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To: SP Transmission Limited

Date: 06 November 2026

Direction issued by the Gas and Electricity Markets Authority ("the Authority") under Special Condition ("SpC") 3.15 of the Electricity Transmission Licence held by SP Transmission plc to adjust existing funding for projects eligible for the Pre-Construction Funding Re-opener

1. SP Transmission plc ('the Licensee') is the holder of an Electricity Transmission licence ('the Licence') granted or treated as granted under section 6(1)(b) of the Electricity Act 1989 ('the Act').
2. SpC 3.15 provides re-opener mechanism by which the Licensee's may apply to adjust existing funding allowances or seek additional funding during the RIIO-3 price control period for pre-construction works associated with load-related projects. It also allows the Authority to direct a final value to reflect efficiently incurred expenditure, when full costs for the projects are established in SpC 3.18.
3. The Licensee submitted the full costs for the VSRE project under SpC 3.18 in May 2026. The Authority publicly consulted on its Draft Determinations between 27 August 2026 and 24 September 2026. This document included a draft of the text of the proposed direction, as required by Part K of SpC 3.15.
4. We received nine representations and have placed all non-confidential responses on our website. Having considered those responses, we have decided to proceed with making this direction, with amendments to reflect the changes made in the Final Determinations.
5. This direction is issued pursuant to SpC 3.15 and sets out approved funding, adjustments to the value of relevant terms ($PCFA_t$ and PCF_t), the Regulatory Years to which that adjustment relates, approved outputs and the delivery dates. These are set out in Annex 1 of this direction.
6. This direction will take effect immediately. This Direction constitutes notice stating the reasons for the purposes of section 49A(2) of the Act.

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Yours Sincerely,

Anita Payne

Deputy Director, Network Price Controls

For and on behalf of the Authority **06 November 2026**

The Office of Gas and Electricity Markets
10 South Colonnade, Canary Wharf, London, E14 4PU **Tel** 020 7901 7000
www.ofgem.gov.uk

Annex 1: SP Transmission Plc, Electricity transmission licence, Special Condition values and tables

New text is double underscored and text removed is double struck through.

Appendix 1 of Special Condition 3.15 Pre-Construction Funding allowance ($PCFA_t$) (£m)

Total: [~~154.95~~163.874]

Appendix 2 of Special Condition 3.15 Pre-Construction Funding Price Control Deliverable Allowance (PCF_t) (£m)

EJP OSR	Output	Delivery date	2026/27	2027/28	2028/29	2029/30	2030/31	Total Allowance
SPT200324	Glenglass to Glenmuckloch 132kV OHL	31 March 2031	0.75	0.75	0.74	0.73	0.72	3.69
SPT200406	Windyhill – Lambhill - Denny North 400kV Reinforcement (DLUP)	31 March 2031	2.15	2.13	2.11	2.09	2.07	10.55
SPT200474	Strathaven - Elvanfoot OHL Uprating Works (VERE)	31 March 2031	1.49	1.48	1.46	1.45	1.44	7.32
SPT200475	Elvanfoot - Harker 400kV OHL Uprating Works (EHRE)	31 March 2031	2.00	1.98	1.96	1.94	1.92	9.81
SPT200409	SPT-RI-2060 – Redshaw 400kV substation	31 March 2031	1.00	0.99	0.98	0.97	0.96	4.91
SPT200494	SPT-RI-2061 – Redshaw 132kV substation	31 March 2031	0.52	0.51	0.51	0.50	0.50	2.53
SPT200874	Glenshimmeroch 132kV Collector Substation	31 March 2031	0.79	0.78	0.77	0.76	0.76	3.86

	Reinforcements							
SPT200876	Synchronous Compensators - Enhanced-STATCOMs	31 March 2031	5.03	4.98	4.93	4.88	4.84	24.67
SPT200326	Glenmuckloch to ZV Route Reinforcements	31 March 2031	2.27	2.25	2.22	2.20	2.18	11.12
SPT200857	REDSHAW 132KV B BOARD (TORI-3060)	31 March 2031	0.80	0.80	0.79	0.78	0.77	3.94
SPT200865	Coylton - Maybole 132kV Reinforcement	31 March 2031	1.51	1.49	1.48	1.46	1.45	7.40
SPT200505	Wyseby 400kV substation	31 March 2031	1.13	1.12	1.11	1.10	1.09	5.54
SPT200248	U & AT Route 132kV Replacement	31 March 2031	1.11	1.10	1.09	1.08	1.07	5.44
SPT200906	Dumfries North 400kV substation	31 March 2031	0.66	0.66	0.65	0.64	0.64	3.25
SPT200642	Dunlaw Extension to Galashiels Reinforcements (TORI 2080) H1	31 March 2031	1.75	1.73	1.72	1.70	1.68	8.59
SPT200495	Gala North H1	31 March 2031	0.88	0.87	0.86	0.85	0.84	4.30
SPT200917	Teviot 400kV & 132kV substation	31 March 2031	0.71	0.70	0.69	0.69	0.68	3.47
tCSNP2	Reconductor the ZV route between Strathaven and Elvanfoot with HTLS conductor	31 March 2031	0.90	0.89	0.88	0.87	0.86	4.40
tCSNP2	Reconductor the ZV route between Elvanfoot and	31 March 2031	1.34	1.33	1.32	1.30	1.29	6.59

	Harker with HTLS conductor							
MSIP	SPT Kincardine - Wishaw 400kV Reinforcement (MSIP stage 1 approved)	31 March 2031	1.70	1.68	1.66	1.65	1.63	8.32
MSIP	SPT Kincardine North 400kV Substation (MSIP stage 1 approved)	31 March 2031	1.94	1.92	1.90	1.88	1.86	9.48
~~MSIP~~ SPT200473	~~SPT SPT RI-130~~ VSRE - XH and XJ Routes Overhead Line Uprating Works ~~(MSIP stage 1 approved)~~	~~31 March 2031~~ 28 June 2028	~~1.18~~ 7.884	~~1.16~~ 5.486	~~1.15~~ 1.324	~~1.14~~ -	~~1.13~~ -	~~5.77~~ 14.694