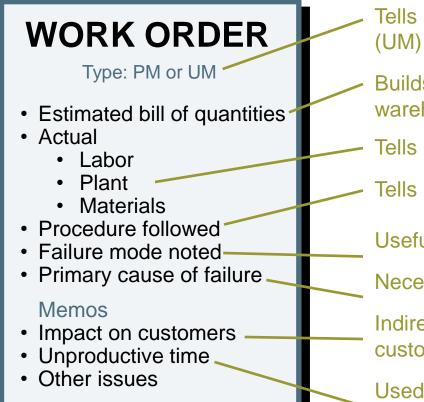
Definition

Maintenance - normal support, periodic and minor in nature, required to sustain performance, reliability, and functionality of an asset consistent with design, manufacturer, and operational requirements What triggers a work order?

Computerized Maintenance Management System (CMMS)



Importance Of The Work Order: Asset Level



- Tells us planned (PM) or unplanned (UM) maintenance costs
- Builds life cycle cost history; ties to warehouse management
 - Tells us actual direct costs of activity
- Tells us the procedures to be applied

Useful in failure mode analysis

Necessary for causal analysis

Indirect costs on business; impact on customers (*consequence analysis*)

Used in efficiency analysis

Data feedback enables substantive analysis

Standard Maintenance Procedures (SMPs)

X–29 Chemical Feeder

Application:

This guide card applies to tank type water chemical feeders with pumps and agitators.

Frequency

Semi-annual

Special Instructions:

1. Review the Standard Operating Procedure for "Selection, Care, and Use of Respiratory Protection".

Check Points:

- 1. Drain chemical from feeder into storage containers.
- 2. Flush and clean feeder tank.
- 3. Flush piping with water.
- 4. Remove agitator and clean shaft and propeller; lubricate as required.
- 5. Check oil in pump reservoir.
- 6. Lubricate pump pistons.
- 7. Check operation of pressure relief valve.
- 8. Lubricate motors.
- 9. Replace chemicals into feeder storage tank.

Tools and Materials:

- 1. Standard tools basic
- 2. Rubber gloves and apron
- 3. Filter air mask
- 4. Goggles
- 5. Grease gun and oiler

6. Cleaning materials. Consult the Material Safety Data Sheets (MSDS) for hazardous ingredients and proper personal protective equipment (PPE).

Bottom-line maintenance "KPIs" from an AM perspective

Metric	Definition	Target
Availability	The portion of time that a plant or major system is available for producing output of the required quality and quantity	99%
% Failure analysis	The portion of equipment downtime events that undergo a thorough analysis of failure modes, effects, and root causes	85 – 100%
% Planned work	The portion of corrective maintenance work hours that are planned and scheduled in advance (not unplanned breakdowns)	85 – 95%
% Overtime	The portion of maintenance work hours that are performed at an overtime rate	5 – 8%
Relative maintenance cost	Annual maintenance spending as a percentage of asset replacement value of the plant being maintained	1.5 – 2.5%
Technician productivity	The percent of work hours spent on productive activities versus nonproductive (rework, waiting for parts, etc)	70 – 85%
% Rework	The portion of maintenance work that has to be redone due to poor installation, shoddy workmanship or incorrect diagnosis	2 - 5%

Importance of the work order: the asset perspective

WORK ORDER

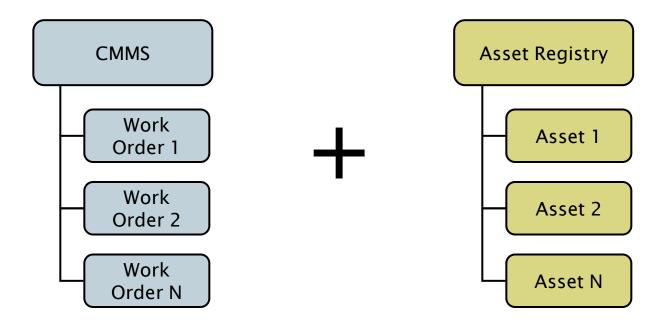
Asset details

- Type
- Category
- Size
- Condition
- Performance history
- Failure modes

Asset-linked costs enable significant analysis...

- What type of sewer suffers the greatest number of blockages caused by tree roots?
- 2. How many failures are experienced by water mains of different ages in different ground conditions?

What Distinguishes EAMS from CMMS?



Focus is on the *maintenance work order* and maintenance performance for a defined period Focus is on an *asset's performance* over its life cycle and on aggregate performance of asset groups

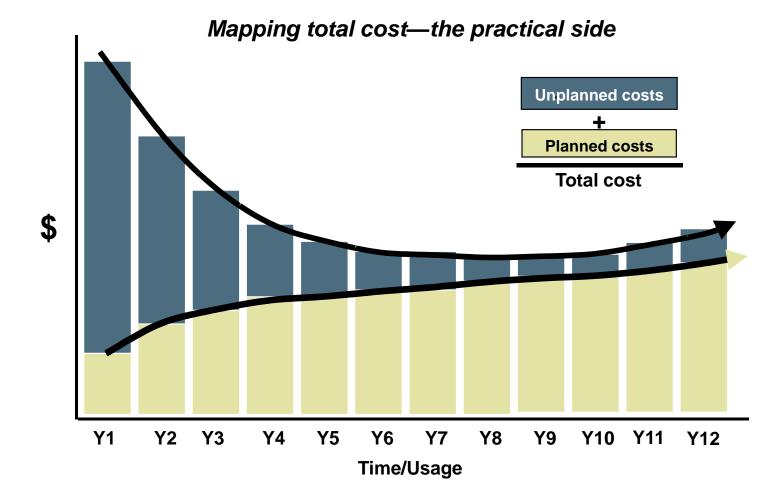
EAMS is Enterprise Asset Management System; CMMS is Computer-based Maintenance Management System

