

Consultation

SHET's Insulation and Interruption Gas Exceptional Event claim at Blackhillock (RIIO- ET3)

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Ofgem (The Office of Gas and Electricity Markets) is consulting on its minded-to decision to accept Scottish Hydro Electric Transmission Plc's (SHET) Insulation and Interruption Gas (IIG) Exceptional Event claim for IIG leakage at SHET's Blackhillock 400kV substation on 12 August 2026.

Consultation SHET's Insulation and Interruption Gas Exceptional Event claim at Blackhillock (RIIO-ET3)

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1. Introduction

This chapter provides background on the IIG emissions output delivery incentive in the Electricity Transmission (ET) licence, the Exceptional Event mechanism in this incentive, and Scottish Hydro Electric Transmission Plc's (SHET) Exceptional Event claim.

Purpose of this consultation

- 1.1 We¹ are consulting on our proposal to accept SHET's IIG Exceptional Event claim at its Blackhillock 400kV substation. This claim relates to IIG leakage that occurred on 12 August 2026.

Context and related publications

- 1.2 [Special Condition \(SpC\) 4.3 Insulation And Interruption Gas emissions output delivery incentive \(IIGI_o\)](#) of the ET licence is designed to incentivise a reduction in the leakage of IIGs from assets on the ET network, and to support the transition to low greenhouse gas-alternative IIGs. ET licensees receive a reward for meeting or outperforming target IIG emissions, which is set in line with each licensee's Science-Based Target for emissions reduction. Failure to meet this target results in a penalty. See paragraphs 3.162 to 3.175 of the [RIIO-3 Final Determinations – Electricity Transmission Annex](#) for more information on the incentive.
- 1.3 Part C of SpC 4.3 sets out the IIG Exceptional Event mechanism, which allows emissions to be excluded from the IIG incentive performance calculation following a licensee's submission and Ofgem's review of an IIG Exceptional Event claim. In RIIO-3, IIG Exceptional Event claims will only be considered when the volume of leakage of IIGs is above 15kg.
- 1.4 Where the licensee considers that an IIG Exceptional Event has wholly or partly caused leakage of an IIG, the licensee must notify Ofgem of the event as soon as reasonably practicable, but at the latest before the end of a period of 14 days from the date of the IIG Exceptional Event. In addition, except where Ofgem otherwise consents, during the period of 30 days following the notification, the licensee must provide Ofgem with:
- details of the volume of leakage of IIG that the licensee considers resulted from the IIG Exceptional Event;

¹ The words 'we', 'our', 'Ofgem' and 'the Authority' are used interchangeably in this document.

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- 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.

1.5 Based on the information submitted, Ofgem then assesses whether the claim meets the definition of an IIG Exceptional Event set out in the ET licence.

Table 1: Definition of IIG Exceptional Event in the ET licence

Term	Definition
IIG Exceptional Event	means, in respect of the leakage of an Insulation and Interruption Gas, an event or circumstance that: (a) is beyond the reasonable control of the licensee; (b) is not capable of prevention, or the impact of which is not capable of mitigation, by the economical and efficient deployment of reasonable measures; and (c) results in, causes or prohibits the timely prevention of the leakage.

1.6 As a result of its assessment, Ofgem may direct an adjustment to the ALE_t term, which is the actual IIG emissions in tonnes of CO₂e from assets forming part of the licensee's Transmission System as calculated by the licensee in accordance with SpC 4.3.

1.7 Before directing an adjustment to the ALE_t term, Ofgem must consult on the proposed direction in accordance with SpC 4.3.16. SpC 4.3.16 provides that before directing an adjustment to the ALE_t term under paragraph 4.3.15, the Authority will publish on the Authority's Website:

- the text of the proposed direction;
- the reasons for the proposed direction; and
- a period during which representations may be made on the proposed direction, which will be up to 28 days unless the Authority determines that a longer period is appropriate.

Overview of this consultation

1.8 On 25 August 2026, Ofgem received a notification from SHET regarding a leakage event of 46.56kg of sulphur hexafluoride (SF₆), an IIG, at its Blackhillock 400kV

Consultation SHET's Insulation and Interruption Gas Exceptional Event claim at Blackhillock (RIIO-ET3) substation, which occurred on 12 August 2026. On 23 September 2026, SHET provided Ofgem with the necessary information to support its Exceptional Event claim.

