

Company Secretary
National Grid Electricity
Transmission plc
I National Grid House
Warwick Technology Park
Gallows Hill
Warwick, CV34 6DA



Making a positive difference
for energy consumers

Company number: 04031152

Max Brown
Direct Dial: 0207 901 3948
Email: max.brown@ofgem.gov.uk

Date: 20 March 2019

Dear Company Secretary,

**Decision on National Grid Electricity Transmission plc's Sulphur Hexafluoride
Exceptional Event Claim – Connah's Quay substation**

I refer to National Grid Electricity Transmission plc's (NGET) notification under paragraph 3E.12 of Special Condition 3E (Incentive in Respect of Sulphur Hexafluoride (SF₆) Gas Emissions) (SpC 3E) of the SF₆ Exceptional Event claim detailed below. Having reviewed the claim and supplementary information provided by NGET, the Authority is now in a position to decide on this claim. The Authority's decision is set out in the table below; the reasons for this decision are set out in Annex A.

Details of claim provided by Licensee	
Type of claim	SF ₆ Exceptional Event (SpC 3E)
Licensee	NGET
Start date of event	23/02/2018
End date of event	23/02/2018
Event	Leak at Connah's Quay substation
Nature/cause of event	Cracked gas barrier insulator between two adjacent zones
Substation(s) affected	Connah's Quay
Total SF ₆ leakage associated with event (kg)	71.0
Date of notification to the Authority	06/03/2018
Authority's Decision	
The Authority's view is that the event in question does not meet the criteria of an SF ₆ Exceptional Event as set out in Part C of SpC 3E of NGET's licence. Therefore, the Authority has decided not to issue a direction (under paragraph 3E.13 of SpC 3E) adjusting the value of ALE in the year 2020-21.	
The Authority's reasons for not issuing a direction are set out in Annex A to this letter.	

If you have any questions in relation to the above please contact Max Brown on tel: 020 7901 3948 or by email: max.brown@ofgem.gov.uk.

Yours sincerely,

Min Zhu,
Associate Partner, Electricity Transmission
Duly authorised on behalf of the Authority
20 March 2019

Annex A - SF₆ Exceptional Event claim under Part C of SpC 3E (Incentive in Respect of Sulphur Hexafluoride (SF₆) Gas Emissions) of NGET's Electricity Transmission Licence

The claim relates to SF₆ gas leakage amounting to 71kg from adjacent gas zones which led to the switch out of the Connah's Quay to Capenhurst 1 circuit.

Based on our analysis of the information provided, we do not consider the event in question meets the criteria of an SF₆ Exceptional Event as set out in SpC 3E.17. Therefore, the Authority has decided not to issue a direction (under paragraph 3E.13 of SpC 3E) adjusting the value of ALE for the purpose of calculating the outputs incentive revenue adjustment for 2020-21.

We understand that the leakage of SF₆ in this case is attributable to the fact that the asset was already damaged when it was installed. It is plausible that SF₆ was leaking from the point of installation, but at a rate that did not trigger the low gas alarm until 23 February 2018. While the damage to the asset that led to the SF₆ leakage may not have been caused by NGET, our view is that NGET could have discovered this damage before, during or after the installation and commissioning of the asset. To this extent, we consider the SF₆ leakage was not beyond NGET's reasonable control and is therefore not an SF₆ Exceptional Event.