Annual Report 2016

Cross-sector infrastructure interactions

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Version 1
January 2017

WALES&WEST UTILITIES

1) Introduction

Wales & West Utilities

Every day our skilled and dedicated colleagues do their very best to keep our 7.5 million customers safe and warm, with a gas network they can rely on and a level of service they can trust.

We don't sell gas; instead we use our extensive network of pipes to transport gas to homes and businesses throughout Wales and the south west of England. We respond to as emergencies, and we invest £2 million every day across our network, connecting new properties and upgrading old metal pipes to new long lasting plastic ones, to make sure the communities we serve receive a safe and reliable gas supply for generations to come.

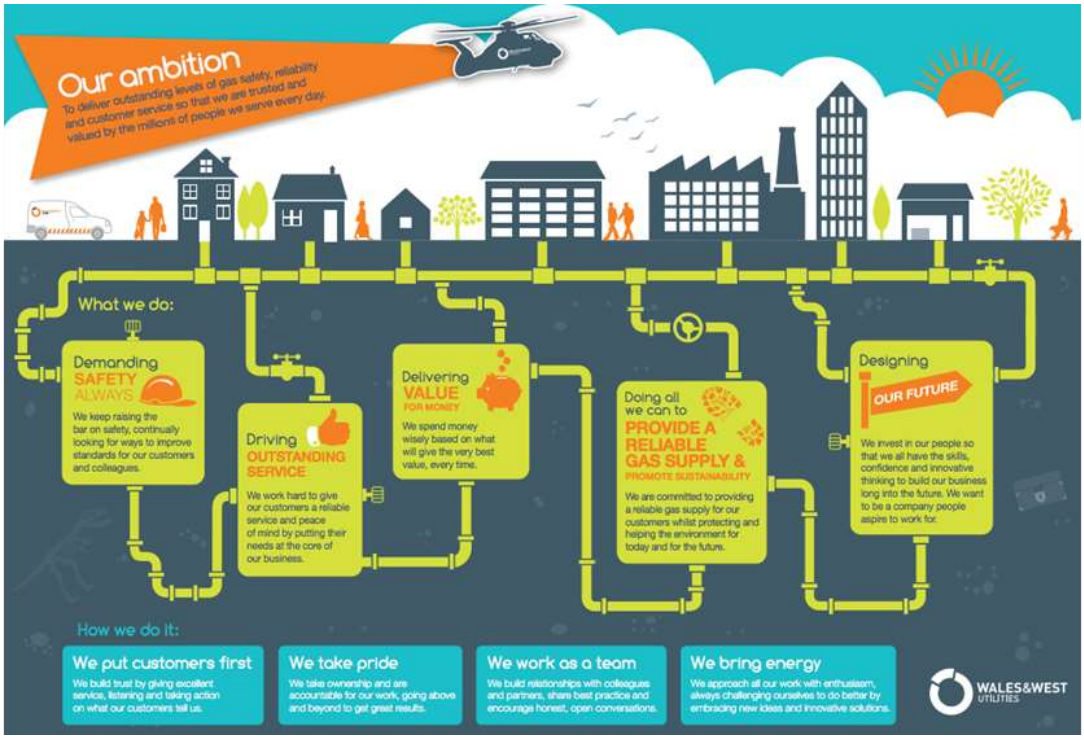
It's a vital service, and one we are extremely proud to deliver.

We supply 2.5m customer meter points on behalf of gas shippers. Our network consists of 2,500kms of high pressure pipes known as the Local Transmission System (LTS) operating at pressures between 7-70barg, and 31,000 kms of distribution pipes that transport gas to homes and businesses operating at pressures up to 7barg.

In addition there are around 4,000 above ground installations which control pressures or allow inspection and maintenance of our pipelines.

Our company priorities and values play a central role in guiding our key business decisions and are reflected in our day to day work.

For the avoidance of doubt this report does not cover our connections business or biomethane connections in 2016.



