



Legal & Safety (CV14)

ED2 Engineering Justification Paper Addendum

ED2-NLR(A)-SPEN-001-SAF-EJP-ADD

Issue	Date	Comments					
Issue 0.1	Aug 2022	Internal Draft for Review					
Issue 0.2	Aug 2022	Internal Draft with Comments Addressed					
Issue 1.0	Aug 2022	First Issue - Draft Determination Response					
Scheme Name	RIO-ED2 CV14 Legal and Safety						
PCFM Cost Type	Non-Load Related – Other						
Activity	Legal and Safety						
Primary Investment Driver	Regulatory and legal responsibility to manage and operate a safe network						
Reference	ED2-NLR(A)-SPEN-001-SAF-EJP-ADD						
Output Type	Legal and Safety						
Cost	SPD	£4.715m	SPM	£4.385m			
Delivery Year	2023-2028						
Reporting Table	CV14						
Outputs included in EDI	Yes/No						
Business Plan Section	Ensure a Safe and Reliable Electricity Supply						
Primary Annex	Annex 4A.18: Legal and Safety (CV14) Strategy						
Spend Apportionment		ED1 £m	ED2 £9.100m	ED3 £m			
	Proposed by	Endorsed by	Approved by				
Name	David Cupples	Alex Campbell	Russell Bryans				
Signature	<i>David Cupples</i>	<i>A.Campbell</i>	<i>R.Bryans</i>				
Date	23.08.2022	23.08.2022	23.08.2022				

I Purpose

This addendum has been prepared to provide additional information and justification to ED2-NLR(A)-SPEN 001-SAF-EJP Legal and Safety following receipt of RIIO-ED2 Draft Determination. The content of the addendum is in response to comments and feedback provided by Ofgem as to the “Partial Justification” status of the EJP. The purpose of this document is to support Ofgem’s assessment for Final Determination including supporting any associated impact on engineering adjustments within Ofgem’s financial modelling.

2 Ofgem Comments & Feedback

2.1 RIIO-ED2 Draft determination SPEN Annex

The following comments are taken from Table 26 of “RIIO-ED2 Draft Determination SPEN Annex”.

Ofgem Comment - Partially Justified. Limited details are provided in relation to SPEN’s needs case for increased expenditure in Safety and Recreational Sites, which is attributed to “high profile incidents outside SPEN area” We also consider the volume proposed uncertain as SPEN indicate they plan on using LiDAR data (not available at the time of submission) to identify risk areas.

We also consider SPEN’s SPD metal theft volumes to be uncertain based on the smart lock rollout planned within RIIO-ED2, as this rollout in SPM in RIIO-ED1 was attributed to a reduction in metal theft.

Ofgem Identified Risks - There is a risk that the out-turn volumes will differ from the volumes that SPEN have proposed in their submission

2.2 Draft Determination SQs

Following the receipt of Draft Determination, SPEN submitted SQs including ‘SPEN_DD_016 EJP Clarification’ which contain detail relevant to this EJP. The relevant content of the SQ has been included below for reference.

SPEN Submitted SQ_DD_016 (25/07/2022)

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“Limited details are provided in relation to SPEN’s needs case for increased expenditure in Safety & Recreational Sites, which is attributed to “high profile incidents outside SPEN area” We also consider the volume proposed uncertain as SPEN indicate they plan on using LiDAR data (not available at the time of submission) to identify risk areas.

We also consider SPEN's SPD metal theft volumes to be uncertain based on the smart lock rollout planned within ED2, as this rollout in SPM in ED1 was attributed to a reduction in metal theft. There is a risk that the out-turn volumes will differ from the volumes that SPEN have proposed in their submission ”

SPEN will elaborate further on the proposed methodology to identify Safety Recreational Sites and type of interventions to reduce risk to the public. SPEN will also set out the range of exogenous factors influencing Metal Theft rates.

**Do Ofgem have specific requirements related to Safety Recreational Site expenditure?
Would additional detail on the method used for forecasting Metal Theft site expenditure ameliorate Ofgem's concerns with this paper?**

Ofgem Response to SQ SPEN_DD_016 (08/08/2022)

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We were not satisfied that SPEN has provided sufficient evidence in regard to 'metal theft' and 'safety & recreational sites'.

