



Hydro Tasmania Procurement Policy

This policy articulates the principles under which Hydro Tasmania will conduct its procurement activities over the life cycle of goods and services procured.

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Title: Procurement Policy

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Policy Owner: GM Bus. Performance
Policy Custodian: Manager Contracts & Procurement
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1.0 Context

This policy defines the principles relating to Hydro Tasmania's procurement of goods and services and aims to integrate environmental and social considerations into its procurement procedures and practices in line with our sustainability principles.

Our sourcing strategy includes a combination of the following as appropriate: Purchase Requisitions and Purchase Orders; Contracts; Alliances; Strategic and Preferred Suppliers; and Purchasing Card usage.

2.0 Scope

The policy sets the expectations (principles) for Hydro Tasmania to procure goods and services covering the procurement life cycle from purchasing through to disposal. The policy excludes contracts related to trading (e.g. derivatives and energy), which are dealt with under the Trading policy. It also excludes major business activities resulting in mergers, setting up new businesses or JVs, acquisitions or disposal of parts of the business; and land and property transactions which are dealt with under the asset management policy.

The policy provides the context for the development of more detailed procedures to guide the procurement of goods and services through to disposal across Hydro Tasmania.

The policy covers all of Hydro Tasmania and its wholly owned subsidiaries.

3.0 Objectives

The objectives to be achieved through this policy are:

- Identify opportunities to minimise our environmental and social impact through better selection, storage and disposal of goods and services, resulting in a sustainable business outcome;
- Enhance our relationships with our suppliers by engaging them on how we can work together to achieve this; and
- Demonstration of improved application of our values and judgements in procurement decisions.

4.0 Policy & Principles

Policy

In all our procurement activities we will adhere to established corporate business standards / rules relating to [delegated authority](#) which are articulated at procedure level.

We will adhere to the following procurement principles in order to meet our objectives.

Principles

- We will ensure value for money balanced with sustainable business practices in all of our procurement activities;
- We will apply transparency, probity and ethics in accordance with our values in all of our procurement activities;
- We will ensure that, in accordance with good governance each purchase / engagement activity is preceded with an appropriate purchasing method; ([see procedures](#))
- We will give consideration to local suppliers to ensure that our procurement assessment process does not unfairly disadvantage them in seeking to do business with Hydro Tasmania;
- We will include in all procurement activities over their full life cycle, as appropriate, environmental, OH&S and social requirements from tendering, evaluation, acquisition, storage, usage through to disposal;
- We will adopt a pragmatic approach to encouraging and influencing our suppliers to improve their sustainability practice;
- We will establish performance agreements as required and transparent feedback tools for assessing performance with our key strategic suppliers and monitor their progress over time

5.0 Definitions

Goods

Off the shelf materials, kits, components and their related parts and accessories made to Australian or relevant international standards.

Services

Services are defined as supplies entailing an element of exertion by the supplier for the customer, which may or may not result in a tangible deliverable; and are specified by Hydro Tasmania.

6.0 Links

[Procurement Procedures](#)

7.0 Accountability

- All Hydro Tasmania “business units” have shared responsibility and accountability for integrating the provisions of this policy into their decision making; and
- The Business Performance Unit is accountable for developing a coordinated and integrated approach to implementing this policy across Hydro Tasmania.

8.0 Breaches

Breaches of the policy and its principles will be dealt with through our normal process of holding people accountable.

9.0 Related Documents

[Hydro Tasmania Policy Framework](#)

[Hydro Tasmania Sustainability Code](#)

[Hydro Tasmania Environmental Policy/Procedures](#)

[Hydro Tasmania Health and Safety Policy/Procedures](#)

[Hydro Tasmania Code of Ethics](#)

[Hydro Tasmania Bribery and Corruption Policy](#)

[Delegations Manual](#)

10.0 Keywords

Sustainability, Procurement, Purchasing, Environmental Performance, Social Performance, Tenders, Contracts.

11.0 Quality Records

N/A for this initial version. The quality records refer to the relevant audit trail in managing the policy life cycle.

12.0 Additional Help

If you need help with	Contact
Questions about the scope and applicability of this policy.	Policy Custodian . Policy Owner .
More information about the scope of underlying procedures.	The Policy Custodian in the first instance. You can also contact the procedure owner(s) if known.
Additional training	Contact the Policy Framework Custodian or the Policy Custodian .