

Major Projects Inventory Product Management Procedure

AMT-PR-013

Applicability

ARTC Network Wide

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Table of Contents

Table of Contents	2
1 Introduction.....	3
1.1 Purpose	3
1.2 Scope	3
1.3 Procedure Owner	3
1.4 Responsibilities	3
1.5 Parent Procedure	3
1.6 Subordinate Documents.....	3
1.7 Reference Documents	4
1.8 Definitions.....	4
2 Inventory Products Management Process	5
2.1 Introduction.....	5
2.2 Inventory Products Management Workflow	5
2.3 Identify Spare Part Requirements	7
2.4 Inventory Products Purchasing	7
2.5 Create a New Vendor.....	7
2.6 Inventory Products Locations.....	7
2.7 Receipt of Inventory Products	7
2.8 Product Non-Conformance	8

1 Introduction

1.1 Purpose

The purpose of this procedure is to set out the process which addresses the provision of Inventory Products for newly installed assets on the ARTC network. The intent is to ensure an appropriate level of spares are held in inventory to maintain operations following handover to the operating business.

1.2 Scope

This procedure is relevant to Major Projects and the ARTC Operating business units. This procedure covers Inventory Products management workflow and shall be used for any internal parties, i.e. Asset Development team and Supply Operations to manage Major Project Inventory Products.

1.3 Procedure Owner

The Asset Management Integration Manager, Operations is the Procedure Owner and the initial point of contact for all queries relating to this procedure.

1.4 Responsibilities

Ownership and maintenance of this document and workflow is the responsibility of the Asset Management Integration Manager.

The Supply Operations Manager and Asset Management Integration Manager are responsible for managing the process.

1.5 Parent Procedure

The following documents support this procedure:

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1.6 Subordinate Documents

The following documents are subordinate to this procedure:

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1.7 Reference Documents

The following documents support this procedure:

- FPR-PR-024 Purchasing Inventory Procedure
- FPR-PR-025 Inventory Management Procedure
- FPR-PR-027 Inventory Stocktake Procedure
- FPR-PR-032 Create and Modify Vendor Details Procedure
- FPR-PR-052 Inventory Labelling Procedure
- FPR-FM-048 Vendor Request Form
- FPR-FM-066 Additions to the Inventory Catalogue Form
- 0-0000-900-PMP-00-PL-0024 IR Procurement Management Plan

1.8 Definitions

The following terms and acronyms are used within this document:

Term or acronym	Description
ARTC	Australian Rail Track Corporation Ltd.

2 Inventory Products Management Process

2.1 Introduction

The ARTC Procurement Manual (FCO-PR-022), section A.1.2 has excluded the purchase of supplied spare parts from the Original Equipment Manufacturers (OEM) from the requirements of this Manual.