Metal theft the EJP states that '*Within RIIO-ED1 there is an ongoing programme to roll out the use of Smart locks on our substation sites within the SPM area. This has been credited with assisting reducing the number of metal theft incident in the SPM area linked to unauthorised access using stolen or copied keys.*' While we broadly support these works, we were not satisfied that SPEN had provided enough evidence to explain how this has been accounted for in forecasting metal theft for SPD.

Safety & recreational sites SPEN did not provide sufficient evidence to justify the proposed increased expenditure in this area specifically, there was in absence of detail on the proposed methodology to identify Safety Recreational Sites and type of interventions to reduce risk to the public.

Any further information, such as the information SPEN propose, will be considered if provided.

3 Additional Justification

3.1 Summary of any SQs from Draft submission

As part of SPEN049 SQ Ofgem looked for clarification on how the volume of recreational sites proposed within RIIO-ED2 was calculated Ofgem also requested additional justification for the significant increase in this activity when compared to RIIO-ED1.

3.2 Our Response

3.2.1 Safety Recreational Sites

The needs case for the recreational site funding as stated in our EJP ED2-NLR(A) SPEN-01 EJP Legal and Safety was based around the protection of the public while undertaking leisure activities in the areas under and adjacent to our overhead lines. Additional justification is based around the increase of the public taking vacations at home with an increase in camping holidays. The number of new sites has increased over the course of the last few years.

Figure 1 below shows a site that was a forest area in 2020 that has been developed into a mobile home park, with an 11kV OHL running between the mobile homes/chalets. According to market research total spending on camping increased by 77% in 2021 compared with 2020, with an estimated 4.5 million people new to camping.



Figure 1 Example of a new/ extended recreational site.

The volumes of the safety recreational sites are calculated using a combination of the risk classification of OHL wood poles, classified as high and higher than normal risk. This is discussed in our response to SQ SPEN049.

Pole risk classification is assessed during our 6-year overhead line asset inspection cycle (1/6th of the OHL network is inspected each year). Where poles are in close proximity to recreational sites including parks, fisheries, golf courses, or other leisure areas this is recorded against their locational risk classification.

As part of our upcoming Lidar surveys (due to commence in 2023), we are also seeking to obtain additional information on the land usage under and in the vicinity of our OHL network. The land usage in combination with the risk category of the supports will be used to develop a risk category for each span, and thus develop a program of intervention or mitigation of the risks to the public.

The proposed volumes show significant increase on RIIO-ED1 volumes in recognition of several recent high-profile safety incidents across the United Kingdom, outside of SPEN networks such as in 2016 when a paraglider hit a power line while landing on a football field, as well as the increase in additional recreational sites being created as a knock-on effect of the pandemic. In the SPEN network area 34 reported incidents regarding OHL were reported under the ESQC Regulations. This programme is seeking to further reduce the risk of inadvertent contact with the OHL by members of the public by increasing our proactive approach within RIIO-ED2.

3.2.2 Metal Theft

Metal theft is a reactive programme to intervene on network assets where metal theft has occurred to ensure safety, operability and resilience of the assets are returned to correct standard. SPEN consider forecast volumes for Metal Theft interventions within RIIO-ED2 to be appropriate as these are based on historic volumes of metal theft within SPD. We forecast that volumes will remain consistent through ED2 as the impact of Smartlocks will not be fully realised until end of period. In addition, socioeconomic impacts including costs of living and metal prices are expected to increase incidences of metal theft in line with those previously experienced. Table I below has been updated to include latest RRP for SPD. This shows the volume of metal theft in 2021/22 is in line with RIIO ED2 annual forecast.

Table I - SPD Metal Theft Volumes

Licence	DPCR5						RIIO-ED1					
	10/11 (No)	11/12 (No)	12/13 (No)	13/14 (No)	14/15 (No)	15/16 (No)	16/17 (No)	17/18 (No)	18/19 (No)	19/20 (No)	20/21 (No)	21/22 (No)
SPD	-	297	242	392	219	128	31	46	38	17	19	27

4 Appendix

The content of this appendix has been redacted