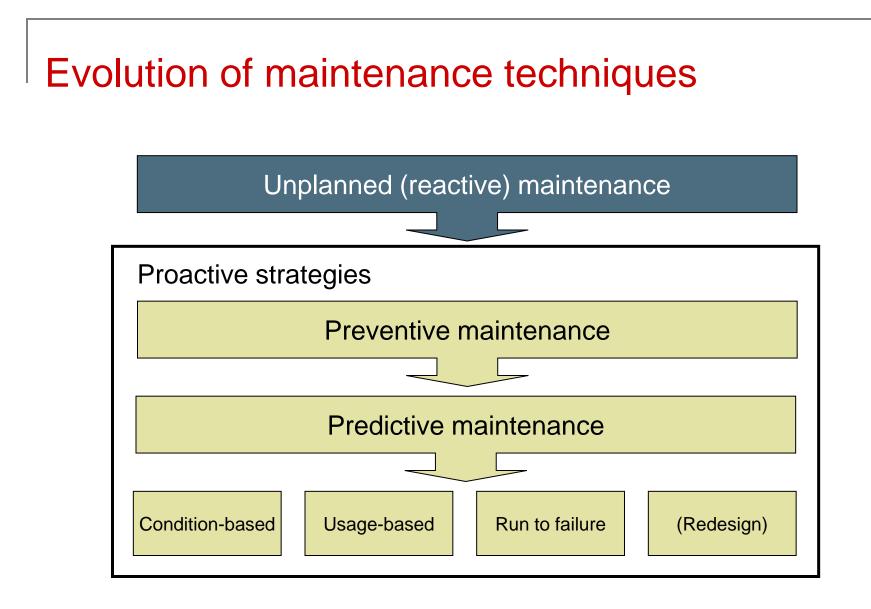
The Cost of Maintenance

Rule of thumb

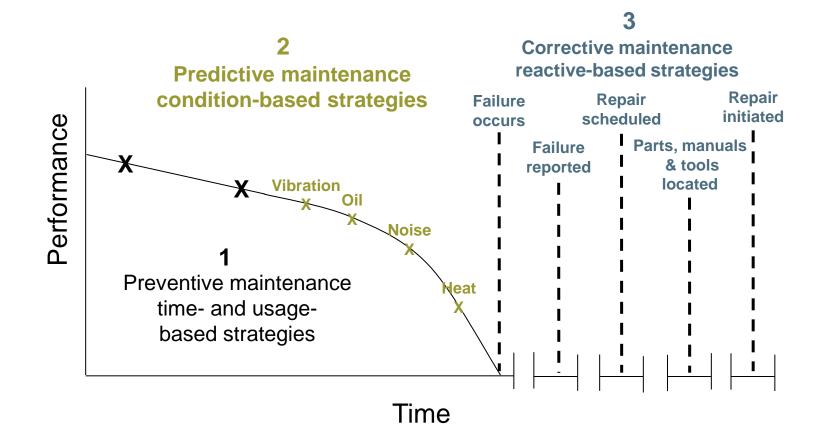
Roughly speaking, planned maintenance costs one-third less than unplanned maintenance for the same task

Transition to Planned Maintenance





Fitting maintenance strategies to failure curve



The new "maintenance-theory" toolbox

	Core strategies	
Total	Reliability	Zero
productive	centered	breakdown
maintenance	maintenance	maintenance

	Operation	nal tactics	
Design	Asset	Early	Predictive
reliability	condition	equipment	(condition-based)
analysis	assessment	management	maintenance
Accelerated	Infrastructure, equip-	Root cause analysis	Design
deterioration	ment, & component		for
elimination	standardization		maintainability
Failure	Demand	Location	Standardized
lead-time	criticality	failure	failure
analysis	classification	analysis	codes

Reliability-centered maintenance—the seven fundamental questions

- What are the functions and associated performance standards of the asset in its present operating context?
- 2. In what ways does it fail to fulfill its functions?
- 3. What causes each functional failure?
- 4. What happens *mechanically* when each failure occurs?
- 5. In what way does each failure matter?
- 6. What can be done to predict or prevent each failure?
- 7. What should be done if a suitable proactive task cannot be found?

Techniques

- Function and performance standards
- Functional failures
- Failure modes
- Failure effects
- Failure consequences
- Proactive tasks

