

To:

To: All holders of the electricity distribution licence

**Electricity Act 1989
Section 11A(2)**

**Notice of statutory consultation on a proposal to modify the Special Conditions
of the electricity distribution licences**

1. Each of the licensees to whom this document is addressed is the holder of an Electricity Distribution Licence ('the Licence') granted or treated as granted under section 6(1) of the Electricity Act 1989 ('the Act').
2. The Gas and Electricity Markets Authority ('the Authority') proposes to modify the existing Special Conditions 1.2 and 3.2, and to replace Special Condition 3.2 Part I with a new Special Condition 3.17.
3. The effect of these proposed modifications is to enable the above re-opener allowances to be subject to a Price Control Deliverable ('PCD') in line with our Draft Determinations for the Storm Arwen Re-openers.
4. PCDs can be put in place to ensure companies are held to account to deliver specific outputs. If an output is not delivered or delivered to a specific standard, there is then a mechanism in place to refund customers. Where there are cost and volume uncertainties around certain network activities, PCDs allow funding to be allocated for these works but protect consumers against unspent allowances. The re-opener window for the Storm Arwen Re-opener was in the first year of the RIIO-ED2 price control. This means Licensees have submitted forecasted costs for the remaining years of the price control. Although there is some certainty around these costs, there is a risk of unspent allowances which the consumer will pay for. The PCD mechanism is a way to mitigate this risk and protect consumers from unnecessary costs.¹
5. As part of our RIIO-ED2 September 2024 Final Determinations, we proposed that all projects funded under the Storm Arwen Re-opener be subject to individual evaluative PCDs. This is because considering the importance of these projects to deliver improved resilience to future storm events, evaluative PCDs are the most effective way to ensure that these projects are delivered on time and within budget.²
6. We are now consulting on the modifications to the electricity distribution licence to give effect to our proposal set out in our Final Determinations. The full text of

¹ More detail on PCDs can be found in Chapter 7 of RIIO-ED2 FDs - [RIIO-ED2 Final Determinations | Ofgem](#)

² [Link to Final Determinations and to the section on funding mechanism]

the proposed modifications to Special Condition 3.2 Part I and Special Condition 1.2 and new Special Condition 3.17 are set out in Annex 2 and 3, with the new text to be added shown double underscored.

7. A copy of the proposed modification/modifications and other documents referred to in this Notice have been published on our website (www.ofgem.gov.uk). Alternatively, they are available from information.rights@ofgem.gov.uk.
8. Any representations with respect to the proposed licence modification/modifications must be made on or before 13 January 2024 to: Zara Scott, Office of Gas and Electricity Markets, 10 South Colonnade, Canary Wharf, London, E14 4PU or by email to Zara.Scott@ofgem.gov.uk.
9. We normally publish all responses on our website. However, if you do not wish your response to be made public then please clearly mark it as not for publication. We prefer to receive responses in an electronic form so they can be placed easily on our website.
10. If we decide to make the proposed modification/modifications it/they will take effect not less than 56 days after the decision is published.

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Nathan Macwhinnie
Duly authorised on behalf of the
Gas and Electricity Markets Authority

9 December 2004

9 December 2024

Annex 1: Consultation on the proposed modifications to Part A of Special condition 1.2 held by all holders of the Electricity Distribution licence.

(New text is double underscored and text removed is struck through)

Evaluative Price Control Deliverable	means a Price Control Deliverable specified in Special Condition 3.3 (Evaluative Price Control Deliverables), the Cyber Resilience OT PCD Table, the Cyber Resilience IT PCD Table, or Special Condition 3.6 (Net Zero Re-opener and Price Control Deliverable) <u>or Special Condition 3.17 (Storm Arwen Re-opener and Price Control Deliverable)</u> .
Price Control Deliverable	means the outputs, delivery dates and associated allowances specified in Special Conditions 3.3 (Evaluative Price Control Deliverables), the Cyber Resilience OT PCD Table, the Cyber Resilience IT PCD Table, Special Condition 3.6 (Net Zero Re-opener and Price Control Deliverable), <u>Special Condition 3.17 (Storm Arwen Re-opener and Price Control Deliverable)</u> and other bespoke special conditions setting out Mechanistic Price Control Deliverables.
Storm Arwen Re-opener	means the Re-opener established by <u>Special Condition 3.17 (Storm Arwen Re-opener and Price Control Deliverable)</u> Part J of special condition 3.2 (Uncertain Cost Re-openers) .

Annex 2: Consultation on the proposed modifications to Part I of Special Condition 3.2 held by all holders of the Electricity Distribution licence.