- 1.9 Ofgem has assessed this information and is proposing to accept SHET's IIG Exceptional Event claim and direct an adjustment to the ALE_t term in SHET's ET licence.

Consultation stages

Stage 1 Consultation open: 29 October 2026

Stage 2 Consultation closes (awaiting decision). Deadline for responses: 20 November 2026

Stage 3 Responses reviewed and published: With decision

Stage 4 Consultation outcome (decision)

How to respond

We want to hear from anyone interested in this consultation. Please send your response to the person or team named on the front page of this document.

We have asked for your feedback in each of the questions throughout. Please respond to each one as fully as you can.

We will publish non-confidential responses on our website.

Your response, data, and confidentiality

You can ask us to keep your response, or parts of your response, confidential. We will respect this, subject to obligations to disclose information. For example, under the Freedom of Information Act 2000, the Environmental Information Regulations 2004, statutory directions, court orders, government regulations, or where you give us explicit permission to disclose. If you do want us to keep your response confidential, please clearly mark this on your response and explain why.

If you wish us to keep part of your response confidential, please clearly mark those parts of your response that you do wish to be kept confidential and those that you do not wish to be kept confidential. Please put the confidential material in a separate appendix to your response. If necessary, we will contact you to discuss which parts of the information in your response should be kept confidential and which can be published. We might ask for reasons why.

If the information you give in your response contains personal data under the General Data Protection Regulation (Regulation (EU) 2016/679) as retained in domestic law

Consultation SHET's Insulation and Interruption Gas Exceptional Event claim at Blackhillock (RIIO-ET3) following the United Kingdom's withdrawal from the European Union ("UK GDPR"), the Gas and Electricity Markets Authority will be the data controller for the purposes of GDPR. Ofgem uses the information in responses in performing its statutory functions and in accordance with section 105 of the Utilities Act 2000. Please refer to our Privacy Notice on consultations, see Appendix 3.

If you wish to respond confidentially, we will keep your response confidential, but we will publish the number, but not the names, of confidential responses we receive. We will not link responses to respondents if we publish a summary of responses, and we will evaluate each response on its own merits without undermining your right to confidentiality.

How to track the progress of a consultation

1. Find the web page for the call for input you would like to receive updates on.
2. Click 'Get emails about this page', enter your email address and click 'Submit'.
3. You will receive an email to notify you when it has changed status.

A consultation has three stages: 'Open', 'Closed (awaiting decision)', and 'Closed (with decision)'.

2. SHET's IIG Exceptional Event claim and Ofgem's minded-to decision

This chapter provides details on SHET's IIG Exceptional Event claim under SpC 4.3 of its licence and Ofgem's minded-to decision to accept SHET's claim.

SHET's IIG Exceptional Event claim

- 2.1 On 25 August 2026, Ofgem received a notification regarding a leakage event of 46.56kg of SF₆ at SHET's Blackhillock 400kV substation, which occurred on 12 August 2026. **Appendix 1** includes details of the claim provided by SHET.
- 2.2 Blackhillock 400kV GIS reserve busbar and a supergrid transformer (SGT) were on planned outage for maintenance of disconnector A. After the maintenance was completed, return to service switching took place with disconnector B receiving a close command which energised the busbar up to open disconnector A and open a circuit breaker in the same bay. During energisation an earth fault occurred resulting in "consequential damage" to disconnector B.
- 2.3 Gas-pressure-related indications were recorded on the bay circuit breaker circa 11 minutes after the earth fault. Inspection showed a rupture-disc operation and depletion of 46.56kg (nameplate inventory) of SF₆ from the circuit breaker gas compartment.