Our obligations

We produce a Safety Case to demonstrate compliance with the Gas Safety (Management) Regulations 1996 (GS(M)R). This is supported by a set of Plant Protection Management procedures and work instructions which are designed to ensure compliance with the New Roads and Streetworks Act 1991, Construction Design and Management Regulations 2015, and the Health & Safety Executive (HSE) publication HS(G)47 'Avoiding Danger from Underground Services'.

In 2016 we received 19,000 written requests for information on the location of our assets from third parties with an average response time of 3 working days.

In addition, we publish plans showing the location of our assets on our website to approved organisations to be able to self-serve. In 2016, 750 approved organisations made over 300,000 searches.

Putting Customers first

We work with customers to do site surveys where their enquiry relates to higher risk assets: all work in the vicinity of any asset at 2barg and above should have a site visit. The plans and information provided to third parties ask them to call at least 10 days ahead of any works to arrange a site visit. However, a more reactive service is provided to unplanned works. As a result, almost 2,360 site visits were completed in 2016.

Where our assets are likely to be impacted by third party works, physical protection may need to be installed, such as a concrete slab to protect our network. In 2016, 20 such measures were required.

Where a pipe or asset cannot be protected, it needs to be moved or diverted. In 2016 there were 544 diversion requests. When fully investigated, 276 diversions quotes were issued with 130 projects accepted and 74 projects completed in the year.

We are proud that we are not just reactive, and we take a proactive approach with customers and other stakeholders. We use data from planning portals and track developments proactively, approaching developers who have not contacted us. We provide geographic information system (GIS) shapefiles to local authorities as part of their planning processes and work with other utilities and developers presenting at their safety days on the risks and controls required when working near our assets.

This report gives more detail on our performance and the services we provide to customers and other stakeholders alongside our ongoing work to improve process, procedures and systems.

2) Our Performance

This section details our performance in working with third parties during 2016.

The increase in enquires and site visits is reflective of the increased number of new developments including new highways, housing, commercial and other development, as well as an increase in energy generation projects.

This volume of workload is expected to continue to rise through 2017 before levelling out in following years.

Plant protection enquiries

Published SLA: 10 days
Note: 95% of enquiries responded to via email

	2016	2015	Variance
Number of written enquiries	19,000	16,500	+15%
Average days to respond	3	2	-1 day
% responded within 10 days	97.83%	99.76%	-2%
Self-serve via website	300,000	250,000	+20%
Number of approved organisations to self-serve	750	700	+7%

The number of enquires includes jobs we have initiated. We appraise 42 local authority planning portals and use the data to actively look for higher risk developments were we have not been contacted and proactively send our plans to the developer.

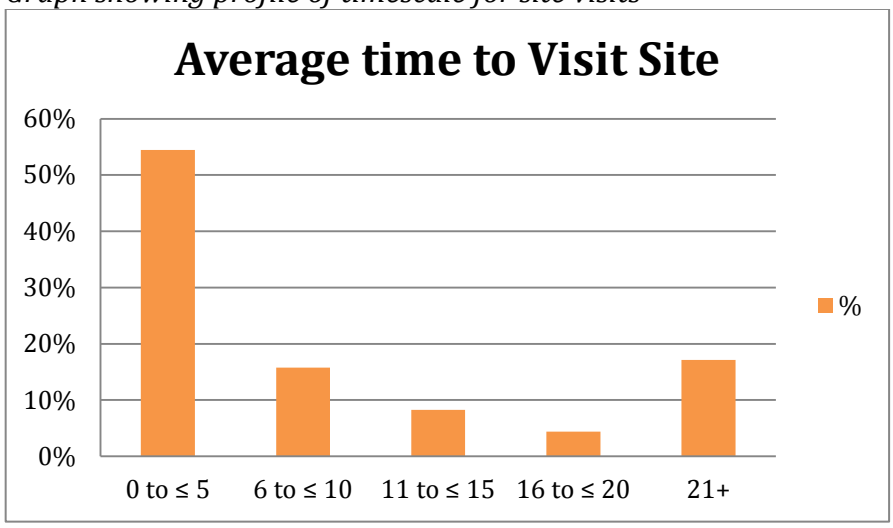
Site visits

Published SLA: 10 days

	2016	2015	Variance
Number of site surveys	2,360	2,175	+9%
LTS network	725	703	+3%
Intermediate pressure	653	533	+18%
Medium pressure	976	919	+6%
Low pressure	8	20	-60%
% responded to within 10 days	70%	68%	
Average time to complete surveys on site	13	16	-19%

The average number of days is higher than 10 days as customers may not be ready on site or require multiple visits during their project. We record the number of days from the date of contact to the completion of the site survey records.