Example: RCM analysis on headworks screen

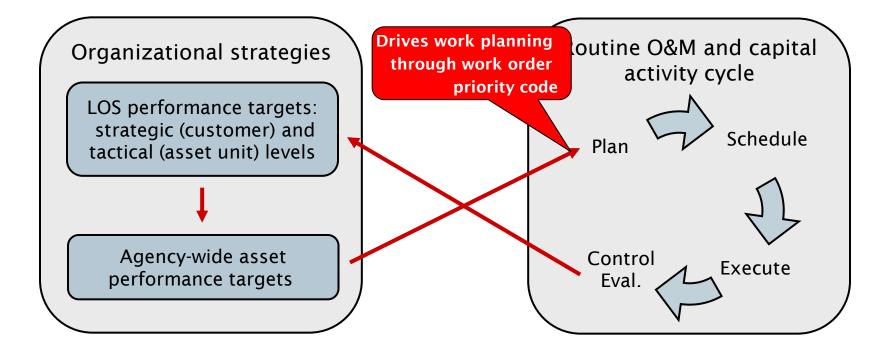
RCM II INFORMATION	SYSTEM	Bull screens		No.	Compiled by	Date 18-Aug-02	Sheet	
WORKSHEET © 1994 Aladon Ltd	SUB-SYSTEM			Ref. Bull screens	Reviewed by	Date	of 49	
FUNCTI	ON	FUNCTIONAL FAILURE	FAILURE MODE (Ca	use of failure)	FAILURE EFF	ECT (What happens	s when it f	ails)
1 To remove all and floating for greater than 1 effluent	reign matter	A Cannot remove foreign matter from the effluent	1 Bull screen shove worn		Over time the control break and eventually that it can no longer s The cable breaks and opened. During its de and beaks it off. The open and cannot gatf in front of the screen differential across the the screen more ofter of the screen rises en in the control room. \ time: 4 hours, Downti scaffolding and secur	the cable looses e support the shovel' I the shovel closes ecent the shovel ca- shovel continues i er foreign matter. accumulates and t screen rises. The n and eventually th loough that the "hig] With time the chan me: 5 hours. Spec	nough ter s weight v and cann atches on ts cycle k The exco he water s shovel t e water k n level" al nel overfl cial tools:	nsile strength when open. not be the scraper out does not ess material level ries to clean evel in front arm sounds ows. Repair mobile
1			2 Bull screen shove extension worn		The control cable extra cable that flexes their time the control cable start to break and eve strength that it can no when open. The cab cannot be opened. D the scraper and beak but does not open an excess material in fro water level differentia tries to clean the scre level in front of the sc alarm sounds in the c overflows. Repair tim tools: mobile scaffold rope in stock from wh	nost during norma extension wears a entually the cable i longer support th le breaks and the s uring its decent th s it off. The shove d cannot gather fo at off the screen ac l across the screer en more often and reen rises enough ontrol room. With es: 4 hours, Downt ing and security ba	I operatio and thins, boses eni- e shovel's hovel clo e shovel clo e shovel clo e shovel clo e shovel clo reign mat cumulate n rises. T l eventua that the ' time the ime: 5 ho ar. Spare tension.	n. Over strands ough tensile sweight oses and catches on es its cycle ter. The es and the 'he shovel lly the water 'high level" channel urs. Special parts: Wire

Example: RCM analysis on headworks screen

RCM II SYSTEM Bull screens				creens	No. Ø	Compiled by	Date 18-Au	iq-02	Sheet 1												
	VORK SHEET SUB-S YSTEM 1994 Aladon Ltd						Ref. Bull screens	Reviewed by	Date		of 9										
	form: efere	ation Consequence H1 H2 H3 Default ence evaluation 01 02 03 tasks		Pro	posed Task		Initial Ir	iterval	Can be done												
F	FF	FM	Н	S	E	0	Ňi	C2 N2	NS	H4	H5	S4		-					by		
1	A	1	Y	Ν	Ν	Y	Y							isual inspection of the shovel control cable for broken strands and reduced cable for a section of the shovel control cable as needed.							
1	А	2	Υ	Ν	N	Y	Ν	N	Y				Replace the bull screen shovel control of	eplace the bull screen shovel control cable extension							
1	А	3	Y	N	N	Y	N	Y					Shorten the bull screen shovel lift cable connector to the curvature. Ensure tha cable can be shortened twice before a r	3500 cy	(cles	Mechanic					
1	А	4	Y	N	N	Y	Y						Visual inspection of the bull screen sho cable diameter. Standards to be establ replacing the cable, ensure that both lift	5000 cy	/cles	Mechanic					
1	А	5	Υ	Ν	N	Y	N	N	N				No scheduled maintenance								
1	А	6	Y	N	N	Y	Y						Visual inspection of the bull screen sho foreign matter. Have the drum's surfac seating.	Mensue	el	Operator					
1	А	7	Y	N	N	Y	Y						Visual inspection of the bull screen sho foreign matter. Have the drum's surfac seating.				Mensue	el	Operator		
1	А	8	Υ	N	N	Y	N	Y					Lubricate the bull screen shovel wench	's bearings. Norm	s to be established.		Annuel		Mechanic		

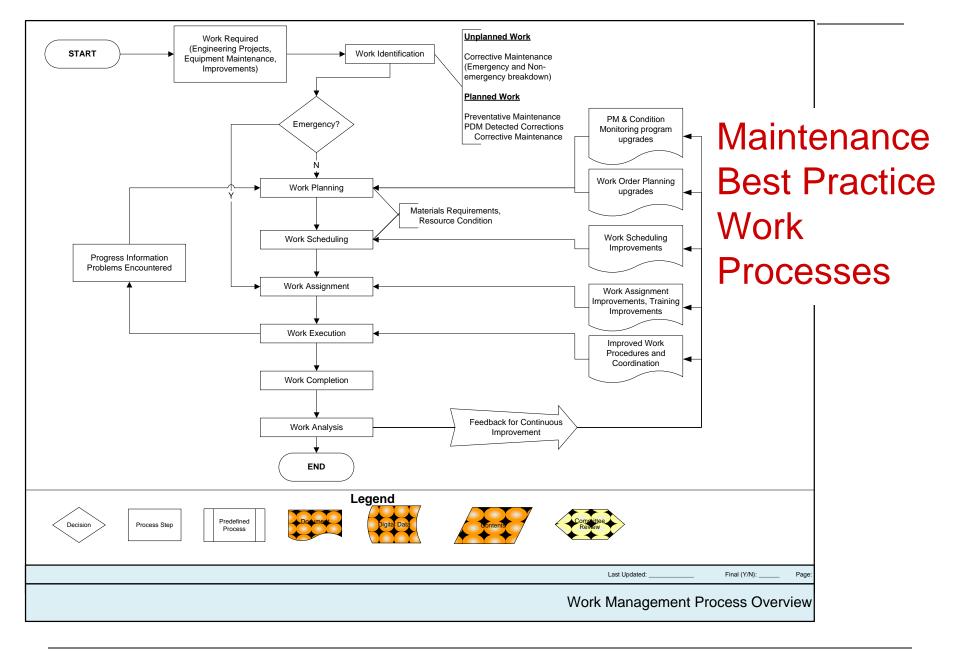


Alignment of O&M and capital activities with organizational Level of Service strategies