SHET's compliance with licence requirements

- 2.4 Ofgem considers that SHET has met the following requirements of its licence:
 - SpC 4.3.13(a), which requires SHET to notify the Authority before the end of the period of 14 days beginning with the date of the IIG Exceptional Event. SHET notified Ofgem on 25 August 2026 and, as a result, complied with this condition.
 - SpC 4.3.13(b)(i), which requires SHET to provide details of the volume of leakage of IIGs that it considers resulted from the IIG Exceptional Event. SHET provided this information with its claim on 25 August 2026, as set out in **Appendix 1**.
 - SpC 4.3.13(b)(ii) and (iii), which requires SHET to submit, within 30 days of its IIG Exceptional Event notification, any evidence that demonstrates the event was not attributable to any error on SHET's part, and any evidence that SHET took reasonable preventative and mitigating actions before and after the

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event to limit its effect. SHET provided us with a report and supporting evidence on 23 September 2026.

Ofgem's assessment of SHET's evidence

2.5 SHET provided substantial data on the circuit breaker's inspection and maintenance, which included evidence from:

- a three-monthly inspection in June 2026;
- a five-yearly maintenance completed in April 2026; and
- a partial discharge survey completed in August 2025.

2.6 The maintenance records do not indicate any issues were present on the asset prior to the failure, therefore there was no indication to SHET that a failure was likely. The Gas Insulated Switchgear (GIS) bay was manufactured in 2015 and commissioned during February 2017.

2.7 Additionally, according to SHET's evidence, the gas-pressure-indications occurred circa 11 minutes after the earth fault occurred. This indicates that the incident occurred post-fault and was not a progressive degradation that resulted in a prolonged leak. We do not currently have any information that indicates that SHET was aware a failure would occur or that it could have prevented it before the failure occurred.

2.8 SHET's evidence demonstrates that reasonable preventative and mitigating actions were taken before and after the event to limit its effect. This includes providing a site response and incident management timeline that specifically identifies the steps completed.

Ofgem's minded-to decision

2.9 Based on the evidence SHET provided, Ofgem considers that SHET's IIG Exceptional Event claim at its Blackhillock 400kV substation meets the definition of an IIG Exceptional Event of being beyond the reasonable control of the licensee and not capable of prevention, or the impact of which was not capable of mitigation, by the economical and efficient deployment of reasonable measures.

2.10 Ofgem's minded-to decision is therefore to accept SHET's IIG Exceptional Event claim for the leakage of 46.56kg of SF₆ at the Blackhillock 400kV substation, and direct an adjustment to the ALE_t term in SHET's ET licence. The proposed direction is set out in **Appendix 2**.

2.11 Our minded-to position is based on the evidence that SHET has submitted. We understand that a final report into the initiating failure mode will be concluded in

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the coming months. Our final decision is subject to any further information from this report.

Questions

- Q1. Do you agree that SHET has met the requirements of SpC 4.3 of its licence?
- Q2. Do you agree with Ofgem's minded-to decision to accept SHET's IIG Exceptional Event claim for 46.56kg of SF₆ leakage at its Blackhillock 400kV substation? If not, why not?

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Send us your feedback

We believe that consultation is at the heart of good policy development. We are keen to receive your comments about this consultation. We would also like to get your answers to these questions:

- Do you have any comments about the quality of this document?
- Do you have any comments about its tone and content?
- Was it easy to read and understand? Or could it have been better written?
- Are its conclusions balanced?
- Did it make reasoned recommendations?
- Do you have any further comments?

Please send your feedback to stakeholders@ofgem.gov.uk.

Appendix 1. SHET's IIG Exceptional Event claim notification for Blackhillock

Claim information	Detail provided by SHET
Start date	12/08/2026
End date	12/08/2026
Date exceptional leakage first identified	12/08/2026
Way in which exceptional leakage first identified	The event was initially identified when Main Busbar 2 primary protection operated during remote closing of [REDACTED] bus selection disconnecter [REDACTED]. The operation was associated with an internal electrical fault in the [REDACTED] gas zone. The subsequent operation of the rupture disc resulted in the release of all the SF6 from the affected gas compartment.
Nature and cause of event	During remote closing of [REDACTED] bus selection disconnecter [REDACTED], an internal electrical fault occurred within the [REDACTED] circuit-breaker gas zone. Main Busbar 2 main protection operated to clear the fault. The fault resulted in operation of the gas-zone rupture disc and the rapid release of SF6 from the affected compartment. The equipment is installed within the Blackhillock 400 kV GIS hall and was not subject to severe weather or external third-party impact at the time of the event. The initiating failure mode has not yet been confirmed and is being investigated by SSEN Transmission with support from [REDACTED]. No intrusive intervention within the affected gas compartment is currently known to have taken place immediately before the event.

