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Date: 21 February 2024

DIRECTION UNDER PARAGRAPH 9 OF AMENDED STANDARD CONDITION E12 – J4 OF THE OFFSHORE TRANSMISSION LICENCE

Whereas: -

- 1. TC Beatrice OFTO Limited (the **Licensee**) is the holder of an offshore electricity transmission licence (the **Licence**) granted under section 6(1)(b) of the Electricity Act 1989 (the **Act**).
- 2. The Licensee considers that the events listed below (the **Events**) were wholly or partially caused by Exceptional Events (as defined in Amended Standard Condition E12-J1 of the Licence);
- 12 November 2021, between 8:19 and 14:36;
- 17 November 2021, between 8:12 and 13:10;
- 25 November 2021, between 8:16 and 17:10, and
- 15 March 2022 between 10:15 and 17:10.
- 3. The Licensee notified the Gas and Electricity Markets Authority (the Authority) of the Events within the 14-day period required by the licence;
- 4. The Licensee provided details of the Events and further information requested by the Authority;
- 5. The Authority gave notice to the Licensee in accordance with paragraph 11 of Amended Standard Condition E12-J4 of the Licence on 24 January 2024 of the proposed terms of this direction (the **Draft Direction**);
- 6. The Licensee did not submit any representations.
- 7. For the reasons set out below, the Authority directs that there will be no adjustment in respect of the Events for the purposes of paragraph 9(d) of Amended Standard Condition E12-J4 of the Licence. The details of the Events and reasons for the Authority's decision are set out in the Annex to this Direction.

This direction co	onstitutes notice	pursuant to	section	49A(1)(c)	of the Act.

Yours sincerely,

Yvonne Naughton Head of OFTO Licensing and Compliance

Duly authorised by the Authority

REASONS FOR REJECTION OF AN EXCEPTIONAL EVENTS CLAIM SUBMITTED BY TC BEATRICE OFTO LIMITED UNDER PARAGRAPH 9 OF AMENDED STANDARD CONDITION E12-J4

TC Beatrice OFTO Limited (the **Licensee**) is the holder of an offshore transmission licence (the **Licence**) granted under section 6(1)(b) of the Electricity Act 1989 (the Act).

Following the grant of the Licence, the TC Beatrice OFTO Limited offshore transmission assets transferred from Beatrice Offshore Wind Farm Limited (**BOWL**) to the Licensee in August 2021.

The Licensee's offshore transmission system connects BOWL to Scottish Hydro Electric Transmission Limited (**SHET**) onshore transmission system. SHET own the circuit breakers, disconnectors at the point where the Licensee's offshore transmission system connects to SHETL's onshore transmission system - the Interface Point.

The Licensee considers that the events listed below (the **Events**) were wholly or partially caused by Exceptional Events (as defined in Amended Standard Condition E12-J1 of the Licence);

- 12 November 2021, between 8:19 14:36;
- 17 November 2021, between 8:12 and 13:10;
- 25 November 2021, between 8:16 and 17:10, and
- 15 March 2022 between 10:15 and 17:10.

The Licensee explained that:

- a) SHETL agreed with both National Grid Energy System Operator (**NGESO**) and BOWL that planned outages would be taken on SHETL's onshore transmission system on the dates listed above;
- b) the consequence was that, due to the physical connection, the Licensee's offshore transmission system is required to be "taken offline whenever SHETL takes an outage", and
- c) the Licensee's Transmission System was physically capable of providing transmission services (i.e. was 100% available) during the period of the Events and the inability to export generation from the offshore wind farm resulted solely as a result of a restriction required by NGESO.

As the Licensee's offshore transmission system was available for the duration of the Events, the Events do not satisfy the definition of Transmission Service Reduction defined in Amended Standard Condition E12–A1: Definitions and Interpretation of the Licence.

Therefore, and pursuant to paragraph 9 of amended standard E12-J4 we consider the Events on the Licensee's Transmission System did not cause a Transmission Service Reduction. Accordingly, the Events do not constitute Exceptional Events as defined in Amended Standard Condition E12-J1.

Accordingly, the Authority is not satisfied for the purposes of paragraph 9(d) of the Condition that the Events were Exceptional Events and directs that there will be no adjustment in respect of the Events for the purposes of paragraph 9(d) of Amended Standard Condition E12-J4 of the Licence.