

NOMs Methodology Change Log including Specific Comments received from Ofgem 2 June 2017

Page No.	Ofgem Comment	SRWG Action
2	None	Update version date to 31 st July 2017, and version 3.2.
3	Update Contents table	Entire Document reformatted and contents table updated.
3-4	None	Collapsed Contents to 2 levels to improve readability and consistency
15	Asset Interdependence	Section on Asset Interdependence section inserted as section 2.8.
18	Update Primary asset table (Table 1) to reflect the arrangement of the Appendices	Updated Table as suggested incorporated into methodology. Updated text to reference changes in table.
27	None	Added following text to describe Table 4. <i>“Table 4 is colour coded for each node of the event tree. Subsequent risk maps within this methodology and the appendices reflect this colour coding to indicate which values are associated with each node.”</i>
59 – Section 5.3	<i>“Design of precise regulatory reporting requirements will need to be informed by the reward and implementation work that has just kicked off on a cross sector basis.”</i>	Updated final paragraph on page 54 to reflect Ofgem comments as follows. <i>“Tables 18 and 19 illustrate example regulatory reporting templates provided by Ofgem for use in the July 2016 NOMs submission and 2017 regulatory reporting submission. The design of precise regulatory requirements will be informed by the NOMs Cross Sector Working Group and Ofgem, who will establish the Reward and Penalty implementation framework.”</i>
64	None	Updated Appendix A Heading and section A3 heading to “Distribution Mains” and “Distribution Mains Event Tree Utilisation” respectively.
67 – Figure A3	<i>“Can the column heading be added back to make the template easier to understand?”</i>	There are no column headings for the risk map. The risk map is colour coded to indicate what each node refers to. This is presented in Table 4, Section 3.6, page 23. A reference has been included on page 54 to make this clear.

		<p>The Distribution Risk Map key presented in Figure A1, pg. 62 also indicates this. The following text has been added to each Appendices making this explicit. (Example for Distribution Mains Shown).</p> <p><i>“Figure A-1 outlines the risk map key for Distribution Mains. The risk map is colour coded for each node of the event tree to indicate which values are associated with each node. The colours are reflected in both the risk map and risk map template in Figures A2 and A3.</i></p> <p>Relevant Figure numbers and Captions to reflect the above statement have also been inserted/updated as appropriate.</p>
79	None	Updates heading A3.5 to read “Distribution Mains Intervention Definitions”
78	<i>“There is no Section A5 in this document. What should the reference be?”</i>	The reference should be to Figure A8. The document has been updated to reflect this.
79	<i>“Should Table A-3 be updated to be consistent with the equivalent sections in Appendix C&E</i>	Table A-3 Updated to reflect similar information to Appendix C&E
89	None	Updated heading B3 to read “Services Event Tree Utilisation”
89	<i>There is no Section 3.1.3 in document, what should the reference be?</i>	Paragraph reworded and updated to reference section 3.1 correctly.
90	<i>Typo? Services?</i>	Updated “mains” to “services”.
91	<i>Typo? Services?</i>	Updated “mains” to “services”.
94	<i>“There is no Section B5 in this document. What should the reference be?”</i>	The reference should be to Figure B5. The document has been updated to reflect this.
95	<i>“Should Table B-4 be updated to be consistent with the equivalent sections in Appendix C&E</i>	Table B-4 Updated to reflect similar information to Appendix C&E