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Claim information	Detail provided by SHET
Why does the licensee believe this is an exceptional event?	Based on the information currently available, SSEN Transmission considers that the event was beyond its reasonable control. The SF6 release followed a sudden internal electrical fault and operation of the rupture disc, with Main Busbar 2 protection operating to clear the fault. The affected equipment had been subject to the applicable inspection and maintenance arrangements before the event. Available maintenance records, including the relevant inspection and test results will be provided as supporting evidence.
Substation(s) affected	Blackhillock 400kV
Total mass of IIG in claim (kg)	46.56kg of SF₆ 1131.408 tonnes of CO₂e (Global Warming Potential = 24,300)

Appendix 2. Draft direction to SHET

Direction under Part C of Special Condition 4.3 (Insulation and Interruption Gas emissions output delivery incentive)

- 2.12 The company to which 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 ("the Licensee").
- 2.13 In accordance with paragraph 4.3.16 of Special Condition 4.3 (Insulation and Interruption Gas emissions output delivery incentive) (SpC 4.3) of the Licensee's licence, on 29 October 2026 the Gas and Electricity Markets Authority (the "Authority") published on its website a consultation stating the background to and reasons for proposing to issue a direction under SpC 4.3 in respect of a IIG Exceptional Event (as defined in SpC 4.3) and the text of the direction it proposed to issue to the Licensee in relation to the IIG Exceptional Event and stated that representations must be made on or before 20 November 2026.
- 2.14 We received [NUMBER] non-confidential representation(s) and have placed these on our website. Having considered the representations we have decided to proceed with making this direction.
- 2.15 The reasons for this direction are set out in our consultation document published on 29 October 2026 in which we said why we were proposing to approve an IIG Exceptional Event claim submitted by the Licensee. As set out in more detail in the consultation, we were of the view that the relevant event satisfied the definition of an IIG Exceptional Event and that the Licensee complied with the procedural requirements set out in SpC 4.3 of its licence.
- 2.16 This direction is our notice of reasons for the purposes of section 49A of the Electricity Act 1989.
- 2.17 Now the Authority, pursuant to the provisions of SpC 4.3, directs an adjustment to the ALE_t term by excluding 46.56kg SF₆ for the purpose of calculating the Insulation and Interruption Gas emissions output delivery incentive revenue adjustment in the Regulatory Year 2026/2027.
- 2.18 This direction will take effect on and from [DATE].

Jonathan Balls

Head of Electricity Transmission Policy

Duly authorised on behalf of the Authority

[DATE]

Appendix 3. Privacy policy

Personal data

The following explains your rights and gives you the information you are entitled to under the General Data Protection Regulation (GDPR).

Note that this section only refers to your personal data (your name address and anything that could be used to identify you personally) not the content of your response to the consultation.

1. The identity of the controller and contact details of our Data Protection Officer

The Gas and Electricity Markets Authority is the controller, (for ease of reference, "Ofgem"). The Data Protection Officer can be contacted at dpo@ofgem.gov.uk

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

As a public authority, the GDPR makes provision for Ofgem to process personal data as necessary for the effective performance of a task carried out in the public interest. i.e. a consultation.

4. With whom we will be sharing your personal data

None

5. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held for 12 months after consultation has closed.

6. Your rights

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right to:

- know how we use your personal data
- access your personal data
- have personal data corrected if it is inaccurate or incomplete
- ask us to delete personal data when we no longer need it
- ask us to restrict how we process your data

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- get your data from us and re-use it across other services
- object to certain ways we use your data
- be safeguarded against risks where decisions based on your data are taken entirely automatically
- tell us if we can share your information with 3rd parties
- tell us your preferred frequency, content and format of our communications with you
 - to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at <https://ico.org.uk/> or telephone 0303 123 1113.

7. Your personal data will not be sent overseas.

8. Your personal data will not be used for any automated decision making.

9. Your personal data will be stored in a secure government IT system.

10. More information For more information on how Ofgem processes your data, view our [Ofgem privacy policy](#).