

Annex to EJD WWU.13 – Offtakes, PRIs & Storage

1.0 Introduction

This annex document provides additional supplementary information in support of Engineering Justification Document WWU.13 – Offtakes, PRIs & Storage. The content and structure has been developed based on the feedback we've gratefully received in bilateral discussions with the Ofgem Engineering Assessment team.

2.0 Winter Submission Summary

We submitted our Asset Health Engineering Justification Document (EJD) WWU.13 in December 2024. The document included a description of the assets within Offtakes, PRIs & Storage and we provided our justification for the interventions required on this asset group.

As stated in our EJD we are proposing Option 2: Balanced Plan, a combination of refurbishment and replacement interventions.

Our RIIO-GD3 planned workload and the associated costs are detailed in table below:

Table 1 - RIIO-GD3 Submission Summary

	RIIO-GD3	
	Cost (£m)	Volume (No.)
Inspection / Fix on Failure	██████	940
Sub-System Refurbishment	██████	475
Sub-System Replacement	██████	108
Total	██████	1,523

3.0 WWU Draft Determination

In Ofgem's Draft Determinations consultation, the assessment of Offtakes, PRIs & Storage was noted as '*Partially Justified*' and proposed reduced workload volumes. The detail noted "*Overall, the paper has been well written. Requested asset data and costs were provided. Clear to understand investment volumes and figures. Data provided doesn't correspond to volumes given in Table 2 of SQ response for all assets. A volume adjustment has been made to correspond with supporting data. Additional data should be provided which includes all requested intervention volumes.*"

On review we can see the difference referenced is between the workload volume provided in our EJD (583 work items) and the workload evidenced in our response to SQWWU023 (474 work items), with the reason being what is modelled in the NARM model versus what we detailed in our EJD. This Annex document will provide an explanation of the difference.

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3.1 Impact of Draft Determinations

The following table compares RIIO-GD2 Actuals / Forecast, RIIO-GD3 Business Plan (Submission: December 2024) and RIIO-GD3 Draft Determinations.

Table 2 - Comparison Between: RIIO-GD2, RIIO-GD3 Business Plan & Draft Determinations

EJP	GD2 Actuals/Forecast		GD3 BP		GD3 DD	
	Workload	£	Workload	£	Workload	£
WWU.13 - LTS AGI (Mech): CAPEX	626	■	539	■	~530	17.0m
WWU.5 - LTS AGI (Mech): OPEX	1,144	■	984	■	984	4.4m

For completeness the workload categories included in our Business Plan for this asset group are:

- Legislative Compliance – Fixed Workload
 - PSSR Inspections undertaken in accordance with a Written Scheme of Examination (WSoE), e.g. heat exchanger major revalidations
- Legislative Compliance – Variable Workload
 - Annual Maintenance Plan (AMP) tasks
 - Remedial work identified during inspection / maintenance to ensure continued fitness for purpose, e.g. component replacement
 - Site Refurbishment identified following inspection / maintenance / failure
 - Site Replacement identified following inspection / maintenance / failure
- Other Priority Work
 - Occupational safety, e.g. paths, handrails
 - Security, e.g. fences, doors
 - Site fabric, e.g. ducts, chambers

3.2 WWU Draft Determination Response

The difference between the number of interventions detailed in the EJD versus those provided as part of our response to SQWWU023 is detailed in the table below:

Table 3 - Difference Between Interventions in EJD WWU.13 Table 1 and SQ WWU023

Sub-Asset Type	Refurbishment		Replacement		Total	
	EJD WWU.13 Table 1	SQ WWU023	EJD WWU.13 Table 1	SQ WWU023	EJD WWU.13 Table 1	SQ WWU023
FILTERS	389	109	85	10	474	119
METER				5		5
ODOUR		11				11
PREH		63		51		114
PRES_CONTROL		206		19		225
Non-NARM Sub-Assets*	86	-	23	-	109	-
Total	475	389	108	85	583	474

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*Non-NARM Sub-Assets are those that are not captured as part of the NARM-methodology, e.g. buildings, fences, chambers, etc.

We believe the reason for [REDACTED] being disallowed for this asset group is because of the difference in workload volume provided in our EJD (583 work items) and the workload evidenced in our response to SQWWU023 (474 work items), which amounts to 109 work items. The reason for this difference is due to our response to SQWWU023 only including assets and interventions modelled in the NARM model for this asset group, whereas the EJD details all interventions, including assets and associated interventions that are not modelled in the NARM model for this asset group. Workloads categorised as NARM are agreed and common across GDNs. They are detailed in the NARM methodology on which we consult and Ofgem approves.

As such the workload we are requesting is 583 work items, 474 of which are modelled in NARMS and the other 109 are not. The 109 work items relate to interventions associated with buildings (doors / roofs), chambers, fencing and security equipment, all of which are essential to the fabric of the site and the long-term health of the physical gas infrastructure and associated systems, but are ancillary items not modelled in NARMS.

4.0 Conclusion

Following feedback in the WWU Draft Determinations document and the Bilateral meeting between Ofgem and WWU on 5th August 2025, this Annex document provides our explanation of the difference between the intervention numbers provided in our EJD and those provided as part of SQWWU023. We hope this is an adequate explanation for Ofgem to support our case for the workload presented in our EJD, rather than the reduced workload proposed in the Draft Determinations.