(New text is double underscored and text removed is struck through)

3.2.4 The value of the following Uncertain Costs terms are set out in Appendix 1:

- (a) the Physical Security Re-opener term (PSUP_t);
- (b) the Rail Electrification Costs Re-opener term (REC_t);
- (c) the Electricity System Restoration Re-opener term (ESR_t);
- (d) the Environmental Re-opener term (EVR_t);
- (e) the Specified Street Works Costs Re-opener term (SWR_t);
- (f) the Cyber Resilience OT Re-opener;
- (g) the Cyber Resilience IT Re-opener;
- (h) the Digitalisation Re-opener term (DIGI_t);
- (i) ~~the Storm Arwen Re-opener term (SAR_t)~~ [Not used];
- (j) the Load Related Expenditure Re-opener term (LRE_t);
- (k) the High Value Projects Re-opener term (HVP_t);
- (l) the Wayleaves and Diversions Re-opener term (WDV_t);
- (m) [not used];

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- (n) the Hebrides and Orkney Re-opener term (HO_t);
 - (o) the Shetland Enduring Solution Re-opener term (SES_t); and
 - (p) Shetland Extension Fixed Energy Costs Re-opener term (SEFEC_t).

Part I: Storm Arwen Re-opener (SAR_t)

3.2.66 This Part establishes the Storm Arwen Re-opener.

3.2.67 The Storm Arwen Re-opener may be used where the costs incurred or expected to be incurred by the licensee in operating its Distribution Business have changed as a direct result of the Storm Arwen Recommendations, including actions taken as a result of those recommendations.

3.2.68 The licensee may only apply to the Authority for modifications to this licence under the Storm Arwen Re-opener:

- (a) Between 24 January 2024 and 31 January 2024; and
- (b) during such other periods as the Authority may direct.

3.2.69 The licensee must, when making an application under the Storm Arwen Re-opener, send to the Authority a written application that:

- (a) sets out the changes to the way in which the licensee operates its Distribution Business and the associated costs, including an explanation of how the circumstances in paragraph 3.2.67 are met;
- (b) sets out the modifications to the value of SAR_t in Appendix 1 being sought;
- (c) explains the basis for calculating any modifications requested to allowances and the profiling of those allowances; and
- (d) provides such detailed supporting evidence as is reasonable in the circumstances.

3.2.70 An application under this Part must:

- (a) relate to changes set out in paragraph 3.2.67 agreed on or after 1 December 2021;
- (b) be confined to costs incurred or expected to be incurred on or after 1 April 2023; and
- (c) take account of other allowed expenditure that could be avoided or reduced as a result of the circumstances set out in paragraph 3.2.67.

3.2.71 The Authority may also instigate this Re-opener in accordance with Part S.

3.2.72 The following modifications to this licence may be made under the Storm Arwen Re-opener:

- (a) modifications to the value of SAR_t set out in Appendix 1;
- (b) modifications confined to allowances related to the circumstances in paragraph 3.2.67; and
- (c) modifications confined to allowances for Regulatory Years commencing on or after 1 April 2023.

3.2.73 ~~Any modifications made as a result of an application under paragraph 3.2.68 must be made under section 11A (modifications of conditions of licences) of the Act.~~

Annex 3: Consultation to the proposed modifications to Special Condition 3.17 held by all holders of the electricity distribution licence.

(New text is double underscored and text removed is struck through)

Special Condition 3.17 Storm Arwen Re-opener and Price Control Deliverable (SAR_t)

Introduction

- 3.14.1 The purpose of this condition is to calculate the term SAR_t (the Storm Arwen Re-opener term), which contributes to the calculation of the Totex Allowance (in relation to which see the ED2 Price Control Financial Model).
- 3.14.2 The effect of this condition is to:
- (a) specify any Price Control Deliverable relating to Storm Arwen Projects;
 - (b) establish a Re-opener for the Authority to trigger amendments to any such Price Control Deliverable and the outputs, delivery dates and allowances established by the other special conditions; and
 - (c) provide for an assessment of the Price Control Deliverables specified in this condition.
- 3.14.3 This condition also explains the process the Authority will follow when making any changes under this condition.

Formula for calculating the Storm Arwen Re-opener term (SAR_t)

- 3.14.4 The value of SAR_t is derived in accordance with the following formula:

$$SAR_t = SARO_t - SARRO_t$$

where:

SARO_t means the sum of allowances in Appendix 1; and

SARRO_t has the value zero unless otherwise directed by the Authority in accordance with Part D.

Part B: What is the licensee funded to deliver?

3.14.5 Appendix 1 specifies the outputs that the licensee is funded to deliver, the delivery dates for those outputs and the allowances associated with those outputs.

Part C: Storm Arwen Re-opener

3.14.6 This Part establishes the Storm Arwen Re-opener.

3.14.7 The Storm Arwen Re-opener may be used where the costs incurred or expected to be incurred by the licensee in operating its Distribution Business have changed as a direct result of the Storm Arwen Recommendations, including actions taken as a result of those recommendations.

