

MSIP Re-opener Application Stage 2 – Glenglass 132kV Substation	
Ofgem Scheme Reference/ Name of Scheme	SPT200199 / SPT-RI-302 – Glenglass 132kV Substation
Investment Category	Local Enabling (Entry)
Primary Investment Driver	Connection of customer-driven onshore wind generation
Licence Mechanism/ Activity	Special Condition 3.14 Medium Sized Investment Projects Re-opener and Price Control Deliverable/ Clause 3.14.6 (a)
Materiality Threshold exceeded (£3.5m)	Yes, as a single project due to the threshold for activity 3.14.6 (a)
PCD primary Output	Generation: (MW)
Total Project Cost (£m)	13.816m
Total Community Benefits Cost (£m)	0.6095m
Funding Allowance (£m)	To be confirmed Requested - £13.816m (Project) - £0.6095m (Community Benefits)
Delivery Year	2026/27
Reporting Table	Annual RRP – PCD Table
PCD Modification Process	Special Condition 3.14, Appendix 1

Issue Date	Issue No	Amendment Details
31 st January 2025	1	First issue of Stage 2 document.

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1. Abbreviations / Terminology

Table 1: Table of Abbreviations

Abbreviation	Term
ACM	Asbestos Containing Material
AIS	Air Insulated Switchgear
BEIS	Department for Business, Energy & Industrial Strategy
CDM	Construction Design and Management
CEC	Connection Entry Capacity
CION	Connection and Infrastructure Options Note
CT	Current Transformer
GSP	Grid Supply Point
ITT	Invitation to Tender
km	Kilometre
kV	Kilovolt
LC	Licence Condition
LSpC	Licence Special Condition
MSIP	Medium Sized Investment Project
MW	Megawatt
NETS SQSS	National Electricity Transmission System Security and Quality of Supply Standard
NGET	National Grid Electricity Transmission
NESO	National Energy System Operator
NOA	Network Options Assessment
OHL	Overhead Line
PCD	Price Control Deliverable
RIIO	Revenue = Incentives + Innovation + Outputs
SCADA	Supervisory Control and Data Acquisition
SGT	Supergrid Transformer
SHET	Scottish Hydro Electric Transmission
SPT	SP Transmission
SPEN	SP Energy Networks
STC	System Operator – Transmission Owner Code
VDUM	Volume Driver Uncertainty Mechanism
VT	Voltage Transformer

2. Reference Documents

Table 2: Table of Reference Documents

Document Reference	Title
SPEN-RIIO-T2_Business_Plan	SP Energy Networks RIIO T2 Business Plan 2021 - 2026
RIIO-T2 MSIP Re-opener Application - Stage 1	Glenglass 132kV Substation

3. Introduction

In January 2022 SP Transmission (SPT) submitted a Medium Sized Investment Projects (MSIP) Re-opener application to Ofgem, setting out its plans to carry out reinforcement works around Glenglass substation commencing in the RIIO-T2 period (April 2021 – March 2026) and completing in the RIIO-T3 period. These works comprise the establishment of a new 132kV substation utilising Gas Insulated Switchgear (GIS) and the reinforcement of 132kV underground cables at Blackhill 132kV Substation to deliver a minimum pre-fault summer rating of 220MVA on the Blackhill – Glenglass No.1 and No.2 circuits. The establishment of a new 132kV GIS substation at Glenglass will facilitate the connection of new renewable generation and the future extension of the southwest Scotland 132kV network. The establishment of the new Glenglass 132kV Substation will enable the timely and efficient connection of 460.6MW directly into Glenglass substation whilst enabling a further 342MW of contracted renewable connections in this area.

In line with the provisions of the RIIO-2 Re-opener Guidance and Application Requirements Document¹ and as agreed with Ofgem, SPT separated the MSIP Re-Opener application into two stages:

Stage 1: providing full justification for the preferred investment option, together with a detailed description of the proposed solution; and

Stage 2: a further submission, to be made at the right time, relating to the associated amendments to the outputs, delivery date and allowances to be detailed as a Price Control Deliverable (PCD) in LSpC 3.14 Appendix 1.

SPT's MSIP Re-opener submission of January 2023 formed Stage 1 of this application².

In September 2023 Ofgem published its provisional decision on its first stage assessment of SPT's MSIP Re-opener application, noting *"we [Ofgem] therefore proposed in the consultation to accept the initial needs case for each project and the preferred option presented by SPT in addressing the needs case"*³.

