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Offshore transmission licensees and other
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Dear Colleague

Publication of notice of an Income Adjusting Event from Blue Transmission London Array Limited

On 19 June 2015, the Authority received a notice (the Notice) from Blue Transmission London Array Limited (the Licensee) in respect of an event which the Licensee considers to be an income adjusting event (IAE).

The Licensee provided the Notice to the Authority pursuant to paragraph 14 of Amended Standard Condition E12-J3 (Restriction of Transmission Revenue: Allowed Pass-through Items) of its Licence (the Condition), in respect of an increase in costs and/or expenses incurred by the Licensee which it considers were caused by an IAE.

Paragraph 19 of the Condition requires the Authority to publish the Notice, excluding any confidential information, following its receipt.

A redacted version of the Notice is published with this document.

Why are we publishing the Notice now?

The Licensee considered that the details of the event and all financial costs and expenses were confidential information due to the Licensee's ongoing commercial discussions with a contractor.

Under paragraph 20 of the Condition, we have the discretion to determine the confidentiality of information in the Notice by balancing the need for disclosure to enable relevant parties to fully assess the event against the risk of seriously prejudicially affecting the interests of a person to which it relates. In the specific circumstances of this event, the Authority agreed that the publication of any information about the event might seriously prejudice the interests of the Licensee in respect of its commercial discussions.

As the commercial discussions had a direct bearing on the amount of costs ultimately borne by the Licensee in respect of the Event and therefore subject to the claim under the Licence, we considered it appropriate to delay publication of the Notice on grounds of confidentiality until such time as the discussions had concluded. The Licensee notified the Authority that agreement had been reached with the contractor on 6 July 2016.

Next steps

We are currently considering further information provided by the Licensee to enable us to assess whether an Income Adjusting Event has occurred and, if so, the amount of any adjustment that might be approved.