Graph showing profile of timescale for site visits



140 jobs were visited on the same day as the contact in response to unplanned works

The longest duration of 173 days was for a site with a six month duration and works in proximity to high pressure and medium pressure mains.

In 983 cases, it was agreed with the customer that works could proceed without a site survey as the works location and safety controls were adequate on site as to reduce the risk to a minimal level.

Special crossings

20 projects required a formal crossing agreement to be put in place to protect our assets. Of these 6 were concluded with the work taking place in the year and 14 projects are ongoing into 2017.

We have recognised that our process was bespoke and therefore during the year we have developed standardised agreements and published charges for the necessary agreements and associated site supervision which is currently under trial for full roll out in 2017.

Diversions

SLA 30 working days

	2016	2015	Variance
Number of diversions enquiries	584	642	-9%
Quotes issued	297	295	-1%
Diversions accepted	102	123	-17%
Diversions completed	74	71	+4%
Average days to issue a quotation	13	21	-38%
% quotes issued within 30 working days	94.65%	66.49%	
Average time from acceptance to completion	113 days	97 days	+16%
Shortest timescale	2 days	2 days	0
Longest timescale	486 days	461 days	+5%
Protective slabs agreed	20	15	+33%

We usually quote a 100 days lead time for diversions to allow for efficient planning of resources and ordering of materials. We are generally able to meet the customer's timescales for their developments and the average time reflects the customers accepting works in line with the 100 days lead time. Again, some projects will require multiple visits with on-site durations of up to 6 months.

Complaints

We received no complaints during 2016 about our plant protection service.

3) Incidents / cases of note and major projects

We have a dedicated plant protection team at our head office at Newport that is primarily focused on the plant protection service, and they not only forecast workload but also have developed a robust plan to respond to both business as usual enquiries and major projects and incidents.

During 2016, there were a few short periods of time when the service had to take account of other business requirements. This included the national load shedding exercise which took two resources for one day in September, while a retirement saw the team strength reduced for a short period. The impact on customers of the plant protection service during these periods was minimal.

Although we experienced some supply loss incidents during the year which required significant customer service and operational resources to resolve, there was a minimal impact on our plant protection service.

Where major projects are concerned, be they infrastructure developments of local, regional or national significance, we want to make sure interactions with us are as simple and as straightforward as they can be. Our team work hard to bring an efficient and cost effective approach to infrastructure interactions.

Examples of major projects that we have had discussions regarding in 2016 are:

- Interconnector scheme coming on shore from Europe to feed the National Grid – initial planning meeting to discuss proposed route, plant protection and diversions
- Intercity Express Programme (electrification of the Great Western Main Line) – diversions in place to facilitate the electrification of the London Paddington to Swansea rail line.
- The Brechfa Forest Wind Farm Connection project – we worked with Western Power Distribution to agree protective provisions in relation to our asset;
- Tidal Lagoon Swansea Bay (TLSB) Development Consent Order – we worked with TLSB to agree protective provisions in relation to our assets in the vicinity of the development project;
- Wrexham Energy Centre Development Consent Order – during 2016 and ongoing we have been working with Wrexham Power on protective provision terms and potential lease of land to facilitate development

While our interactions with the developers of major projects can, at times, be onerous, none of these had a significant impact on the service to the wider customer base.

Always more we can do

Despite the service we provide, we still had around 400 instances of damage or related incidents caused to our assets in 2016. The majority of these were to low pressure pipes caused by mechanical excavators. This was down from 500 in 2015.