This document, which should be read in conjunction with the Stage 1 submission referenced above, forms SPT's Stage 2 submission as part of the MSIP Re-opener application. It is submitted in accordance with Licence Special Condition (LSpC) 3.14.6 and relates specifically to LSpC 3.14.6 activity (a):

"3.14.6 The licensee may apply to the Authority for a direction amending the outputs, delivery dates or associated allowances in Appendix 1 in relation to one or more of the following activities:

(a) *a Generation Connection project, including all infrastructure related to that project, the forecast costs of which are at least £4.24m more or less than the level that could be provided for under Special Condition 3.11 (Generation Connections volume driver)"*

Applying the RIIO-T2 Generation Connections Volume Driver Uncertainty Mechanism (VDUM) to this project results in the £13.816m estimated cost being £6.518m higher than the £7.298m allowance provided by the VDUM. An MSIP Re-opener application is therefore required. Submission of this MSIP Re-opener application is aligned with the contracted connection programme.

¹ [RIIO-2 Re-opener Guidance and Application Requirements Document: Version 3](#)

² [2023-01-31 Glenglass 132kV SS - Stage 1 MSIP Reopener Application](#)

³ [Provisional decision on the first stage assessment of SPT's MSIP re-opener application](#)

3.1 Structure of Document

This MSIP Re-opener application is structured as follows:

Section 4 – Background and Needs Case

The background and need case for the proposed works was described in detail within SPT’s Stage 1 MSIP Re-opener application of September 2023. This section therefore summarises only relevant updates in the period since the Stage 1 application.

Section 5 – Proposed Works

The description of the proposed solution and project scope was described in detail within SPT’s Stage 1 MSIP Re-opener application of September 2023. This section therefore summarises only relevant refinement in the period since Stage 1 submission and confirmation of scope.

Section 6 – Project Cost Estimate

This section summarises the estimated cost of the selected option.

Section 7 – Project Delivery

This section outlines the approach which is being taken to deliver the project.

Section 8 – Community Benefits

This section outlines the community benefits funding that should be attracted by the proposed works .

Section 9 – Conclusions and Recommendations

This section summarises the conclusions and includes recommendations.

3.2 Requirements Mapping Table

Table 3 maps the requirements set out within Chapter 3 of the RIIO-T2 Re-opener Guidance and Application Requirements Document⁴ against specific sections within this document.

Table 3: Requirements Mapping Table

Section	Description	Relevant Section(s) in RIIO-T2 Re-opener Guidance and Application Requirements Document
3	Introduction	3.3, 3.4
4	Background and Needs Case	3.8, 3.11
5	Proposed Works	3.14
6	Project Cost Estimate	3.12, 3.19, 3.20
7	Project Delivery	3.15, 3.16, 3.17

⁴ [RIIO-2 Re-opener Guidance and Application Requirements Document: Version 3](#)

4. Background and Needs Case

SPT’s Stage 1 MSIP Re-opener application of January 2023 (Section 4) described in detail the background and needs case for the proposed works. Both the needs case and proposed works were supported by Ofgem in its provisional decision of September 2023.

This section therefore summarises only relevant updates in the period since the Stage 1 submission.

The need case for the proposed works remains unchanged.

4.1 Glenglass 33kV Substation – Existing/Planned Renewable Generation Capacity

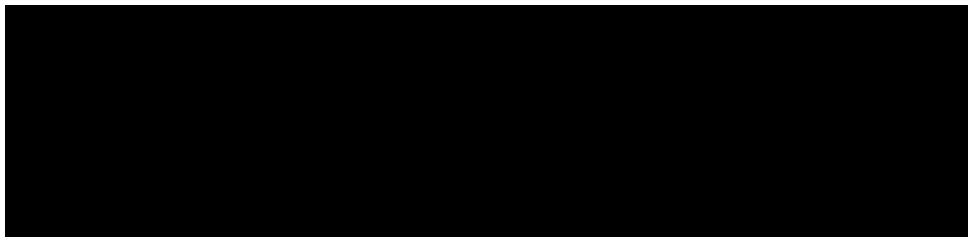
As described in Sections 4.4 and 4.5 of the Stage 1 submission, four developments totalling 128.4MW are already connected or contracted into the existing 33kV switchboard at Glenglass substation. The status of these four developments, as of January 2025, is summarised in Table 4 below:

Table 4: Connected and Contracted Generation Connections into Glenglass 132kV Substation