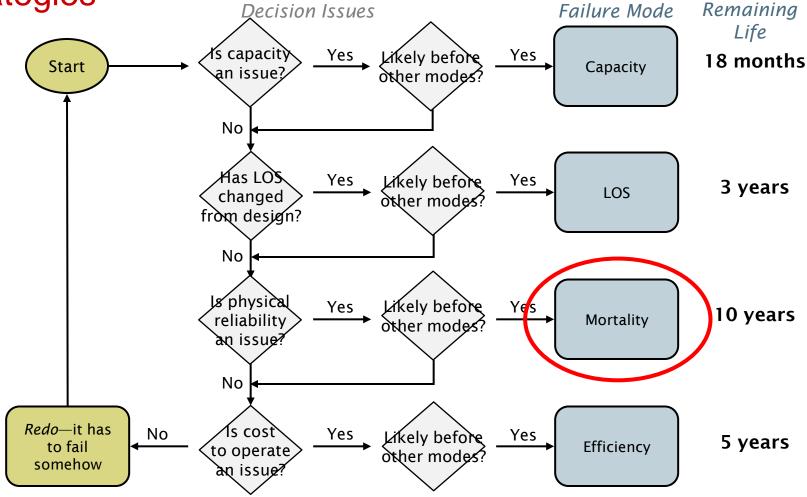
2. Set minimum levels of performance

at asset level



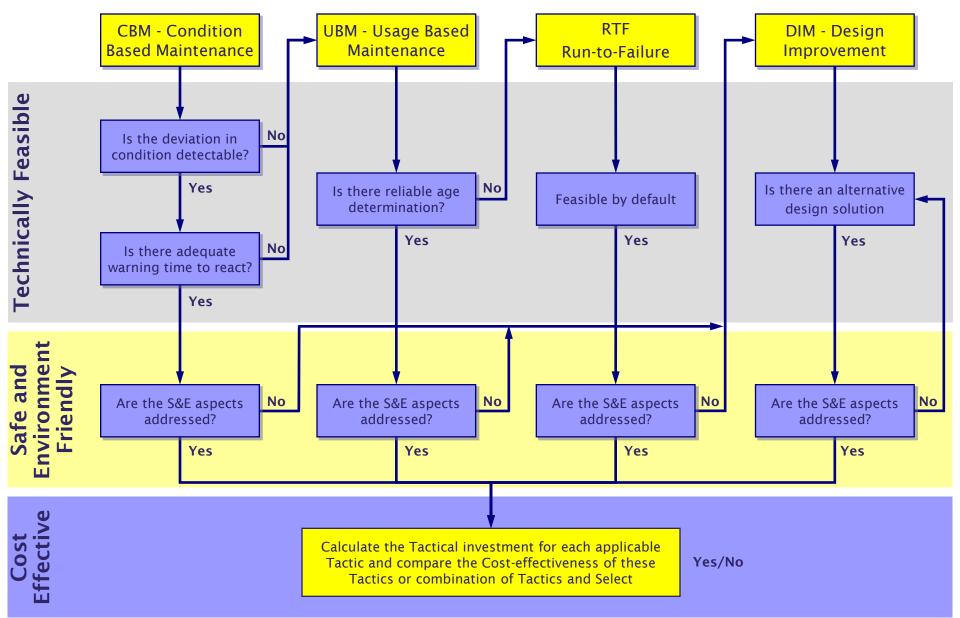
Fundamentals of Asset Management

Using failure modes to determine maintenance strategies

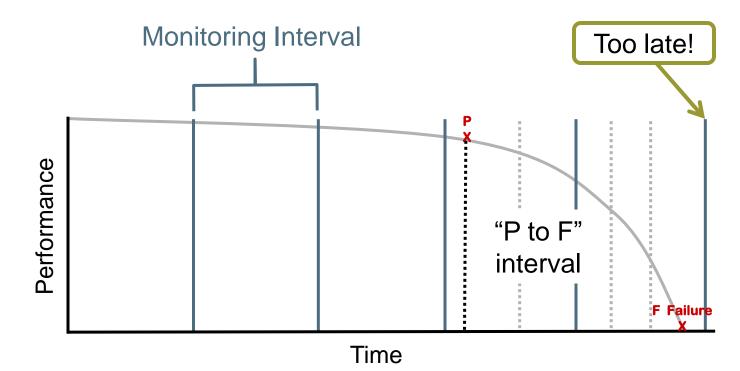


Fundamentals of Asset Management

Mortality Maintenance Tactics Selection Logic

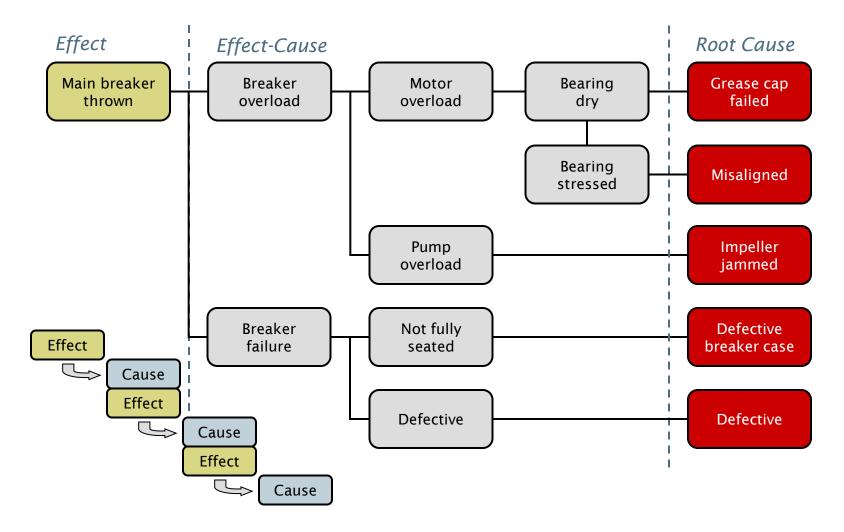


Predictive maintenance and the monitoring interval

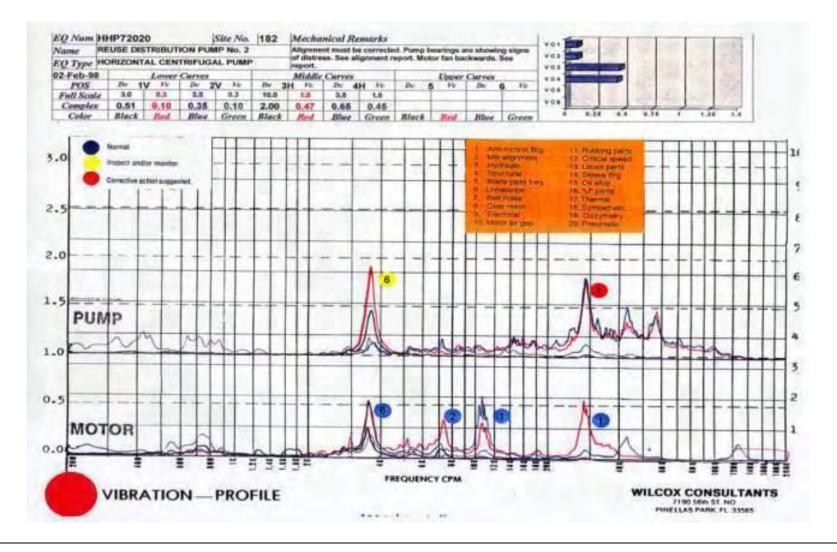


Can the progression of the failure be detected? Is there typically enough time to respond? Does consequence exceed cost of cure?

Cause and effect diagram—what to monitor



Condition-based maintenance: Vibration analysis



Power evaluation

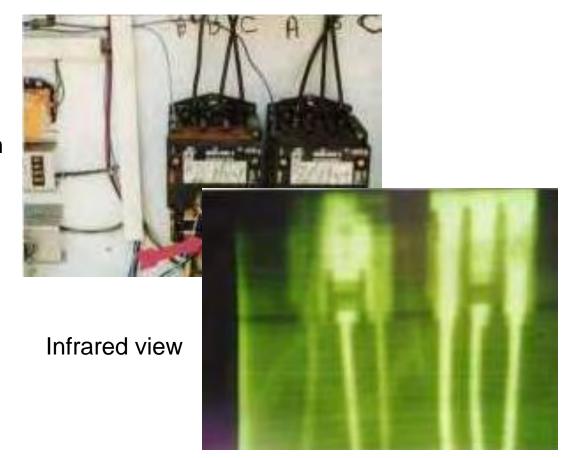
		Sew	age Li	ft Stati	ons - E	lectric	al Rep	ort - D	ata as	Reci	orded, J	une, I	998			
	Volta		ne to		perag		Voltage Drops			Power Data				Horsepower and Load Percent		
Equip. Number	AtoB	B to C	C to A	A	B	C	A	B	C	KVA	KVAR	KW	PF	Calc.	Rated	Percent
20LS-RSP-002	244.0	243.0	244.0	24.2	23.7	24.3	0.09	0.08	0.09	9.7	6.9	6.8	90.0	B.1	15.00	60,
ABLS-RSP-001	474.0	473.0	475.0	24.1	25.1	25.7				17.5	2.8	17.2	98.7	23.1	25.00	92.
ABLS-RSP-002	474.0	474.0	475.0	27.5	26.7	29.1				18.8	3.2	18.5	98.6	24.8	25.00	99.