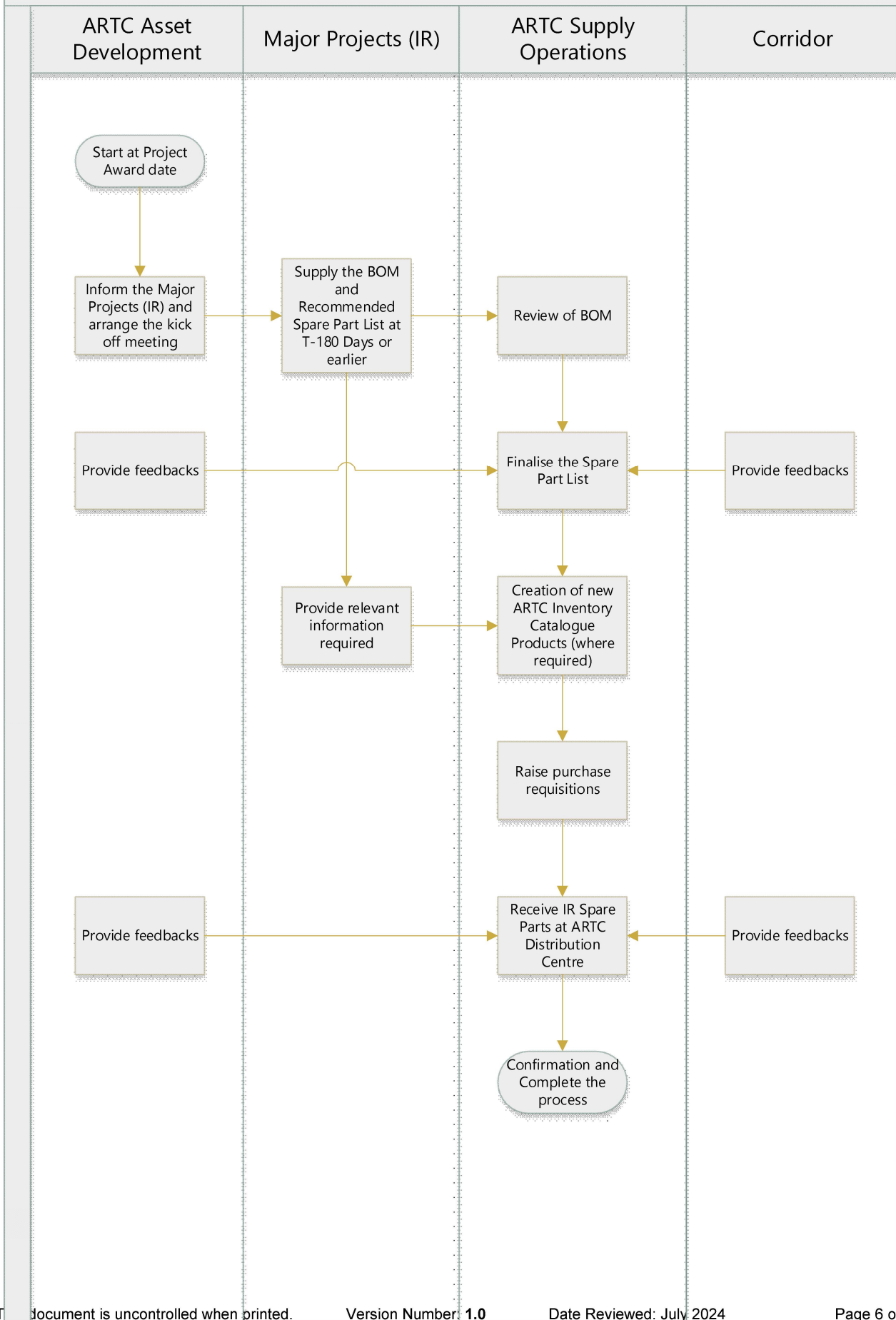
IRPL Procurement Management Plan (0-0000-900-PMP-00-PL-0024), Section 2.3.1 Exclusions, states that the scope of IRPL Program's procurement management has exclusions as described in section A1.2 of ARTC Procurement Manual (FCO-PR-022), which includes the purchase of Inventory Products including critical Inventory Products from the original equipment manufacturers.

This process provides a consistent procurement approach and management process for major projects, such as Inland Rail, inventory management to ensure new or existing corridors can maintain the ability to deliver key services, and respond and adapt to unforeseen challenges, post to project Completion.

2.2 Inventory Products Management Workflow

A flowchart representing the process flow can be seen below.

Major Projects Inventory Product Management Flow chart



2.3 Identify Spare Part Requirements

The nominated Project team shall work with ARTC Operations Business unit to identify spare part types including any special tools, quantities, and delivery requirements. The nominated Project team shall generate a Spare part list for each asset group upon completion of Spare Part identification process. The Spare Part List shall contain the following information at a minimum:

- Supplier Product Description,
- Supplier's Product number,
- Supplier,
- Associated drawing number,
- Associated Bill of Material document number if applicable,
- Quantity installed in the network.

ARTC Supply Operations will review minimum and maximum inventory holding levels along with inventory locations for each spare part to ensure appropriate quantities of critical spares are on hand for unplanned and planned business and customer needs. An assessment of resourcing will be made once volume and work scope refined.

Agreed minimum quantities of Inventory Products are required to be on hand during commissioning phase, to ensure the ARTC Operations Business unit have ability to operate the network safely and with target resilience performance from Day One of operation.

2.4 Inventory Products Purchasing

The Supply Operations team will raise Stock Requisitions in the System - Ci Financials - enabling inventory pipeline visibility and seek to utilise established supply agreements if applicable.

2.5 Create a New Vendor

The Project shall support ARTC Operations Business unit to create a new vendor (if required) for Inventory Products in the Ci Financials system. Where the vendor is not in the system, a new vendor request can be processed in accordance with the ARTC Create & Modify Vendor Details Procedure (FPR-PR-032).

2.6 Inventory Products Locations

ARTC Operations Business unit and the Supply Operations team shall determine the storage locations for Inventory Products throughout the ARTC business. This will primarily be Distribution Centres and selected Provisioning Centres where Inventory Products will be available for maintenance use.

2.7 Receipt of Inventory Products

Where Inventory Products are delivered directly to a Provisioning Centre, the Supply Operations team will coordinate with the person receiving the materials. The Supply Operations team will manage the receipting process into inventory and Ci Financials.

2.8 Product Non-Conformance

When a non-conformance is identified, the ARTC Supply Operations team shall liaise with Project team to immediately raise the issue with the supplier to correct the non-conformance.

A Non-Conformance that should be managed in accordance with FPR-PR-028 Non-Conforming Vendor and Materials Procedure.