

# *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 <sup>th</sup> August 2013	Answer date	29 <sup>th</sup> 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"> <li>the remaining population of 'at-risk' iron mains in this category at the 1st April 2013 must be decommissioned by 31st March 2032.</li> <li>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.</li> <li>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.</li> <li>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 <math>\leq 3\text{m}</math>.</li> <li>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</li> </ul>		

	<p>in a programme of work comprising iron pipes in this category.</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul> <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"> <li>work in this category is not time bound but will have a minimum workload defined through the setting of a threshold</li> <li>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.</li> <li>pipe risk management will be driven by a threshold (or set of thresholds) identified by the GDNs, agreed with HSE utilising MRPS.</li> <li>the GDNs should work together to propose appropriate threshold(s)</li> <li>the HSE will review and agree this proposal and this will form a part of the PSR13a approval</li> <li>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.</li> </ul> <p>For Mains in 'Tier 3' (18 inches and above in diameter), it is our interpretation that;</p> <ul style="list-style-type: none"> <li>work in this category is not time bound, there is no set length</li> <li>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.</li> <li>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.</li> <li>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.</li> <li>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</li> </ul>
Attachments	
Verbal Clarifications	

(Consultants )	
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