ABLS-RSP-003	474.0	475.0	475.0	25.4	25.8	29.5				17.8	2.9	17.6	98.7	23.6	25.00	94.
SELS-RSP-001	239.0	240.0	242.0	59.8	52.6	65.7	0.19	0.19	0.18	23.9	12.7	20.3	B4.9	27.2	25.00	108.
BELS-RSP-002	240.0	242.0	240.0	50.5	61.3	55.4	0.16	0.16	0.18	21.5	13.6	16.7	77.6	22.4	25.00	69.1
BOLS-RSP-001	242.0	241.0	242.0	8.5	8.6	8.8	0.30	0.30	0.35	3.6	2.4	2.7	74.5	3.6	3.00	120.0
BGLS-RSP-002	242.0	241.0	242.0	9.4	8.3	9.6	0.24	0.18	0.17	3.9	21	3,3	84.2	4.4	3.00	1465
BLLS-RSP-001	479.0	475.0	468.0	3.9	3.8	3.9	0.08	0.08	0.07	3.0	2.0	2.3	75.3	3.1	2.00	154
BLLS-RSP-002	482.0	483.0	485.0	4.0	3.9	4.0	0.08	0.06	0.13	3.1	2.1	2.3	73.9	3.1	2.00	196.
CMLS-RSP-001	457.0	455.0	458.0	6.6	6.6	7.2	0.40	0.40	0.42	5.1	3.6	3.7	71.3	5.0	7.50	66.
CMLS-RSP-002	457.0	458.0	458.0	6.0	6.0	6.1	0.27	0.27	0.65	4.7	3.8	2.7	68.0	3.6	7.60	-48.4
OWLS-RSP-001	486.0	485.0	488.0	22.1	22.9	24.0	0.14	0.21	0.14	19.0	10.9	15.0	82.0	20.8	20.00	104.
DWLS-RSP-002	485.0	486.0	485.0	21.3	22.0	22.8	0.16	0.14	0.15	18.3	10.7	14.8	81.1	19.8	20.00	99.0
FDLS-RSP-001	239.0	239.0	239.0	21.1	22.1	22.8	0.21	0.25	0.20	80	6.6	6.1	68.2	8.2	10.00	62.4
FDLS-RSP-002	240.0	239.0	240.0	23.9	24.0	25.0	0.26	0.26	0.31	10.0	7.0	7.1	70.9	9.5	10.00	95.0
FRLS-RSP-001	212.0	213.0	215.0	4.9	5.4	5.9	0.23	0.22	0.26	20	1.5	1.3	66.5	- 1.7	2.00	85.1
