

Transmission licensees,  
generators, suppliers and  
consumer groups

Date: 20 September 2023

Dear Colleague,

**Consultation on minded-to decision for an Energy Not Supplied Exceptional Event Claims for SP Transmission plc**

*Background*

Ofgem<sup>1</sup> has received an Energy Not Supplied (ENS) Exceptional Event claim from SP Transmission plc (SPT) for a loss of supply incident that occurred on 14 November 2022.

The claim was submitted to us under Part D of Special Condition 4.2 (Energy not supplied output delivery incentive), which allows for Transmission Operators (TOs) to request that a loss of supply event is classified an ENS Exceptional Event as defined in special licence condition 1.1.<sup>2</sup>

Details of the ENS Exceptional Event claim	
Licensee	SPT
Start date and time of event	14 November 2022 17:44
End date and time of event	15 November 2022 02:15
Main area(s) affected	West Lothian, Scotland
Total MWh unsupplied associated with exceptional event	1.6

The claim relates to loss of supply at the Drumcross substation in West Lothian.

<sup>1</sup> The terms “the Authority”, “Ofgem”, “we” and “us” are used interchangeably in this notice.

<sup>2</sup> A copy of SPT’s electricity transmission special licence conditions is available on Ofgem’s website: <https://www.ofgem.gov.uk/publications/decision-proposed-modifications-riio-2-transmission-gas-distribution-and-electricity-system-operator-licence-conditions-1-april-2022>

The loss of supply originated from tripping of the two Bonnybridge – Bathgate/Drumcross 132kV circuits. This was caused by a third party crane boom operating directly under the 132kV overhead lines section on Inchmuir Road, Blackburn. The crane boom made contact with two overhead line conductors consecutively as the driver attempted to transfer the crane's ballast tanks to another vehicle.

An auto-isolation scheme at the Bathgate substation operated correctly to disconnect the 132kV circuits sections between Bathgate and Drumcross, allowing the Bonnybridge – Bathgate 132kV circuits sections to be restored by Delayed Auto Reclose. This prevented supply loss to the Bathgate substation.

Immediately after the faults, SPT liaised with SP Distribution plc (SPD) to restore supply to Drumcross substation via SPD's 33kV network. This was achieved by remote switching to close the two normally open 33kV interconnectors between Drumcross substation and Broxburn substation five minutes after the faults.

Following the safe removal of the crane boom from the overhead line conductors, SPT used a drone to inspect the conductors and line-end fittings for damage. The circuits were then fully restored.

A total of 5,623 customers were affected and the total loss of supply was 1.6MWh.

#### *Ofgem's view and 'minded-to' position*

The Authority proposes to direct that a total of 1.6MWh shall be excluded for the purpose of calculating the volume of energy not supplied in the ENS output delivery incentive for the following reasons:

1. The Authority finds that the loss of supply experienced by customers on 14 November 2022 was due to interference by a third party which was beyond the reasonable control of SPT. The Authority therefore considers that the event was not attributable to any error on SPT's part.
2. The Authority is satisfied that SPT took reasonable preventative measures before the ENS Exceptional Event. The ground clearance of the affected 132kV overhead line section is fully compliant with the requirements of the Electricity Safety, Quality and Continuity Regulations 2002. The 132kV overhead line route was last inspected by SPT in August 2022 with no defects identified.

3. The Authority is satisfied that SPT carried out reasonable mitigating actions after the event to limit the effect of the ENS Exceptional Event and to restore supplies quickly and efficiently. Following the incident, the Delayed Auto Reclose protection operated correctly to prevent supply loss to the Bathgate substation. SPT then acted quickly and efficiently to restore supply via 33kV network switching in co-ordination with the affected Distribution Network Operator (SPD) and dispatched sufficient resources to manage the site safety and to ensure that normal supply arrangements could be quickly restored.
4. Accordingly, the Authority's view is that the resulting loss of supply is classed an ENS Exceptional Event as defined in Special Condition 1.1 of SPT's electricity transmission licence.
5. In addition, SPT has met the criteria as set out within Special Condition 4.2.13(a) for a notification to be made to the Authority within 14 days of an incident. SPT also met the criteria under Special Condition 4.2.13(b) for further evidence to be submitted within 30 days of the notification, except where the Authority consents.

Our minded to position is to accept the claim made by SPT that the loss of supply event was beyond the reasonable control of the licensee and is deemed an ENS Exceptional Event. Therefore, we propose to issue a direction to that effect. The text for the proposed direction is set out in the Annex to this letter.

**Do you agree with our minded-to position to issue a direction, in the proposed form set out? Is there any additional information we should take into account before making a decision on issuing a direction?**

Representations may be made on the proposed direction to David McCrone at David.mccrone@ofgem.gov.uk by 19 October 2023. We will consider all representations before making a final decision on ENS Exceptional Event claims direction.

We will publish the non-confidential responses we receive on our website at [Ofgem.gov.uk/consultations](https://www.ofgem.gov.uk/consultations). If you want your response – in whole or in part – to be considered confidential, please tell us in your response and explain why. Please clearly mark the parts of your response that you consider to be confidential, and if possible, put the confidential material in separate appendices to your response.

Yours sincerely,

**David McCrone,**

Head of Quality of Service, Onshore Networks

Signed on behalf of the Authority and authorised for that purpose

20 September 2023

## **Annex – Proposed text for Direction under Part D of Special Condition 4.2 (Energy Not Supplied output delivery incentive)**

1. The company to whom this direction is addressed is the holder of a licence granted or treated as granted under section 6(1)(b) of the Electricity Act 1989.
2. In accordance with paragraph 4.2.16 of Special Condition 4.2 (Energy not supplied output delivery incentive), on 20 September 2023 the Gas and Electricity Markets Authority<sup>1</sup> (the “Authority”) published on its website the text of the proposed direction to issue and stated that representations must be made on or before 19 October 2023.
3. We received **XX** non-confidential representation(s) and have placed these on our website. Having considered the representations we have decided to proceed with making this direction.
4. The reason for this direction is because we have approved an energy not supplied Exceptional Event claim submitted by SP Transmission plc as further set out in our consultation document published on 20 September 2023.<sup>2</sup>
5. This direction is our notice of reasons for the purposes of section 49A of the Electricity Act 1989.
6. Now the Authority, pursuant to the provisions of Special Condition 4.2, hereby directs an adjustment to the ENSA<sub>t</sub> term by excluding 1.6 MWh for the purpose of calculating the Energy Not Supplied output delivery incentive revenue adjustment in the year 2022/23.
7. This direction will take effect on and from **XX** 2023.

**David McCrone,**

Head of Quality of Service, Onshore Networks

Signed on behalf of the Authority and authorised for that purpose

---

<sup>1</sup> The “Authority”, “Ofgem”, “we” and “our” are used interchangeably in this document. The Office of Gas and Electricity Markets (Ofgem) supports the Authority in its day to day work.

<sup>2</sup> [Add consultation link]