98	<i>How to get the £4.69m from Table B-7</i>	£4.69m is the sum of the “Discounted Investment” Column. A reference to this has been included in the document to make this clear.
98	<i>What’s the discount rate used and Why?</i>	Please refer to Table 5, pg. 27-29 which outlines Global values. The discount rate used for each company is the business WACC. It should be noted that the discounted rate is only relevant to CBA and not used in the monetised risk assessment.
100	<i>How to get the £390,483 from Table B-7</i>	<i>£390,481</i> is the sum of the “Discounted Investment” Column. A reference to this has been included in the document to make this clear. The text has been updated from £390,483 to 390,481 as minor calculation error in text.
100	<i>What’s the discount rate used and Why?</i>	Please refer to Table 5, pg. 27-29 which outlines Global values. The discount rate used for each company is the business WACC. It should be noted that the discounted rate is only relevant to CBA and not used in the monetised risk assessment.
101	None	Updated heading C2 to read “Governors Event Tree Development”
108	None	Updated heading C3 to read “Governors Event Tree Utilisation”
110	Can Table C-1 be re-uploaded with a clearer version	Image quality improved for Table C1
119	Why “mains” here under Governors Assessments typo.	Updated to Governors.
128	None	Updated heading D2 to read “LTS Event Tree Development”
140	None	Updated heading D3 to read “LTS Event Tree Utilisation”
134	None	Updated section 2.6 to section 2.5.1 so it fits within the data reference library and bring consistency to appendices.

142	<i>“Can Probability of failure and Deterioration be two separate sections in order to keep reporting consistency”</i>	No update made – keep section as is. By separating these sections we would be presenting the same graphs and information twice. This is due to values being derived from elicitation workshops for LTS and Offtakes (maintainable assets generally not run to failure) as opposed to actual observed data for the other asset types.
154	<i>“Should Table D-6 be updated to be consistent with the equivalent sections in Appendix C&E”</i>	Table D-6 Updated to reflect similar information to Appendix C&E
163	None	Updated heading E2 to read “Offtake and PRS Event Tree Development”
189	None	Updated heading E3 to read “Offtake and PRS Event Tree Utilisation”
191	<i>“Can Probability of failure and Deterioration be two separate sections in order to keep reporting consistency”</i>	No update made – keep section as is. By separating these sections we would be presenting the same graphs and information twice. This is due to values being derived from elicitation workshops for LTS and Offtakes (maintainable assets generally not run to failure) as opposed to actual observed data for the other asset types.
205	None	Updated heading F2 to read “Risings Event Tree Development”
212	None	Updated heading F3 to read “Risings Event Tree Utilisation”
215	<i>Which data option used? Option A, B or C?</i>	No Change made. The option selected will differ between GDNs where a node is GDN specific so it is not appropriate to include this detail within the methodology. The option chosen by each GDN should be referenced in RRP submission commentary and data improvement plans.
215	<i>Why this grouping approach and any negative impact?</i>	Discussed within validation report
215	<i>Any Impact on Validity Assessment? Re. Leak data not available for NGN.</i>	Discussed within validation report.
215	<i>Any Impact on Validity Assessment? Re: only WWU had specific data on interference damage events.</i>	Discussed within Validation report.

217	<i>"Should Table F-4 be updated to be consistent with the equivalent sections in Appendix C&E"</i>	Table F4 Updated to reflect similar information to Appendix C&E
General	<i>None</i>	Update document and cover graphic to reference Cadent in place of National Grid.

LTS Changes from ICS/PIE review

Page No.	Ofgem Comment	SRWG Action
129		Defect node changed to Faults with more detailed definition.
131		Inserted Updated AIM risk map picture to reflect updated version supplied by ICS (130-131)
130-131		Inserted updated Risk Template from revised LTS model
132-138		DRL updated with new fault definition (rather than Defects) and F_Defects removed
138		Removed Section D2.5.1 for consistency with other appendices.
141		Added the benchmarking comment. Also added EGIG report as a reference
141 Section D3.2.1		Defects changed to faults and the new approach outlined.
145 D3.2.5		Pipe Corrosion updated and sections of corrosion and CP deterioration added. Scaling to defects has been removed as it is now its own node in the risk map.
149 D3.3		Added the benchmarking information to leaks and ruptures, also added corrosion to the ruptures as per the EGIG report
154 D3.4.2		Whole interventions section rewritten and shortened

Appendix D

Updated table's numbers and reformatted.