

**ILUKA**

***Activity Definition***

***Off-Site Repair Process for Stock  
Catalogue Items***

**MPA-207-AD-01**

**April 2006  
Final 1.1**

**AMENDMENT HISTORY**

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**PROJECT NAME: Iluka Business Support Model**

Whole of document

**AMENDMENTS IN THIS RELEASE:**

(Including problem or issues cleared and changes applied)

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**APPROVED BY:**

In accordance with the agreed sign-off procedures, the undersigned hereby approves and accepts this document on behalf of Iluka Resources.

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Date: 07/12/2004

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### 1. Document Overview

The purpose of this Activity Definition is to provide detailed information on a specific business activity or scenario, answering questions about the activity such as; who, what, when, where, why etc.

It is important to remember that in the Activity Definition will utilise a number of Business Process Procedures (BPP's). Therefore the specific details of how each transaction is completed is not required in the Activity Definition.

The Activity Definition must include a process flow diagram that explains the logical flow of steps required to complete the activity or scenario.

## **2. PART A - Off-Site Repair Process for Stock Catalogue Items**

### **2.1 Description: Off-Site Repair Process for Stock Catalogue Items**

Reference No's are same as Flowchart:

1. Site identifies the need for replacement of an equipment item. This may be as a result of a scheduled change out, equipment failure or process change. Notice of impending change out can be communicated to the ORC.
2. A replacement material item will be booked out of the warehouse, through the Work Order being used to carry out the work.
3. The equipment shall be changed out, and the Supply Group will be advised by SAP that a repair item has been booked out and an identical item shall be returned from the maintenance department for repair.
4. The equipment shall be returned to the store for repair with stores despatch tag completely filled in, description and stock number, work order number and functional location number. The Maintenance Co-ordinator shall be notified if special crange requirements are necessary. The Warehouse shall in turn notify the Off-Site Repair Contractor (ORC) of special crange requirements.
5. Supply Group Representative shall raise a Purchase Order (PO) in SAP (Only on items that have a repair tag fitted) on the Off-Site Repair Contractor for either a "Strip, Assess & Quote" or a "Standard Repair Scope" and highlight if the item is an emergency repair job. Raising the PO gives a tracking number for the work and notifies the ORC that work is in the pipeline.
6. The Warehouse shall then arrange transport of equipment to the ORC facility,
7. On receipt of the components for repair the ORC shall check the following details:-
  - Transportation damage (if any).
  - Number of components on the Order for repair is the same number as those received from the transport company.
  - The item delivered is as described (Cost and delivery variations).

If there are any discrepancies with the information provided on the con-note or Purchase Order, the Iluka Supply Buyer for Offsite Repairs should be contacted immediately by fax on 9360 4777.

The ORC shall strip and assess the equipment (if applicable), determine what approach is required (Scrap, Repair to OEM spec, Improved spec, Standard Repair Scope) in conjunction with the Offsite Repairs Inspector and ORC as appropriate, site personnel may

also be contacted for information if required. Prepare a quotation. The ORC will conduct a failure analysis and provide a report, based on the Iluka standard format, to the relevant Maintenance Co-ordinator and Reliability Engineer, the report is to be attached to the functional location in SAP. The report will identify as a minimum the following:

- Failure Mode
  - Root cause of Failure
  - Maintenance strategy (Planned vs Actual)
  - Lost opportunity cost
  - Recommendations
- 8.** The ORC shall review the equipment status with the Off-Site Repair Inspector if a scrap decision is required.
- 9. Decision point for scrap or repair.** If the equipment is to be scrapped then the Iluka Supply Group shall be notified. In this instance Supply Group shall order new replacement equipment item.
10. For "Non Standard Repairs" and "Standard Repair Scope" variations, the Offsite Repairs Inspector shall review the scope of work and quotation provided by the ORC. If quote and scope are acceptable the Offsite Repairs Inspector shall approve them and request Supply Group to raise variation to existing PO.
11. Supply Group shall raise variation to existing PO in SAP to cover approved amount required to complete the repair scope of work. The purpose of the Variation Order document is to formally notify the supplier that their quotation submission has been accepted (Possibly with some formalised adjustments) and the repair of the component is to commence. This document is faxed to the ORC. This document is in the same form as the original Purchase Order but includes further important details relevant for the repair to commence.  
Many of the items contained in the Variation Purchase Order are identical to the Original Purchase Order.
12. The ORC shall repair the equipment in accordance with agreed scope of work, schedule and approved standards. All documentation and records resulting from the processes contained in this procedure shall be filed by the ORC in accordance with the M & E Filing System.
13. The ORC Inspectors shall inspect the finished equipment repair to verify that work has been completed in accordance with the defined scope of work, and conduct inspection and testing to demonstrate that dimensional and performance criteria have been met.

A non-conformance shall be raised for all equipment that fails first inspection after repair, and the percentage of equipment that fails first inspection shall be reported to Iluka monthly. Any deficiencies identified at this point shall be rectified prior to shipment to Site. When the repaired equipment is accepted then transport and special crange back to Site shall be arranged by the ORC. Appendix H describes the requirements for marking instructions, carrier information and delivery point. The Offsite Repairs Inspector will also be involved in the inspection of critical items.

14. Repaired equipment will be received at the Site Warehouse. Notification to be given by ORC to the relevant Warehouse Contact to confirm delivery date and any special requirements.

15. Goods inward inspection will be conducted on receipt of the equipment at Site to check the following details: -

- Transportation damage (if any).
- Number of components on the con-note is the same number as was actually received from the transport company.
- The item delivered is as described.