FRLS-RSP-002	212.0	213.0	215.0	5.2	5.6	8.1	0.25	0.25	0.27	2.1	1.5	1.4	70.0	T.P	2.00	95.0
FSLS RSP 001	239.0	240.0	240.0	33.7	38.8	42.7	0.14	0.14	0.13	14.8	10.3	10.6	71.7	14.2	15.00	94.1
FSLS-RSP-002	239.0	239.0	240.0	31.4	34.7	39.8	0.17	0.18	0.19	13.9	10.7	B.9	63.9	11.9	15.00	79.3
H6LS-RSP-001	244.0	242.0	242.0	8.2	8.8	9.5	0.62	0.78	0.73	3.8	2.5	2.9	74.7	3.8	3.00	130,1
HOLS-RSP-002	242.0	242.0	241.0	10.2	9.6	10.0	0.49	18.0	0.60	4.1	2.9	2.9	70.8	3.9	3.00	130.1
HCLS-RSP-001	242.0	242.0	243.0	28.4	27.1	26.0	0.12	0.10	0.12	11.2	9.0	6.7	59.3	9.0	15.00	60.0
HCLS-RSP-002	243.0	242.0	243.0	28.3	28.0	25.8	0.12	0.11	0.12	11.2	8.6	7.1	63.6	9.5	15.00	63.3
HKLS-RSP-001	241.0	241.0	242.0	60.3	60.1	38.2	0.45	0.30	0.72	27.1	20.6	17.7	85.1	23.7	40.00	59.3
HKLS-RSP-002	240.0	241.0	241.0	62.4	63.2	65.0	0.23	0.36	12-045	26.6	15.9	21.3	80.Z	28.6	40.00	71.8
HSLS-RSP-001	208.0	205.0	208.0	240.3	26.2	28.1	0.19	0.18	0.28	9.0	5.6	6.9	76.5	9.2	10.00	87.1
HSLS-RSP-002	208.0	208.0	208.0	24.1	26.4	27.7	0.17	0.18	0.20	9.0	5.7	8.7	77.4	9.0	10.00	90.0
IHLS-RSP-001	244.0	243.0	243.0	50.9	52.4	51.6	0.21	0.65	D,19	21.4	15.4	14.9	69.6	20.0		
JHLS-RSP-002	245.0	244.0	245.0	44.1	42.0	45.1	0.36	0.54	0.32	18.4	12.7	13.4	72.7	18.0	-	1
WWLS-RSP-001	241.0	240.0	241.0	11.0	11.6	12.4	91.0	0.13	0.14	4.7	2.5	4.0	84.8	5.4	7.50	72.0