Site	Connection Status	Consent Status	Capacity (MW)
Whiteside Hill	Connected	Consented	27.0
Sanquhar	Connected	Consented	30.0
Twentyshilling WF	Connected	Consented	37.8
Glenmuckloch WF	Contracted	Consented	33.6
Total Capacity (MW)			128.4

4.2 Glenglass 132kV Substation – Planned Renewable Generation Capacity

In Section 4.6 of the Stage 1 submission five contracted renewable generation development sites were outlined as connecting into (or via) the proposed Glenglass 132kV Substation (ref. SPT-RI-302). These were:



Further planned generation developments have signed connection offers in the period since the Stage 1 submission. Table 5 below notes the contracted connections into Glenglass substation at 132kV. The table notes those connections that will be enabled via the establishment of solely SPT-RI-302 i.e. Glenglass 132kV Substation and those are that contingent on the SPT-RI-173⁵ and SPT-RI-236⁶ reinforcements in this area.

⁵ Note: SPT-RI-173 will establish a new 132kV substation called Glenmuckloch and establish a new 132kV double circuit between Glenglass and Glenmuckloch, circa 10km route length. These works were triggered by connections in the Glenmuckloch area.

⁶ SPT-RI-236 will establish a 400kV substation at Glenmuckloch and a 400kV double circuit to Redshaw 400kV Substation. This new 400kV corridor will establish a new export route for renewable connections in this part of the system.

The construction of Glenglass 132kV Substation will directly enable the connection of 460.6MW into Glenglass substation itself through the connections of [REDACTED] Wind Farms.

Glenglass substation however will enable a further 342MW of renewable generation to connect to the system via the connection of [REDACTED] and [REDACTED]. These are due to connect into Glenmuckloch 132kV Substation (ref. SPT-RI-173) but require Glenglass 132kV Substation in order to export their power towards New Cumnock.

[REDACTED]

Table 5: Connected and Contracted Generation Connections into Glenglass 132kV Substation

Site	Connection Status	Consent Status	Capacity (MW)	Connection Enabled by SPT-RI-302	Connection Enabled by SPT-RI-302 & SPT-RI-173	Connection Enabled by SPT-RI-302, SPT-RI-173 & SPT-RI-236
[REDACTED]						
Total Capacity (MW)			802.6			

[REDACTED]

4.3 NESO Connections Reform

As Ofgem is aware, a period of significant industry-wide Connections Reform activity is currently underway, led by the NESO. The NESO submitted its final Connections Reform recommendations to Ofgem for approval on 20th December 2024. With recent publication of the UK Government’s Clean Power 2030 Action Plan, the signal from the UK Government is clear in that Connections Reform must align with the ambitions of the Clean Power 2030 Action Plan, and that over-capacity of BESS, solar and onshore wind projects in the current connections queue must be addressed.

At the time of submitting this MSIP application, Ofgem has yet to opine on its Connections Reform decision, and it is unclear which connecting projects will meet the necessary criteria for securing a Gate 2 connection offer by the end of May 2025, given the recent grandfathering provisions which have been announced.

This uncertainty could have an impact on the investment figures sought within this MSIP application. Where any contracted connecting parties fail to secure a Gate 2 connection offer following the Gate 2 to Whole Queue Connections Reform exercise, their securities and allocation of costs will also fall away. Where this is the case, this will impact the current capital expenditure requested by SPT in this Stage 2 MSIP application, albeit this will not affect the works as stated in this submission. Therefore, following completion of the Gate 2 to Whole Queue exercise, SPT will review the contracted parties due to connect into Glenglass 132kV substation and will endeavour to inform Ofgem (i) where there is a change to the contracted connecting parties seeking to connect, and (ii) where there is any revision to the requested MSIP investment figures to reflect this change in the contracted background, for further Ofgem review.

5. Proposed Works

SPT’s Stage 1 MSIP Re-opener application submission of January 2023 (Sections 5 and 6) described in detail the scope of the proposed works. This scope of work was supported by Ofgem in its provisional decision of September 2023. This section therefore summarises only relevant refinement/confirmation in scope in the period since the Stage 1 submission and provides a status update.

5.1 Confirmation of Project Scope

Figure 1 below shows a single line diagram of the Glenglass 132kV Substation works under SPT-RI-302 (this project). The bays included in this scope are highlighted in yellow. The other colours denote the bays to be progressed by associated reinforcement and connection projects.

