Gate three query process

Strategic solution(s)	SESRO
Query number	SER018
Date sent to company	06/10/2025
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Query

Links with other schemes have not been taken into account other than in the land strategy where the site boundary has incorporated T2ST assets. The risk of stranded assets has not been called out as a key risk in Table 5.1 of the Supporting Document D – Project Management Plan. Has this been considered as part of the wider risk management considerations?

Solution owner response

We recognise that SESRO forms a component part of wider supply systems including the associated programmes for SWS and AFF and aknowldege that the risk exists for interface projects.

Stranded asset risk has been considered as part of the commercial and procurement process, and has been jointly discussed with Ofwat in post Stage 2 deep dives, with conversations ongoing. These include the considerations of wheether SWS and AFF may accelerate consenting for the asscoiated schemes. As part of the process, we have shared papers Ofwat around how to manage interfaces and stranding risk, for example on options to combine consent applications and accelerate delivery of interface projects. We expect to continue this conversation through the commercial workstream.

At the moment, the risk is acknowledged and there is an understanding that all parties will have to be made whole in the case interfacing projects are not delivered/are delayed. However, as risk management will involve a regulatory backstop, it has not been fully addressed to date.

Date of response to RAPID	10/10/2025
Strategic solution contact / responsible person	