3.14.8 The licensee may only apply to the Authority for modifications to this licence under the Storm Arwen Re-opener.

- a) Between 24 January 2024 and 31 January 2024; and
- b) during such other periods as the Authority may direct.

3.14.9 The licensee must, when making an application under the Storm Arwen Re-opener, send to the Authority a written application that:

- (a) sets out the changes to the way in which the licensee operates its Distribution Business and the associated costs, including an explanation of how the circumstances in paragraph are met;
- (b) sets out the modifications to the value of SAR_t in Appendix 1 being sought;
- (c) explains the basis for calculating any modifications requested to allowances and the profiling of those allowances; and
- (d) provides such detailed supporting evidence as is reasonable in the circumstances.

3.14.10 An application under this Part must:

- (a) relate to changes set out in paragraph 3.17.7 agreed on or after 1 December 2021;
- (b) be confined to costs incurred or expected to be incurred on or after 1 April 2023; and
- (c) take account of other allowed expenditure that could be avoided or reduced as a result of the circumstances set out in paragraph 3.17.7.

3.14.11 The Authority may also instigate this Re-opener in accordance with Part S.

3.14.12 The following modifications to this licence may be made under the Storm Arwen Re-opener:

- a) modifications to the value of SAR_t set out in Appendix 1;
- b) modifications confined to allowances related to the circumstances in paragraph 3.17.7; and
- c) modifications confined to allowances for Regulatory Years commencing on or after 1 April 2023.

3.14.13 Any modifications made as a result of an application under paragraph 3.17.8 must be made under section 11A (modifications of conditions of licences) of the Act.

Part D: Assessment of the Price Control Deliverable (SARRO_t)

3.14.14 The Authority may, in accordance with the assessment principles set out in Part C of Special Condition 3.3 (Evaluative Price Control Deliverables), direct a value for SARRO_t where the licensee has not Fully Delivered an output in Appendix 1.

Part E: What process will the Authority follow in making a direction?

3.14.15 Before making a direction under paragraph 3.17.1, the Authority must send to the licensee and publish on the Authority's Website:

- (a) the text of the proposed direction;
- (b) the reasons for the proposed direction; and
- (c) a statement setting out the period during which representations may be made on the proposed direction, which must not be less than 28 days.

3.14.16 A direction under paragraph 3.17.14 must set out:

- (a) the delivery status of the output that has not been Fully Delivered;
- (b) the value of the SARRO_t term and the Regulatory Years to which that adjustment relates; and
- (c) the methodology and data that has been used to decide the delivery status and value of any adjustments to the SARRO_t term.

Appendix 1

Uncertain Costs without Evaluative Price Control Deliverables allowances (£m)

	<u>23/24</u>	<u>24/25</u>	<u>25/26</u>	<u>26/27</u>	<u>27/28</u>	<u>Total allowance (all years)</u>
<u>ENWL SART</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>NPGN SART</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>NPGY SART</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>WMID SART</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>EMID SART</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>SWALES SART</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>SWEST SART</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>SPN SART</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>EPN SART</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

<u>SPD SART</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>SPM SART</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>SHEPD SART</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>SEPD SART</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

Appendix 2

Storm Arwen Price Control Deliverable Projects

<u>DNO</u>	<u>Field</u>	<u>Description</u>
<u>ENWL</u>	<u>Projects 1-6</u>	<p><u>Project 1: HV network strengthening predictive modelling</u></p> <ul style="list-style-type: none"> • <u>Develop asset level predictive with the capability of modelling vulnerable circuits to determine the susceptibility, vulnerability and recoverability of the wood poles and overhead lines.</u> <p><u>Project 2: Targeted HV undergrounding/strengthening –</u> <u>Project 2 will be informed by predictive modelling funded as part of SART re-opener, which will use 1 of these 2 options:</u></p> <ul style="list-style-type: none"> • <u>Rebuilding of approximately 150km of overhead line</u> • <u>undergrounding of approximately 80km of overhead line</u> • <u>We expect a detailed explanation around the final optioneering decision</u> <p><u>Project 3: Cross DNO interconnection - For the 11 projects expected to materialise in the later years of RIIO-ED2 based on Storm Arwen.</u></p> <p><u>Project 4: Low Voltage (LV) automation enhancements</u></p> <ul style="list-style-type: none"> • <u>Installation of 750 LV reclosing facilities</u>