In 2016 we reported 10 incidents to the HSE under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) process, down from 13 in 2015.

Our ongoing aim is to reduce damage to our assets year on year.

4) Listening to customers and other stakeholders

We attended both the Royal Welsh Show and Bath & West Shows in 2016, where WWU host a stand which allows us to promote gas safety alongside CO awareness and fuel poverty services. We issued our plant protection literature at this event and had contact with a small number of land owners. We issued our DVD presentation as a follow up where requested by land owners and other stakeholders.

During 2017 our key focus is to continue to progress stakeholder engagement to continually improve plant protection and cross sector interactions. We currently have good contact information for land owners with local transmission pipelines running through their land but want to extend this to land owners with lower pressure tier information. We plan to remind them of the presence and location of plant on their land, safe working measures and remind them how to report issues with marker posts or damaged valve chambers.

During 2016 we had interaction with a number of other utilities and companies. The main feedback we had was a desire for the approval of generic Risk and Method Statements for work in the vicinity of medium pressure gas pipes to reduce the volume of site surveys. This is being trialed with a number of utilities.

We are seeing an increasing number of organisations requesting Geographic Information Systems (GIS) SHAPE files for our network. We have provided these to 10 local authorities under licence during the year and will continue to target other local authorities in 2017. Other organisations, including the Welsh Government, have also been provided with the data for research works and energy futures type studies. We currently appraise each request on its merits, each organisation sign a data sharing agreement with us before the data is provided. We recognise this as an ongoing requirement and we will ensure a data exchange mechanism is built into our new GIS platform which will be delivered during 2017.
We have also had feedback from other utilities in our area that they would like to hold a joint utilities forum. The proposal is that developers and organisations are targeted to attend and get a clear and consistent message from all of the utilities about plant protection.

We participate in the Gas Transporter's panel which reviews trends in damage to pipes and we try to identify common offender groups to target and educate in plant protection best practice as appropriate.

5) Good practice

We meet the good practice principles in all our infrastructure interactions**.**

Example case studies of recent cross sector interactions are attached to demonstrate our clear process in dealing with cross sector interactions.

During 2016 we have completed our work to review and update our management policies and procedures to prevent damage to our below 7 bar assets.

We also rebranded and relaunched our year round plant protection campaign, DIG: giving developers three simple steps to stay safe (Dial, Investigate, Go ahead). We also published a 10 day service level agreement for site visits replacing the 7 working days that we previously used which confused customers for whom weekends are working days (as opposed to our Monday to Friday standard).

Alongside the new leaflets, we have produced business cards to be distributed to construction workers and plant operators with a reminder to DIG.

The plant protection team (part of the Business Services Directorate) holds bi-monthly meetings with Asset Management and Health, Safety & Environment Directorate where issues relating to infrastructure interaction, projects and incidents are discussed and an action log is maintained to ensure relevant owners are identified and actions closed.

Our Internal Audit team recently completed an audit of the below 7 barg plant protection process and found no non-conformities but identified some areas for improvement, primarily around the GIS plant protection system which will be actioned in 2017.

We have noted over the last few years the increase in green energy projects in our network. This has included wind turbines, solar parks and localised electricity generation (gas, LPG and biomass). We have therefore worked internally and externally with developers and landowners to raise the profile of the risks to our assets and our requirements as detailed in our policies.

We have also rolled out the use of the Pipetech2 device which allows us to quickly identify on site if a located pipe contains a gas or a liquid. This saves time and cost for us and the developer.

6) Key changes to process

In 2017, we have two significant projects that will impact this process.

Our GIS upgrade will see us move our platform to the most up to date version available on the market. This will allow us more control and make our mapping data more readily available. We will be able to pull in Land Registry data to our GIS platform by the end of 2017 and facilitate electronic exchange of data with other utility companies and local authorities.

