

**Department of Environmental Protection  
Wastewater Operations and Assistance  
Asset Management**

**What is Asset Management?**

According to the Environmental Protection Agency (EPA), asset management is maintaining a desired level of service for what you want your assets to provide at the lowest life-cycle cost. Lowest life-cycle cost refers to the best appropriate cost for rehabilitating, repairing or replacing an asset.

Asset management is a framework being widely adopted as a means to pursue and achieve sustainable infrastructure. It is the practice of managing infrastructure capital assets to minimize the total cost of owning and operating them while delivering the desired service levels. A high-performing asset management program incorporates detailed asset inventories, operation and maintenance tasks, and long-range financial planning to build system capacity, and it puts systems on the road to sustainability.

**What are some benefits of asset management?**

While the benefits of asset management range across many aspects of running a water sector utility, here are some examples of outcomes that can be realized:

- Prolonging asset life and aiding in rehabilitation, repair and replacement decisions through efficient and focused operations and maintenance
- Meeting consumer demands with a focus on system sustainability
- Setting rates based on sound operational and financial planning
- Budgeting focused on activities critical to sustained performance
- Meeting service expectations and regulatory requirements
- Improving responses to emergencies
- Improving the security and safety of assets
- Reducing overall costs for both operations and capital expenditures

**What are the elements of asset management practice?**

Asset management is centered on a framework of five core questions, which provide the foundation for many asset management best practices.

1. What is the current state of my assets?
2. What is my required "sustainable" level of service?
3. Which assets are critical to sustained performance?
4. What are my minimum life-cycle costs?
5. What is my best long-term funding strategy?