Prepared by Wilcox Consulting Inc. - Madeira Beach Office - 11/8/00

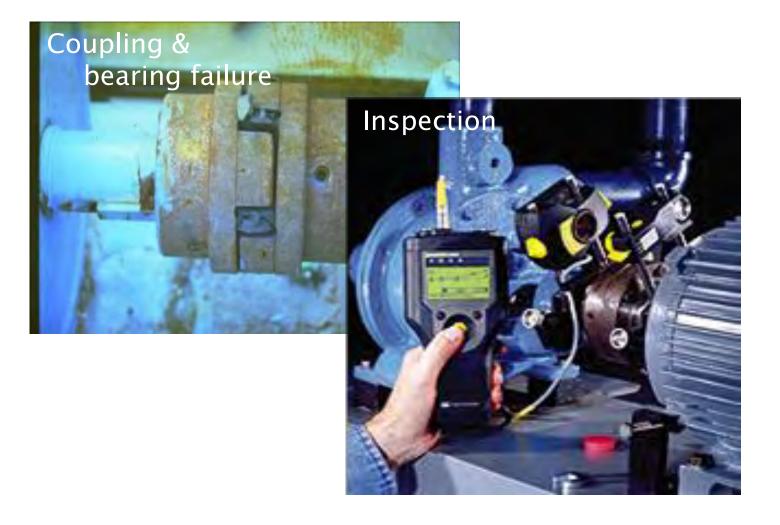
Page 1

Most condition indicators are not visible to the unaided eye

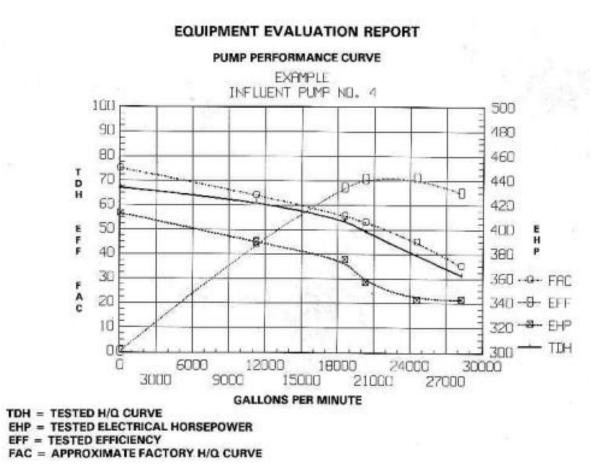
Visual inspection



Alignment of inspection and correction data

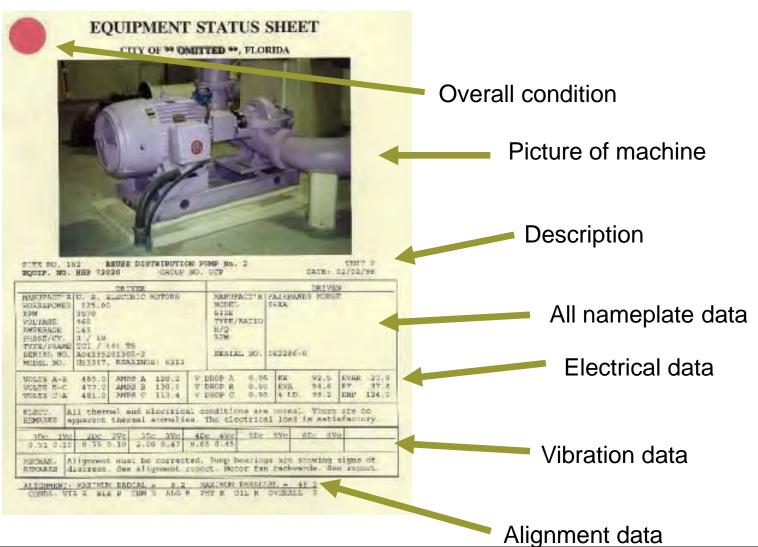


Baseline machine performance tests



Baseline at handover sets life cycle benchmark. Conforms to factory test curves?

Status sheet (summary)



Fundamentals of Asset Management

Multiple factors - equipment status list

Severity color code

June, 1998										
Equipment Number	Site Number	Overall	Vibration	Electrical	Thermo- graphy	Alignment	Physical	Oil		
LOCEO	SITENO	0400	VIEC	FLEC	THRC	ALCC.	Ph and	OIL		
20LS-RSP-001	113A	121 0 AM	N	N	N	N	R	N		
20LS-RSP-002	1138	Y	Y	В	B	N	B	N		
ABLS-RSP-001	101A	Y	B	B	B	N	B	N		
ABLS-RSP-002	101B	Y	Y	В	В	N	B	N		
ABLS-RSP-003	101C	Y	B	N	N	N	8	N		
ABTP-ADU-001	201	B	8	Y	B	N	B	8		
ABTP-ADU-002	202	Y	N	N	N	N	B	8		
ABTP-ADU-003	203	8	N	N	N	N	B	8		
ABTP-AOU-004	204	R	N	N	N	N	8	B		
ABTP-BC1-001	205	R	N	N	N	N	8	R		
ABTP-BC1-002	206	R	N	В	8	N	B	R		
A8TP-8C1-002	207	R	8	8	B	N	8	R		
ABTP-MAC-001	225	N	B	8	8	N	B	N		
ABTP-PFP-001	226	N	В	B	В	N	B	N		
ABTP-SFP-001	223	N	N	N	N	N	N	N		
ABTP-SFP-002	227	N	N	Y	B	N	Y	N		
ABTP-SFP-002	224	N	R	R	В	N	R	N		
ABTP-TBF-001	211	N	N	8	В	N	8	N		
ABTP-TBF-002	212	N	N	B	8	N	B	N		
ABTP-TBF-003	213	N	B	8	Y	N	B	N		
ABTP-TBF-004	214	N	N	8	8	N	8	N		
ABTP-TBF-005	215	N	Y	Y	B	N	Y	N		
ABTP-TBF-006	216	N	N	Y	8	N	Ŷ	N		
ABTP-THK-001	220	R	N	N	N	N	N	R		
ABTP-THK-002	221	8	8	B	6	N	8	N		

FOUTPMENT SUMMARY DEPONDT STATUS I IS

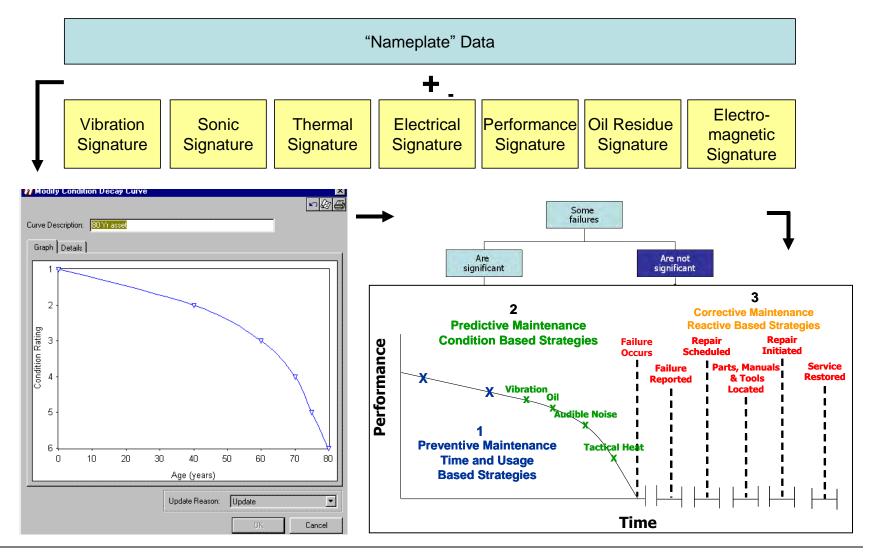
Failure codes

- Use cause-effect diagrams to create codes
- Define codes by class of asset
- Use "drop-down" list

Failure Code

- Coupling failure
- Lube fault
- Misaligned
- Operator error
- Overloaded
- Water damage
- Worn

