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| **Draft Determination Publication** | |
| **Network Queries** | |
| **Network Reference number** | CADENT\_DDQ\_5 |
| **Licence** | Cadent |
| **Topic/Activity:** | IMRRP |
| **Question:** | Paragraph 3.21 (second bullet point): “We are concerned that Cadent's PAST proposal is inconsistent with the existing structure of the IMRRP ....”  To help us better respond to the draft determination can you please expand on the concerns raised on the inconsistency between our proposed PAST approach and the IMRRP? Which aspects of the structure are inconsistent? |
| **DDQ raised by** |  |
| **Date query raised** | 14/07/2020 |
| **Expected response date** |  |
| **Ofgem Response:** *The PAST proposal seeks to apply a mechanistic safety threshold across all of your asset management (non-mandatory) mains population. In doing so, this would effectively apply the system currently used to distinguish between Tier 2a and Tier 2b pipes in the IMRRP to all pipe categories.*    *When the IMRRP was introduced, different options for managing risk on different assets were considered, and the three tier approach was decided on.  In the case of Tier 3 mains, it was decided that "Tier 3 pipes may still be subject to decommissioning where a cost benefit analysis agreed with Ofgem is justified", but it was decided that the application of a risk threshold approach was not required (in contrast to Tier 2 mains). Hence, we think that you proposal to apply a risk threshold (PAST) approach to Tier 3 mains is inconsistent with existing 3 tier structure of the IMRRP, which has already determined that such a mechanistic approach is not required.* | |
| **Attachments:** | |