<u>DNO</u>	<u>Field</u>	<u>Description</u>
		<p><u>Project 5: Coniston HV interconnector - Installation of a new interconnector to provide an alternative power supply from Ambleside to Coniston Primary</u></p> <p><u>Project 6: Alston HV interconnector - Installation of a new interconnector to provide a new supply from Little Salkeld to Alston Primary</u></p>
<u>NPGN</u>	<u>Projects 1-12</u>	<p><u>Project 1: Improve the speed of compensation - £0.02m IT systems development to allow quicker processing and delivery of customer compensation at scale</u></p> <p><u>Project 2: Convert 20.14km of open conductor to Aerial Bundled Conductor (ABC)</u></p> <p><u>Project 3: Install 339 Remotely Indicating Fault Flow Indicators (RIFI)</u></p> <p><u>Project 4: Install pole mounted remote control (RC)/automation point 57 units</u></p> <p><u>Project 5: Cross DNO interconnection – For the 8 projects expected to materialise in the later years of RIIO-ED2 based on Storm Arwen.</u></p> <p><u>Project 6: Replace 760 cross arms</u></p> <p><u>Project 7: Install an additional 728 poles on existing line</u></p> <p><u>Project 8: Upgrade pole size of 64 poles</u></p> <p><u>Project 9: Upsize conductor 26.9km</u></p> <p><u>Project 10: Underground 65km of overhead line</u></p> <p><u>Project 11: Step up generators – For the purchase of 2 step up generators, to connect to a 20kV network</u></p> <p><u>Project 12: Installation of 115 step-up generator platforms</u></p>

<u>DNO</u>	<u>Field</u>	<u>Description</u>
<u>NPGY</u>	<u>Projects 1-10</u>	<p><u>Project 1: Improve the speed of compensation - £0.02m for IT systems to allow quicker processing of customer compensation</u></p> <p><u>Project 2: Convert 22.5km open conductor to Aerial Bundled Conductor (ABC)</u></p> <p><u>Project 3: Install 48 Remotely Indicating Fault Flow Indicator (RIFFI)</u></p> <p><u>Project 4: Install pole mounted remote control (RC)/automation point 23</u></p> <p><u>Project 5: Cross DNO interconnection - For projects expected to materialise in the later years of RIIO-ED2 based on Storm Arwen</u></p> <p><u>Project 6: Replace 28 cross arms</u></p> <p><u>Project 7: Install an additional 22 poles on existing line</u></p> <p><u>Project 8: Underground 1.8km of overhead line</u></p> <p><u>Project 9: Step up generators - For the purchase of 5 step up generators, to connect to a 11kV network</u></p> <p><u>Project 10: Installation of 15 step-up generator platforms</u></p>
<u>SWALES</u>	<u>Projects 1-8</u>	<p><u>Project 1: Undergrounding of 12km of HV overhead lines in wooded areas</u></p> <p><u>Project 2: Application of Pre-Fix detection for fault location at 13 substations</u></p> <p><u>Project 3: Automation of spur protection – Install 29 Tripsaver II devices to replace fuses on spurs that have either more than 150 customers or are longer than 10km.</u></p>

<u>DNO</u>	<u>Field</u>	<u>Description</u>
		<p><u>Project 4: Replacing 7km of LV open wire overhead lines impacted by trees</u></p> <p><u>Project 5: Reducing customers in a protection zone to 1000 - 12 units</u></p> <p><u>Project 6: LineSight detectors to identify nested and low conductor faults – Install 40 units to the network</u></p> <p><u>Project 7: Cross DNO interconnection - For projects expected to materialise in the later years of RIIO-ED2 based on Storm Arwen</u></p> <p><u>Project 8: Enhancements to telephony servers</u></p>
<u>SWEST</u>	<u>Projects 1-7</u>	<p><u>Project 1: Undergrounding of 18km of HV overhead lines in wooded areas</u></p> <p><u>Project 2: Application of Pre-Fix detection for fault location at 27 substations</u></p> <p><u>Project 3: Automation of spur protection – Install 209 Tripsaver II devices to replace fuses on spurs that have either more than 150 customers or are longer than 10km.</u></p> <p><u>Project 4: Replacing 30km of LV open wire overhead lines impacted by trees</u></p> <p><u>Project 5: Reducing customers in a protection zone to 1000 - 60 units</u></p> <p><u>Project 6: LineSight detectors to identify nested and low conductor faults – Install 104 units to the network</u></p> <p><u>Project 7: Enhancements to telephony servers</u></p>
<u>WMID</u>	<u>Projects 1-8</u>	<p><u>Project 1: Undergrounding of 12km of HV overhead lines in wooded areas</u></p>

