



Annex 15:

Overhead Line Clearances



Scottish & Southern
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Executive Summary

The purpose of the Addendum to the 418/SSEPD/NLR/OHL Clearances EJP is to provide Ofgem with updated information from our most recent LiDAR flights over SHEPDs network area.

As part of our final submission, issued on 01 December 2022, we advised the “we are proposing to utilise the latest LiDAR data for SHEPD which was flown in 2017/18. The results of our current flight are not due to be received until March 2022.” We proposed that we would provide an update to Ofgem with the latest LiDAR information when received. We can confirm that the data was made fully available for assessment on 21 July 2022 and the updated volumes within this paper are based on the assessment of the 2020/21 LiDAR data.

Within the Core Methodology paper Ofgem stated in Section 7.273:

“The importance of the activity does not warrant any change to volumes submitted except for SSEN, who did not provide final volumes for this activity as part of the RIIO-ED2 Business Plan submissions, as at the time it had not received their latest Light Detecting and Ranging Surveys (LiDAR) flight data. As such, for Draft Determinations, we propose not to include SSEN’s costs in the anticipation that volume data will be provided following the consultation. We propose to accept the other DNOs’ submitted volumes, based on the submitted supporting documents which detailed their volume forecast methodology. In this respect, we note that most DNOs have based their forecasts on previous volumes or have introduced the use of LiDAR into their inspection regimes which ensures greater data accuracy.”

We would like to confirm that our SEPD volumes have not been adjusted and no updates for SEPD volumes or costs are provided as part of this addendum as the most recent LiDAR flight data has already been shared as part of our final submission therefore, Ofgem’s statement is incorrect.

As SSEN were discounted from the cost assessment, we have used the DisAgg model provided by Ofgem and updated it to reflect our latest volumes in line with the Core Methodology principle proposed in Section 7.270:

“At RIIO-ED1, we assessed these costs using an industry median unit cost at the subcategory level based on a 13-year period (DPCR5 and RIIO-ED1).”

Using the industry median unit costs at a subcategory level, now with SSEN included, the unit rates are updated as follows:

Table 1: Unit Rate Update at based on Industry Median at Subcategory Level

| Voltage | Unit Rate |
|---------|-----------|
| LV | £1.70 |
| 11kV | £3.19 |
| 33kV | £9.28 |
| 132kV | £30.74 |

As a result of the latest LiDAR information, we are updating our CV18 OHL Clearance volumes and subsequent total costs for SHEPD. For SEPD we are not amending the previously submitted volumes or costs. Please note, our methodology as proposed in the original EJP for OHL Clearances has not changed, the volume adjustment is due to the new data not a change in assessment criteria.

Investment Summary Table Update

Table 2 below provides a high-level summary of the key changes that are proposed as part of the Draft Determination consultation response. Please see the cells highlighted in Blue that highlight the latest cost and volumes assessment.

Table 2: Investment Summary

| OHL Clearances Addendum Volumes and Cost Updates | | | | | | | |
|--|------------------------------|--------|--------|--------|--------|--------|---------|
| Name of Programme | OHL Clearances | | | | | | |
| Primary Investment Driver | ESQCR Compliance and Safety | | | | | | |
| Investment category | 418_SSEPD_NLR_OHL_CLEARANCES | | | | | | |
| Output type | OHL_CLEARANCES | | | | | | |
| Cost | £51.73m | | | | | | |
| Delivery Year | RIIO-ED2 (2023 – 2028) | | | | | | |
| Reporting Table | CV18: OHL Clearances | | | | | | |
| RIIO-ED2 Spend (£m) – OHL Clearances | | | | | | | |
| CV18 OH CClearances RIIO-ED2 Spend (£m) | Year | 2024 | 2025 | 2026 | 2027 | 2028 | Total |
| | SEPD | £4.12m | £5.50m | £6.87m | £8.88m | £8.88m | £34.26m |
| | SHEPD | £1.75m | £2.79m | £3.85m | £4.54m | £4.54m | £17.47m |
| RIIO-ED2 Volumes – OHL Clearances | | | | | | | |
| CV18 OH CClearances RIIO-ED2 Volumes (sites resolved) | Year | 2024 | 2025 | 2026 | 2027 | 2028 | Total |
| | SEPD | 1,729 | 2,306 | 2,883 | 3,747 | 3,747 | 14,412 |
| | SHEPD | 924 | 1,477 | 2,033 | 2,401 | 2,401 | 9,236 |