Condition-based maintenance

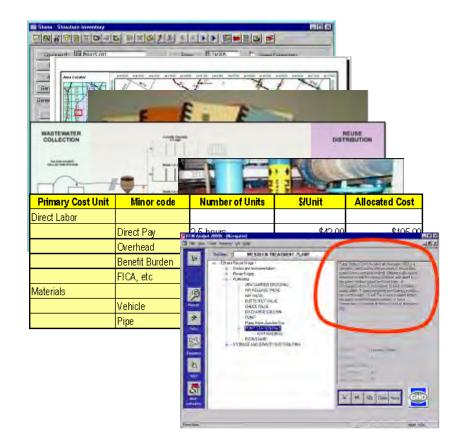


Fundamentals of Asset Management

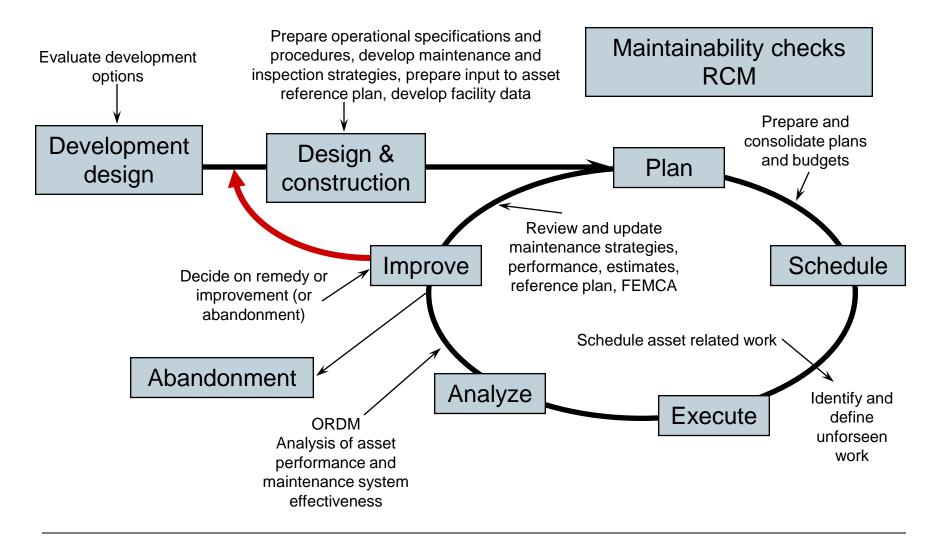
Store the maintenance strategy!

Used to create an asset ID...

- Physical attributes
- Geo-reference
- O&M manuals
- Drawings and photos
- Life cycle costs
- Knowledge and strategy



Linking maintenance and design



Key points from this session

Given my system, what are my best O&M strategies?

Key Points:

- Reactive emergency maintenance can be the most expensive type of maintenance and should typically make up no more than 20% to 25% of total maintenance effort
- Preventive and predictive-based pro-active strategies should comprise the bulk of the effort
- Assets, especially dynamic assets, leave discernable clues as to their capacity to perform.
- The most cost effective maintenance strategy for a given asset is determined by the likelihood of failure and the consequence of failure.
- "Run to failure" may well be the most costeffective maintenance strategy for a given asset, but only when coupled with a carefully developed failure response plan.

Associated Techniques:

- Condition-based monitoring plans and deployment
- Reliability Centered Management
- Root cause analysis
- Asset maintenance strategies (zero breakdown, total productivity, reliability centered maintenance)
- Failure response plans

Tom's spreadsheet

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		<u> </u>	a		he State of I			· · ·		ed LOS?	w		dost "Critical"
A	Asset Register and Hierarchy	Installed Date	Asset Class	Original Cost	Estimated Effective Life	Condition Rating	Annual Dep	Accum Dep	Current LOS?	Minimum Condition	Backup Reduction (Redundancy)	Probability of Failure	Consequence Failure
Curre 200		Year		\$	Years	1 to 10	\$	\$			%	Rating	1 to 10
Level Leve	vel 2 Level 4 Level 5	Act or Est	Tab A	Act or Est	Calculated	Tab A	Calculated	Calculated		Tab A	Tab D	Calculated	Tab C
Sanitation	n System												
	sposal System												
	eatment Plants ollection Systems												
	Sewer Mains												
	Pump Station												
	Incoming Sewer								Avg 1500 cfm; pe				
	Pipes	1963	3	\$ 1,725	100	6	\$ 17			2	0%	4	5
	Manhole Influent Gate Valve	1963 1986	3	\$ 340 \$ 442	30	5	\$ 3 \$ 15			2	0%	4	5
	Incoming Power	1000	Ů	φ ττε			φ iv	\$ 200	20 kw peak			· ·	Ů
	Pole & Transformer	2006	4	\$.	40	1	\$ -	\$.		2	0%	0	5
	Connection	2006	7	\$-	35	1	\$ -	\$.		2	0%	0	5
	Control system Incoming Telephone	1985	8	\$ 85	25	7	\$ 3	\$ 71		2	0%	8	2
	PLC	1985	8	\$ 85 \$ 8,600	25	8	\$ 3 \$ 344	\$ 71 \$ 7,912		2	0%	9	2
	Manual controls	1978	8	\$ 425	25	7	\$ 17	\$ 476		2	50%	5	2
	Land & Improvemnts.												
	Land	1950	10	\$ 630	300	1	\$ 2			4	0%	2	1
	Access Road Landscaping	1963 2000	1	\$ 12,500 \$ 595	75	5	\$ 167 \$ 8			4 3	0%	6	1
	Security fence	1963	1	\$ 1,360	75	7	\$ 18			2	0%	6	3
	Sub Structure												
	Cassion Outer	1963	1	\$ 30,600	75	6	\$ 408			3	0%	6	4
	Upper Floor	1963 1963	1	\$ 4,250 \$ 6,800	75	6	\$ 57			3	0%	6	4
	Dry well Landings and Stairs	1963	9	\$ 6,800	75 60	6	\$ 91 \$ 71	\$ 3,899 \$ 3,046		2	0%	6	4
	Vet Vell	1963	1	\$ 5,100	75	6	\$ 68			3	0%	6	4
	Shaped floor	1963	1	\$ 850	75	6		\$ 487		3	0%	6	3
	Sump pump	1963	4	\$ 595	40	6	\$ 15	\$ 640	1.0000	2	0%	10	4
	Pumps Drive shafts	2006	6	\$ 12,560	35	1	\$ 359	\$.	peak 2100cfm	2	TBD	10	TBD
	Pumps	2006	4	\$ 29,750	40	1	\$ 744			2	TBD	10	TBD
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