<u>DNO</u>	<u>Field</u>	<u>Description</u>
		<p><u>Project 2: Application of Pre-Fix detection for fault location at 13 substations</u></p> <p><u>Project 3: Automation of spur protection – Install 9 Tripsaver II devices to replace fuses on spurs that have either more than 150 customers or are longer than 10km.</u></p> <p><u>Project 4: Replacing 8km of LV open wire overhead lines impacted by trees</u></p> <p><u>Project 5: Reducing customers in a protection zone to 1000 – 15 units</u></p> <p><u>Project 6: LineSight detectors to identify nested and low conductor faults – Install 104 units to the network</u></p> <p><u>Project 7: Cross DNO interconnection - For projects expected to materialise in the later years of RIIO-ED2 based on Storm Arwen</u></p> <p><u>Project 8: Enhancements to telephony servers</u></p>
<u>EMID</u>	<u>Projects 1-7</u>	<p><u>Project 1: Undergrounding of 9km of HV overhead lines in wooded areas</u></p> <p><u>Project 2: Application of Pre-Fix detection for fault location at 4 substations</u></p> <p><u>Project 3: Automation of spur protection – Install 32 Tripsaver II devices to replace fuses on spurs that have either more than 150 customers or are longer than 10km.</u></p> <p><u>Project 4: Replacing 7km of LV open wire overhead lines impacted by trees</u></p> <p><u>Project 5: Reducing customers in a protection zone to 1000 – 48 units</u></p>

<u>DNO</u>	<u>Field</u>	<u>Description</u>
		<p><u>Project 6: Cross DNO interconnection - For projects expected to materialise in the later years of RIIO-ED2 based on Storm Arwen</u></p> <p><u>Project 7: Enhancements to telephony servers</u></p>
<u>EPN</u>	<u>Projects 1-6</u>	<p><u>Project 1: Overhead line modernisation – Upgrade 337km of 11kV OHL network. Targeting feeders most affected in a storm but not usually seen as poor performers, and where the storm impacts would be reduced via modernisation and could not be more economically reduced by an alternative investment or operational practice.</u></p> <p><u>Project 2: Install 756 Distribution Fault Anticipation (DFA) on all HV Feeders with a composition of more than 80% OHL circuit length</u></p> <p><u>Project 3: Install 216 Metrysense 5000 sensors to the feeders which are not already going to be monitored by the DFA solution.</u></p> <p><u>Project 4: Telecontrol Delayed Auto Reclose (TDAR)</u></p> <p><u>Project 5: Auto Reclose Penetration</u></p> <p><u>Project 6: Overhead Circuit Sectionalisation Enhancement</u></p>
<u>SPN</u>	<u>Projects 1-5</u>	<p><u>Project 1: Overhead line modernisation – Upgrade 38km of 11kV OHL network. Targeting feeders most affected in a storm but not usually seen as poor performers, and where the storm impacts would be reduced via modernisation and could not be more economically reduced by an alternative investment or operational practice.</u></p>

<u>DNO</u>	<u>Field</u>	<u>Description</u>
		<p><u>Project 2: Install 520 Distribution Fault Anticipation (DFA) on all HV Feeders with a composition of more than 80% OHL circuit length.</u></p> <p><u>Project 4: Telecontrol Delayed Auto Reclose (TDAR)</u></p> <p><u>Project 4: Auto Reclose Penetration</u></p> <p><u>Project 5: Overhead Circuit Sectionalisation Enhancement</u></p>
<u>SPD</u>	<u>Projects 1-5</u>	<p><u>Project 1: Cross DNO interconnection - For projects expected to materialise in the later years of RIIO-ED2 based on Storm Arwen</u></p> <p><u>Project 2: OHL Digital Twin Storm Modelling - Develop a simulated network with enhanced engineering analysis capability, combining network risk with environmental scenarios to identify solutions to improve overhead network resilience</u></p> <p><u>Project 3: Innovative OHL Smart Solution – Install 11 units of Linsight</u></p> <p><u>Project 4: New Generation Connection Points -</u></p> <ul style="list-style-type: none"> • <u>Purchase 13 500kV Generators</u> • <u>Install 18 Generation Connection Points</u> <p><u>Project 5: Enhanced HV Pole Storm Resilience –</u></p> <ul style="list-style-type: none"> • <u>Replacement of 1116 stand-alone HV poles with the highest susceptibility to failure from severe weather.</u> • <u>Project 5 excludes those targeted for modernisation within RIIO-ED2</u>
<u>SPM</u>	<u>Projects 1-5</u>	<p><u>Project 1: Cross DNO interconnection - For projects expected to materialise in the later years of RIIO-ED2 based on Storm Arwen</u></p>

