

Network Innovation Competition Full Submission

Supplementary Answer Form

Tick if this answer is Confidential:

Tick if this answer has been provided verbally:

Project code:	SGN_GN_01	Question Number	6
Question date	27 th August 2013	Answer date	29 th August 2013
Submission section question relates to	Section 3		
Topic	Project Business Case		
Question	Has there been any preliminary discussion with the HSE regarding the risk management principle of mains condition assessment/remediation vs replacement?		
Notes on question			
Answer	<p>We have had various meetings and discussions with both the HSE and Ofgem regarding this topic.</p> <p>For Mains in 'Tier 1' (8 inches and less in diameter), it is our interpretation that;</p> <ul style="list-style-type: none"> • the remaining population of 'at-risk' iron mains in this category at the 1st April 2013 must be decommissioned by 31st March 2032. • the target length to be decommissioned annually is not defined, thus the length within the GD1 period could be based on either a flat line or profiled line as set out by each GDN within a programme for your approval covering a period of one or more years and supported by regular reporting to demonstrate adequate progress. • 20% 'by length' of the annual length to be decommissioned should be made up from the highest category pipes (seed pipes) identified by the MRPS risk model. • Previously agreed arrangements set out GDN management procedures for managing 'seed pipes' will remain in place e.g. deferring, until more efficient, short iron pipe lengths <=3m. • that the remaining 80% 'by length' of the annual length budget should comprise any other 'at-risk' iron pipes within this category. Tertiary iron pipes not categorised as 'at-risk' should also be included 		

	<p>in a programme of work comprising iron pipes in this category.</p> <ul style="list-style-type: none"> • the length decommissioned annually can exceed the minimum length where supported by a business case demonstrating that wider objectives (to be defined) are met; thus delivering the overall programme for this category 'sooner' than 2032. • that any additional pipes not previously categorised as 'at-risk' (dynamic growth) should be included for consideration in the risk management process for RIIO-GD1 and an estimate of these included in the agreed workload. Any resulting variances will be accounted for through workload adjustments in a subsequent programme e.g. RIIO-GD2. <p>For Mains in 'Tier 2' (above 8 inches and below 18 inches in diameter), it is our interpretation that;</p> <ul style="list-style-type: none"> • work in this category is not time bound but will have a minimum workload defined through the setting of a threshold • GDNs should consider a range of pipe risk management measures including, but not limited to, decommissioning and replacement, but recognising that this will be subject to innovation and development in this area. • pipe risk management will be driven by a threshold (or set of thresholds) identified by the GDNs , agreed with HSE utilising MRPS. • the GDNs should work together to propose appropriate threshold(s) • the HSE will review and agree this proposal and this will form a part of the PSR13a approval • further work in this category should include consideration of pipes for efficient inclusion in Tier 1 projects and/or based on integrity data and other asset management processes to ensure integrity of the network is maintained or supported by a business case where the wider objectives (to be defined) are met. <p>For Mains in 'Tier 3' (18 inches and above in diameter), it is our interpretation that;</p> <ul style="list-style-type: none"> • work in this category is not time bound, there is no set length • work in this category should include consideration of pipes for efficient inclusion in Tier 1 projects and/or based on integrity data and other asset management processes to ensure integrity of the network is maintained or supported by a business case where the wider objectives (to be defined) are met. • GDNs should consider a range of pipe risk management measures including, but not limited to, decommissioning and replacement, but recognising that this will be subject to innovation and development in this area. • GDNs may consider including pipes in a proposed programme of work where selection is based on a cost benefit argument including environmental/network efficiency etc. • Where a pipe is assessed to present an unacceptable risk, this will be included in our proposed programme of work and the approach would need to be approved by the HSE
Attachments	
Verbal Clarifications	

(Consultants)	
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