



By e-mail sheona.mackenzie@ofgem.gov.uk

Your ref Our Ref

Sheona Mackenzie, Senior Policy Manager, Electricity Transmission

Date 20th Sept 2013

3rd Floor, Cornerstone, 107 West Regent Street, Glasgow, G2 2BA

Contact / Extension
Alan Kelly
0141 614 1736

Dear Sheona,

Consultation on the Project Assessment under the RIIO-T1 Strategic Wider Works arrangements for the proposed Kintyre-Hunterston transmission reinforcement.

SP Transmission Ltd (SPT) welcomes the opportunity to respond to this consultation as we have developed the project in partnership with Scottish Hydro Electric Transmission plc (SHE Transmission).

We continue to work very closely with SHE Transmission on this project, and good progress is being made.

SPT has a statutory duty to develop and maintain an efficient, coordinated and economic system of electricity transmission. We consider the proposed works by SHE Transmission and ourselves are the most appropriate engineering solution and at the optimum cost to satisfy technical and economic requirements. I have provided specific responses to the consultation questions in Appendix 1 below.

If you have any queries please do not hesitate to get in touch with myself or Alan Michie on 0141 614 1958

Yours sincerely,

Alan Kelly

Transmission Policy Manager

ManCnhely

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Appendix 1 : Responses to Consultation questions

a. Do respondents consider that the anticipated increase in capacity is the appropriate SWW Output to be specified?

We have worked closely with SHE Transmission to develop the 220kV solution and agree the SWW outputs specified are appropriate for this system.

b. Do respondents consider that Quarter 4 of 2015/16 is an appropriate delivery date for this Output?

We agree this is an appropriate date for delivery and are progressing our works accordingly.

c. Do respondents agree with our consultant's assessment and our initial views on the possible funding allowance?

There are significant risks associated with this project and for similar projects that involve subsea cables we recommend a higher level of risk than P50 is applied. This is exacerbated by the movement of certain items from construction costs to the risk pot. Our view of subsea projects is that costs such as ground conditions and environmental mitigation are inevitable and should not therefore be considered as a risk.

d. Do respondents have any other comments or information that they consider to be relevant for us in our continued assessment regarding these costs and outputs?

We have no further comments at this time.

e. Do respondents have any other comments on our proposed approach and timetable?

We have no further comments at this time.