<u>DNO</u>	<u>Field</u>	<u>Description</u>
		<p><u>Project 2: OHL Digital Twin Storm Modelling - Develop a simulated network with enhanced engineering analysis capability, combining network risk with environmental scenarios to identify solutions to improve overhead network resilience</u></p> <p><u>Project 3: Innovative OHL Smart Solution - Install 13 units of LinsSight</u></p> <p><u>Project 4: New Generation Connection Points -</u></p> <ul style="list-style-type: none"> • <u>Purchase 8 500kV Generators</u> • <u>Install 11 Generation Connection Points</u> <p><u>Project 5: Enhanced HV Pole Storm Resilience –</u></p> <ul style="list-style-type: none"> • <u>Replacement of 1597 stand-alone HV poles with the highest susceptibility to failure from severe weather.</u> • <u>Project 5 excludes those targeted for modernisation within RIIO-ED2</u>
<u>SHEPD</u>	<u>Projects 1-3</u>	<p><u>Project 1: HV Feeder Monitoring – Installation of 51 HV feeder monitoring devices</u></p> <p><u>Project 2: Cross DNO interconnection - For projects expected to materialise in the later years of RIIO-ED2 based on Storm Arwen</u></p> <p><u>Project 3: Wood Pole Assessment Tool –</u></p> <ul style="list-style-type: none"> • <u>Purchase of 173 Smart Hammers</u> • <u>Purchase of 7 ResiDrills</u>
<u>SEPD</u>	<u>Project 1-2</u>	<p><u>Project 1: HV Feeder Monitoring – Installation of 149 HV feeder monitoring devices</u></p> <p><u>Project 2: Wood Pole Assessment Tool</u></p> <ul style="list-style-type: none"> • <u>Purchase of 173 Smart Hammers</u>

<u>DNO</u>	<u>Field</u>	<u>Description</u>
		<ul style="list-style-type: none">• <u>Purchase of 7 ResiDrills</u>

Appendix 3

Storm Arwen Price Control Deliverable Associated Allowances (£m), SARRO:

<u>DNO</u>	<u>Output</u>	<u>Delivery</u> <u>date</u>	<u>2021</u> <u>/22</u>	<u>2022</u> <u>/23</u>	<u>2023</u> <u>/24</u>	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>Total</u>
<u>ENWL</u>	<u>Project 1</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.08</u>	<u>0.71</u>	<u>0.00</u>	<u>0.00</u>	<u>0.79</u>
<u>ENWL</u>	<u>Project 2</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>2.61</u>	<u>3.49</u>	<u>7.84</u>	<u>13.95</u>
<u>ENWL</u>	<u>Project 3</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.87</u>	<u>0.87</u>	<u>1.74</u>
<u>ENWL</u>	<u>Project 4</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.87</u>	<u>1.74</u>	<u>3.49</u>	<u>6.10</u>
<u>ENWL</u>	<u>Project 5</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.26</u>	<u>1.48</u>	<u>1.74</u>	<u>3.49</u>
<u>ENWL</u>	<u>Project 6</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.26</u>	<u>0.61</u>	<u>3.49</u>	<u>4.36</u>
<u>NPGN</u>	<u>Project 1</u>	<u>31/03/28</u>	<u>0.01</u>	<u>0.01</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.02</u>
<u>NPGN</u>	<u>Project 2</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.09</u>	<u>0.42</u>	<u>0.42</u>	<u>0.94</u>
<u>NPGN</u>	<u>Project 3</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.03</u>	<u>0.06</u>	<u>0.10</u>	<u>0.10</u>	<u>0.29</u>
<u>NPGN</u>	<u>Project 4</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.08</u>	<u>0.37</u>	<u>0.37</u>	<u>0.82</u>
<u>NPGN</u>	<u>Project 5</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1.71</u>	<u>1.71</u>	<u>3.42</u>
<u>NPGN</u>	<u>Project 6</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.04</u>	<u>0.08</u>	<u>0.15</u>	<u>0.15</u>	<u>0.42</u>
<u>NPGN</u>	<u>Project 7</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.40</u>	<u>1.81</u>	<u>1.81</u>	<u>4.03</u>
<u>NPGN</u>	<u>Project 8</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.04</u>	<u>0.07</u>	<u>0.12</u>	<u>0.12</u>	<u>0.35</u>
<u>NPGN</u>	<u>Project 9</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1.16</u>	<u>1.16</u>	<u>2.33</u>
<u>NPGN</u>	<u>Project 10</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>4.91</u>	<u>4.91</u>	<u>9.83</u>
<u>NPGN</u>	<u>Project 11</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.14</u>	<u>0.01</u>	<u>0.01</u>	<u>0.16</u>

