Transmission licensees, Generators, suppliers, andconsumer groups ofgem

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Date: 18 July 2025

Dear Colleague,

Decision on Insulation and Interruption Gas Exceptional Event Claim for Scottish and Southern Electricity Networks (SSEN) at Blackhillock

Ofgem received a notification from SSEN on 1 November 2024 regarding a leakage event of 6.115kg of sulphur hexafluoride gas (SF6) at its Blackhillock substation, which occurred on 19 October 2024.

The claim was submitted under Part C of Special Condition 4.3 Insulation and Interruption Gas emissions output delivery incentive of the electricity transmission licence. Special Condition 4.3 allows for Transmission Operators (TOs) to make a claim that a leakage event meets the definition of an IIG Exceptional Event. Subsequent information regarding the event was provided by SSEN to Ofgem on 29 November 2024.

On 9 May 2025, we published a consultation to seek views on our minded-to decision to reject an Insulation and Interruption Gas Exceptional Event Claim for the leakage event at Blackhillock.¹ The consultation subsequently closed on 6 June 2025.

We received two responses to our minded-to position. We have published the nonconfidential consultation responses on our website.

One response, from SSEN, did not support our minded-to decision. It argued that the alarm failure at the centre of the incident was beyond the scope of its immediate monitoring capabilities and was not detectable until the incident itself; and was therefore unforeseeable and outside reasonable operational control.

The other response, from an independent respondent, agreed with our minded-to decision and cited health and safety implications.

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¹ <u>Insulation and Interruption Gas Exceptional Event Claim for Scottish and Southern Electricity Networks (SSEN) at</u> Blackhillock | <u>Ofgem</u>

Under Special Condition 4.3.12 of the electricity transmission licence, the licensee must provide any evidence available which demonstrates that the event was not attributable to any error on the licensee's part; and any evidence available that the licensee took reasonable preventative and mitigating actions before and after the event to limit its effect. Based on all the evidence provided, our view remains that SSEN has not demonstrated this, and the event could have been reasonably foreseen and prevented.

For an event to be beyond a company's reasonable control the company should demonstrate that its actions or inactions (including those of its agents, employees, contractors etc. working on its behalf) in respect of the trigger event did not materially contribute to the failure event. An installation error during construction was the primary cause of the leak, and the absence of an operational online gas density monitoring system likely exacerbated the leak's impact. The absence of a functioning gas density monitoring system was within SSEN's reasonable control and this precludes the concern about foreseeability of the installation error. In addition, whilst the installation error was committed by a contractor, this contractor was working on behalf of SSEN which falls under SSEN's responsibility.

Therefore, having carefully considered the consultation responses received, we have decided to confirm our decision to reject the exceptional event claim made by SSEN.

Yours sincerely,

David McCrone

Head of Price Control Operations Policy

Duly authorised on behalf of the Authority