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Dear Colleague

### **BSI-PAS 55 Certification**

Following our last letter of 20 July 2007<sup>1</sup> seeking an update on progress of the monopoly network companies towards achieving certification to BSI PAS 55, the asset risk management section of the Ofgem website<sup>2</sup> was updated. At the beginning of August 2007, seven of the major network companies had already achieved certification and the remaining six indicated that they were making progress towards this aim and all expected to be certified by April 2008<sup>3</sup>. We are now pleased to note that by the end of February 2008, they had done so and all major monopoly network companies (gas and electric) are currently certified to BSI PAS 55.

From limited discussions with the companies we understand that companies have found the process of gaining certification beneficial. We therefore believe that Ofgem's Asset Risk Management project has now achieved its objectives and can therefore be wound down. We have decided not to continue collecting and publishing details of companies BSI PAS 55 certification status, which in any case was voluntary, although we welcome companies continuing adherence to BSI PAS 55 where this brings customer benefits.

We will continue to take an interest in companies' asset risk management as part of continuing regulatory dialogue, for example as a part of the regular price reviews or within the output measures project.

We and several network companies actively supported the IAM in the development of an assessment methodology for asset management and in due course we look forward to the IAM making this available more widely, although we recognise that this may be after the issue of Revision 1 to BSI PAS 55 later this year.

In winding up Ofgem's Asset Risk Management project, we would like to acknowledge the extensive support and feedback from companies and others over the years.

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<sup>1</sup> [www.ofgem.gov.uk/Networks/Techn/NetwrkSupp/AssetRisk/Documents1/Pas%2055%20Certification.pdf](http://www.ofgem.gov.uk/Networks/Techn/NetwrkSupp/AssetRisk/Documents1/Pas%2055%20Certification.pdf)

<sup>2</sup> [www.ofgem.gov.uk/Networks/Techn/NetwrkSupp/AssetRisk/Pages/AssetRisk.aspx](http://www.ofgem.gov.uk/Networks/Techn/NetwrkSupp/AssetRisk/Pages/AssetRisk.aspx)

<sup>3</sup> [www.ofgem.gov.uk/Networks/Techn/NetwrkSupp/AssetRisk/Documents1/Updated%20page%20for%20Ofgem%20Websitev3.pdf](http://www.ofgem.gov.uk/Networks/Techn/NetwrkSupp/AssetRisk/Documents1/Updated%20page%20for%20Ofgem%20Websitev3.pdf)

Yours sincerely

A handwritten signature in black ink, appearing to read 'S Argent', written in a cursive style.

**STEVE ARGENT**  
Technical Adviser and ARM Project Manager