<u>DNO</u>	<u>Output</u>	<u>Delivery</u> <u>date</u>	<u>2021</u> <u>/22</u>	<u>2022</u> <u>/23</u>	<u>2023</u> <u>/24</u>	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>Total</u>
<u>NPGN</u>	<u>Project 12</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.33</u>	<u>1.47</u>	<u>1.47</u>	<u>3.26</u>
<u>NPGY</u>	<u>Project 1</u>	<u>31/03/28</u>	<u>0.01</u>	<u>0.01</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.02</u>
<u>NPGY</u>	<u>Project 2</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.10</u>	<u>0.47</u>	<u>0.47</u>	<u>1.05</u>
<u>NPGY</u>	<u>Project 3</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.01</u>	<u>0.01</u>	<u>0.01</u>	<u>0.04</u>
<u>NPGY</u>	<u>Project 4</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.03</u>	<u>0.15</u>	<u>0.15</u>	<u>0.33</u>
<u>NPGY</u>	<u>Project 5</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.72</u>	<u>0.72</u>	<u>1.43</u>
<u>NPGY</u>	<u>Project 6</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.01</u>	<u>0.01</u>	<u>0.02</u>
<u>NPGY</u>	<u>Project 7</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.06</u>	<u>0.06</u>	<u>0.12</u>
<u>NPGY</u>	<u>Project 8</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.18</u>	<u>0.18</u>	<u>0.35</u>
<u>NPGY</u>	<u>Project 9</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.14</u>	<u>0.01</u>	<u>0.01</u>	<u>0.16</u>
<u>NPGY</u>	<u>Project 10</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.05</u>	<u>0.21</u>	<u>0.21</u>	<u>0.47</u>
<u>SWALES</u>	<u>Project 1</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.57</u>	<u>0.57</u>	<u>0.57</u>	<u>1.72</u>
<u>SWALES</u>	<u>Project 2</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.21</u>	<u>0.42</u>	<u>0.74</u>	<u>1.37</u>
<u>SWALES</u>	<u>Project 3</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.07</u>	<u>0.07</u>	<u>0.07</u>	<u>0.21</u>
<u>SWALES</u>	<u>Project 4</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.07</u>	<u>0.07</u>	<u>0.07</u>	<u>0.22</u>
<u>SWALES</u>	<u>Project 5</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.06</u>	<u>0.06</u>	<u>0.06</u>	<u>0.19</u>
<u>SWALES</u>	<u>Project 6</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.22</u>	<u>0.22</u>	<u>0.22</u>	<u>0.65</u>
<u>SWALES</u>	<u>Project 7</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.26</u>	<u>0.26</u>	<u>0.00</u>	<u>0.53</u>

<u>DNO</u>	<u>Output</u>	<u>Delivery</u> <u>date</u>	<u>2021</u> <u>/22</u>	<u>2022</u> <u>/23</u>	<u>2023</u> <u>/24</u>	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>Total</u>
<u>SWALES</u>	<u>Project 8</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.06</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.06</u>
<u>SWEST</u>	<u>Project 1</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.77</u>	<u>0.77</u>	<u>0.77</u>	<u>2.32</u>
<u>SWEST</u>	<u>Project 2</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.53</u>	<u>0.95</u>	<u>1.37</u>	<u>2.85</u>
<u>SWEST</u>	<u>Project 3</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.51</u>	<u>0.51</u>	<u>0.50</u>	<u>1.52</u>
<u>SWEST</u>	<u>Project 4</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.30</u>	<u>0.30</u>	<u>0.30</u>	<u>0.90</u>
<u>SWEST</u>	<u>Project 5</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.32</u>	<u>0.32</u>	<u>0.32</u>	<u>0.96</u>
<u>SWEST</u>	<u>Project 6</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.56</u>	<u>0.56</u>	<u>0.56</u>	<u>1.69</u>
<u>SWEST</u>	<u>Project 7</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.10</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.10</u>
<u>EMID</u>	<u>Project 1</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.44</u>	<u>0.44</u>	<u>0.44</u>	<u>1.33</u>
<u>EMID</u>	<u>Project 2</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.11</u>	<u>0.11</u>	<u>0.21</u>	<u>0.42</u>
<u>EMID</u>	<u>Project 3</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.08</u>	<u>0.08</u>	<u>0.07</u>	<u>0.23</u>
<u>EMID</u>	<u>Project 4</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.07</u>	<u>0.07</u>	<u>0.07</u>	<u>0.21</u>
<u>EMID</u>	<u>Project 5</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.26</u>	<u>0.26</u>	<u>0.26</u>	<u>0.78</u>
<u>EMID</u>	<u>Project 6</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.03</u>	<u>0.03</u>	<u>0.00</u>	<u>0.06</u>
<u>EMID</u>	<u>Project 7</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.12</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.12</u>
<u>WMID</u>	<u>Project 1</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.57</u>	<u>0.57</u>	<u>0.57</u>	<u>1.70</u>
<u>WMID</u>	<u>Project 2</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.21</u>	<u>0.42</u>	<u>0.74</u>	<u>1.37</u>
<u>WMID</u>	<u>Project 3</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.02</u>	<u>0.02</u>	<u>0.02</u>	<u>0.07</u>