The Land Registry data is key for us, enabling us to undertake spatial analysis and to identify land owners that have pipes running through their land so we can actively contact them on a regular basis. We do recognise that the Land Registry data does not include unregistered land and therefore we will also need to build in our local knowledge of land owners from our Estates team to compliment this dataset.

The GIS upgrade will also see us publish new maps via our website using new tools. This will give us the ability to draw a polygon around a geographical area enabling the customer to print the plans and associated safety advice automatically which is a key benefit.

Within our business, 'Project Fusion' is a review of the processes, people and systems to support an efficient delivery of work and services. The key expected outcomes of this project for the plant protection team will be the recording of training and competence of staff to undertake tasks, and the efficient scheduling of works including site visits.

Over the past 4 years, we have primarily used our First Call Operatives – emergency gas engineers to undertake site visits in the vicinity of medium pressure assets. During 2017 we will migrate this function to dedicated resources who will undertake both Connections surveys and plant protection visits. They will supported by a new training package currently being developed.

We will also look to refine our use of the local authority planning portal data so allow us prioritise higher risk projects. We will be looking for opportunities to interact with local authorities and other third parties at local development plan forums so we can better forecast workload and identify risks.

We are also proposing to hold a joint conference in 2017 to be held with Dwr Cymru Welsh Water with local authorities and developers invited to attend so we can share best practice and obtain stakeholder feedback on our plant protection processes and future services.

7) – Further information

Website: http://www.wwutilities.co.uk/services/pipe-locations/

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Appendix 1: Recent Interaction Case Studies

Case Study One:Energy Developer A , UK Offshore Wind Farm

- WWU were contacted by Energy Developer A regarding the routing of its connection cable from a major UK Offshore Wind Farm. The high voltage connection cable was to cross WWU's high pressure pipeline and apparatus on seven separate occasions.

- In initial meetings between Energy Developer A and WWU, it was acknowledged that a crossing agreement was required. WWU instructed external solicitors to advise on the agreement and was transparent from the outset. In order to reduce costs and work on preparing seven separate crossing agreements, WWU agreed a form of global crossing agreement for all of the apparatus, which saved significant time and cost for those involved.

- WWU's pricing was (and continues to be) stated throughout the process and is clear and transparent to all involved parties. WWU's external solicitor provided Energy Developer A with a fee estimate at the start of the instruction. WWU's Plant Protection and Legal department did not charge for any time spent reviewing, negotiating and working on the project. The only other cost for Energy Developer A with respect to its interactions with WWU on the project were for plant protection visits, for which the first day of any such visit is free and subsequently charged at agreed hourly rates thereafter for any further attendance necessary.

Case Study Two: Solar Park, North Wales

- This project constisted of a large (over 100,000 panels) Solar Farm being built near Chester. WWU have an intermediate pressure gas main within the boundary of the site. As a result of the project, WWU's intermediate pressure gas main was planned to be crossed 3 times with high voltage cables and WWU agreed plans for access over its main.

- WWU has worked proactively withthe Solar Farm Developer concerned , who are undertaking the works, to help devise its site plan, discuss crossing agreements and requirements to ensure that the works are undertaken efficiently and expeditiously. WWU have also been to the site on two occasions to trace its main at nil cost to the Developer and we have had several meetings with the developer, again at nil cost.

- WWU has clearly stated its requirements for the crossing agreement and has worked with the Developer to reach a mutually acceptable point to allow construction.

- The only costs to Developer as a result of WWU's involvmement in the project are WWU solicitor's fees (£350 + VAT), plus any plant protection site vists (the fees for which are as described in the final paragraph of the Energy Developer A example above).

Case Study Three: Tidal Lagoon

- WWU were approached by a major developer planning a tidal lagoon development as part of a development consent order and a planning inspectorate examination. WWU as an Affected Statutory Undertaker agreed than in relation to apparatus belonging to Wales & West Utilities with which the developer may interface in constructing and operating its tidal project, that any matters between the parties were capable of being addressed by way of protective measures in the development consent order authorising the project and/or by privately negotiated agreement, as appropriate.

- WWU subsequently agreed the form of protective provisions.