If there are any discrepancies with the information provided on the con-note then the ORC should be contacted immediately on 0419 044 182.

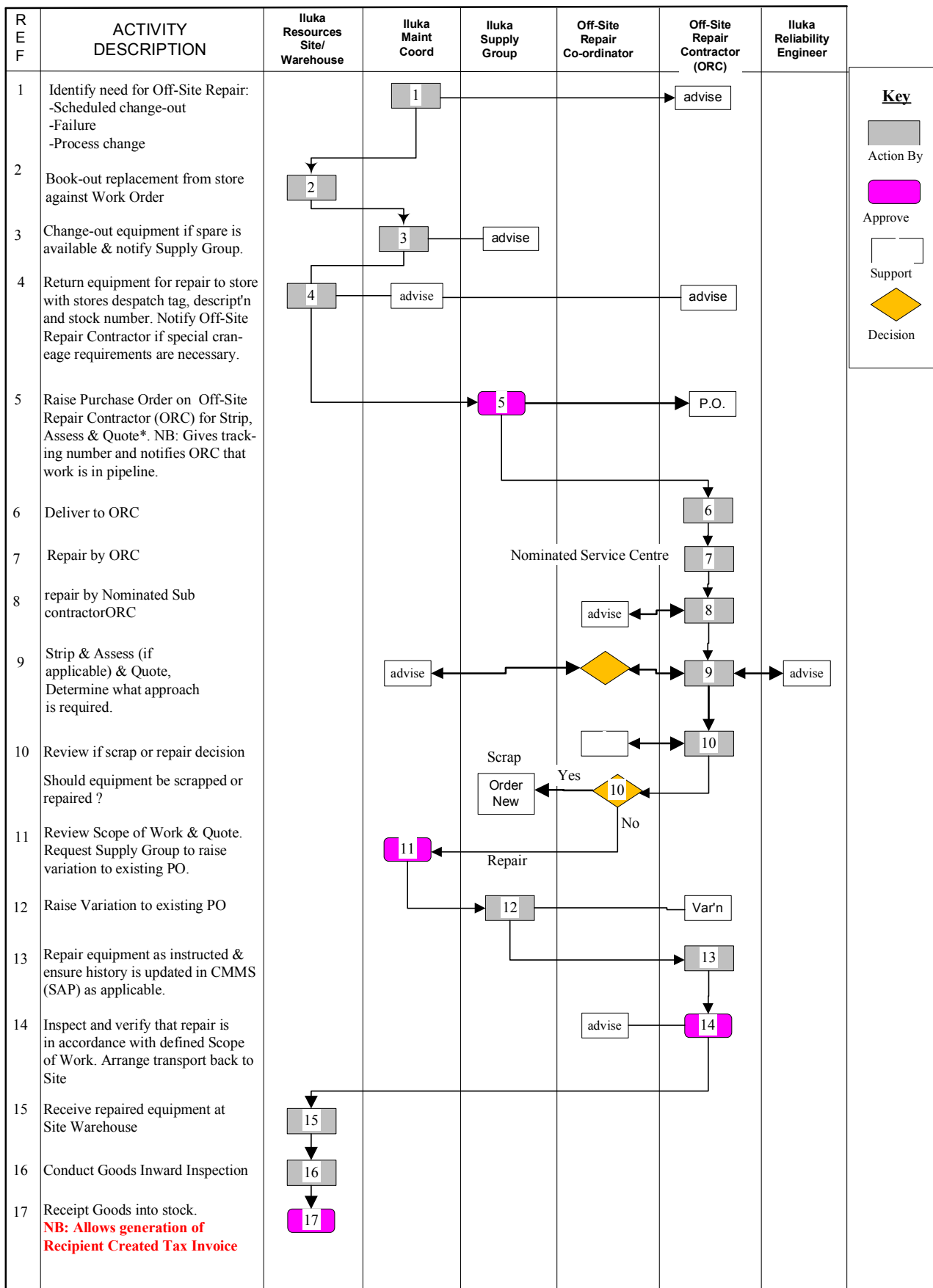
Site Warehouse Receipt Goods into stock. NB: This allows generation of Recipient Created Tax Invoices.

<b>Assumptions</b>	It is assumed that there is a contract between Iluka and the Offsite Repair Contractor for Material item repairs.
<b>Safety/ Environment</b>	N/A
<b>What Before</b>	{Enter a description of the activity that precedes this activity. This will help to provide the context for this activity.}
<b>Event/Trigger</b>	Removal off a repairable item by maintenance from an operational plant
<b>Who</b>	Maintenance departments, Offsite Repair Contractor, Warehouses, Purchasing Department, Offsite Repairs Inspector
<b>Where</b>	Offsite Repair Contractor facilities
<b>Frequency</b>	Daily

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<b>Why</b>	It is necessary to repair identified items that are removed from the plant for cost management reasons as well as guaranteed availability of certain items.
<b>How</b>	Utilising standard SAP functionality and Offsite facilities
<b>Output</b>	Repaired material items returned to warehouses
<b>What Next</b>	When required the item will be withdrawn from the warehouse and installed into an operating plant

### **3. PART B – Process Flow**



## **4. Supporting Information**

### **4.1 Part A - Related Documents:**

Failed Component Warranty Response Process.

Off-Site Repair Contract Payment Process

Raising a Purchase Order.

Quotation Requirements.

Resource Codes, Carrier Information and Delivery Point.

### **4.2 Part B - Additional Information:**

{Include any additional information that is relevant to describing this activity. Use sub-headings as required.}