<u>DNO</u>	<u>Output</u>	<u>Delivery</u> <u>date</u>	<u>2021</u> <u>/22</u>	<u>2022</u> <u>/23</u>	<u>2023</u> <u>/24</u>	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>Total</u>
<u>WMID</u>	<u>Project 4</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.08</u>	<u>0.08</u>	<u>0.08</u>	<u>0.23</u>
<u>WMID</u>	<u>Project 5</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.08</u>	<u>0.08</u>	<u>0.08</u>	<u>0.24</u>
<u>WMID</u>	<u>Project 6</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.56</u>	<u>0.56</u>	<u>0.56</u>	<u>1.69</u>
<u>WMID</u>	<u>Project 7</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.23</u>	<u>0.23</u>	<u>0.00</u>	<u>0.45</u>
<u>WMID</u>	<u>Project 8</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.12</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.12</u>
<u>EPN</u>	<u>Project 1</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>5.13</u>	<u>5.13</u>	<u>5.13</u>	<u>15.40</u>
<u>EPN</u>	<u>Project 2</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>1.69</u>	<u>1.92</u>	<u>2.15</u>	<u>5.76</u>
<u>EPN</u>	<u>Project 3</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>1.59</u>	<u>1.59</u>	<u>1.59</u>	<u>4.76</u>
<u>EPN</u>	<u>Project 4</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.23</u>	<u>0.24</u>	<u>0.00</u>	<u>0.47</u>
<u>EPN</u>	<u>Project 5</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.30</u>	<u>0.28</u>	<u>0.28</u>	<u>0.86</u>
<u>EPN</u>	<u>Project 6</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.31</u>	<u>1.04</u>	<u>1.04</u>	<u>2.40</u>
<u>SPN</u>	<u>Project 1</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.59</u>	<u>0.59</u>	<u>0.59</u>	<u>1.77</u>
<u>SPN</u>	<u>Project 2</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>1.18</u>	<u>1.29</u>	<u>1.40</u>	<u>3.88</u>
<u>SPN</u>	<u>Project 3</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.21</u>	<u>0.21</u>	<u>0.00</u>	<u>0.42</u>
<u>SPN</u>	<u>Project 4</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.33</u>	<u>0.31</u>	<u>0.31</u>	<u>0.95</u>
<u>SPN</u>	<u>Project 5</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.31</u>	<u>0.20</u>	<u>0.20</u>	<u>0.72</u>
<u>SPD</u>	<u>Project 1</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.78</u>	<u>0.78</u>	<u>0.78</u>	<u>2.33</u>
<u>SPD</u>	<u>Project 2</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.06</u>	<u>0.10</u>	<u>0.10</u>	<u>0.10</u>	<u>0.37</u>

<u>DNO</u>	<u>Output</u>	<u>Delivery</u> <u>date</u>	<u>2021</u> <u>/22</u>	<u>2022</u> <u>/23</u>	<u>2023</u> <u>/24</u>	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>Total</u>
<u>SPD</u>	<u>Project 3</u>	<u>31/03/28</u>	<u>0.00</u>	<u>2.15</u>	<u>0.07</u>	<u>0.07</u>	<u>0.07</u>	<u>2.35</u>
<u>SPD</u>	<u>Project 4</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.40</u>	<u>0.81</u>	<u>0.46</u>	<u>0.46</u>	<u>2.13</u>
<u>SPD</u>	<u>Project 5</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.91</u>	<u>0.91</u>	<u>0.91</u>	<u>0.91</u>	<u>3.65</u>
<u>SPM</u>	<u>Project 1</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.39</u>	<u>0.48</u>	<u>0.41</u>	<u>1.28</u>
<u>SPM</u>	<u>Project 2</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.06</u>	<u>0.10</u>	<u>0.10</u>	<u>0.10</u>	<u>0.37</u>
<u>SPM</u>	<u>Project 3</u>	<u>31/03/28</u>	<u>0.00</u>	<u>2.54</u>	<u>0.08</u>	<u>0.08</u>	<u>0.08</u>	<u>2.77</u>
<u>SPM</u>	<u>Project 4</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.22</u>	<u>0.50</u>	<u>0.29</u>	<u>0.29</u>	<u>1.30</u>
<u>SPM</u>	<u>Project 5</u>	<u>31/03/28</u>	<u>0.00</u>	<u>1.30</u>	<u>1.30</u>	<u>1.30</u>	<u>1.30</u>	<u>5.22</u>
<u>SHEPD</u>	<u>Project 1</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.39</u>	<u>0.40</u>	<u>0.40</u>	<u>1.19</u>
<u>SHEPD</u>	<u>Project 2</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.09</u>	<u>0.06</u>	<u>0.00</u>	<u>0.14</u>
<u>SHEPD</u>	<u>Project 3</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.21</u>	<u>0.10</u>	<u>0.10</u>	<u>0.04</u>	<u>0.46</u>
<u>SEPD</u>	<u>Project 1</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.00</u>	<u>1.15</u>	<u>1.17</u>	<u>1.17</u>	<u>3.48</u>
<u>SEPD</u>	<u>Project 2</u>	<u>31/03/28</u>	<u>0.00</u>	<u>0.26</u>	<u>0.14</u>	<u>0.14</u>	<u>0.06</u>	<u>0.59</u>