The only change at Glenglass 132kV Substation to this single line diagram since the Stage 1 submission is the inclusion of the [REDACTED] Wind Farm 132kV bay. Note also that where in the Stage 1 submission [REDACTED] Wind Farm was indicated to connect via a single dedicated bay, this bay will now serve the [REDACTED], which will connect [REDACTED] and [REDACTED] Wind Farms.

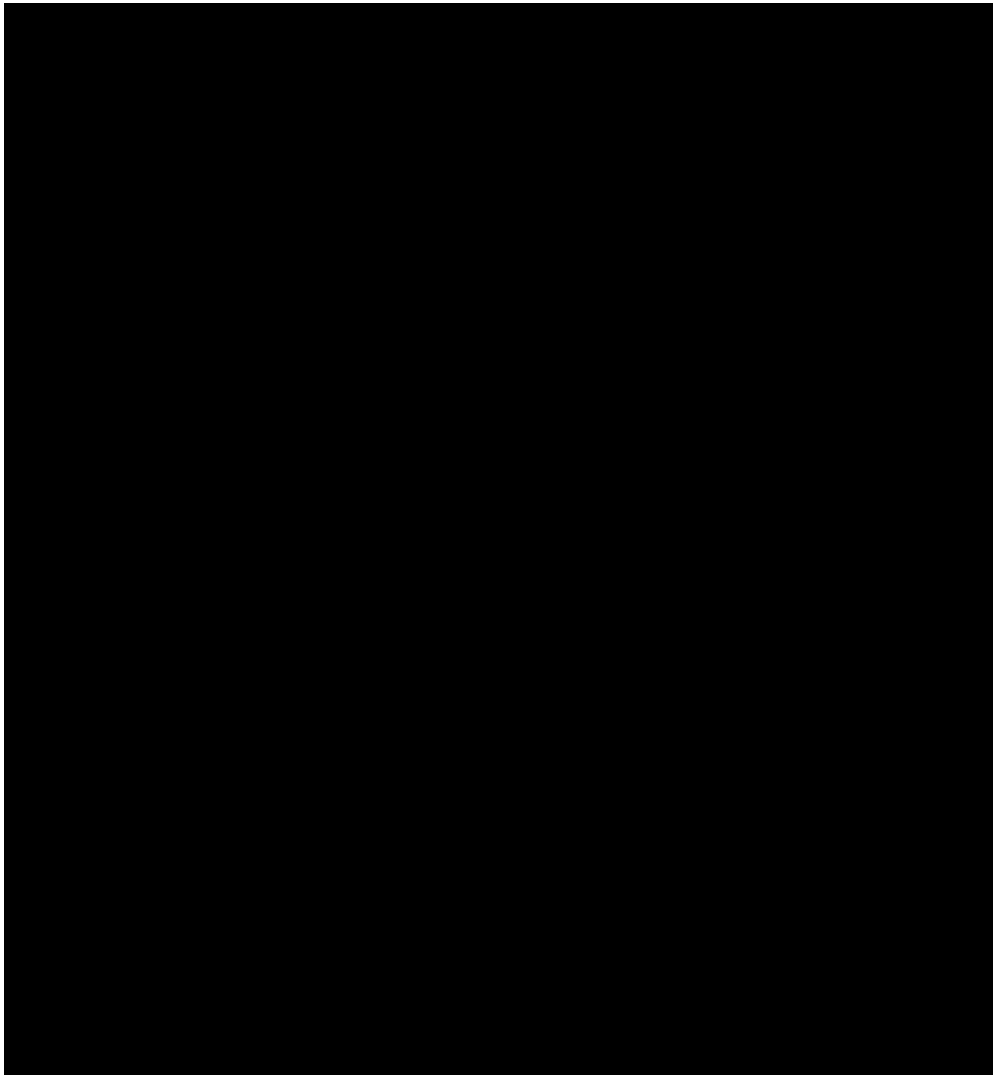


Figure 1 - Single Line Diagram for SPT-RI-302

5.2 Status Update

This section includes a brief status update on the proposed works described in the Stage 1 submission (Section 6):

a) Pre-Engineering Works

All environmental and engineering surveys have been completed to date.

b) Environmental and Consents Works

Planning Consent was granted in October 2023 by Dumfries and Galloway Council.

An Environmental Management Plan and updated drainage plan are in place.

c) Main Plant Works

A contract was awarded to GE in January 2024 for the GIS equipment within the scope of SPT-RI-302, its supply, installation and commissioning.

d) Protection & Control Works

Protection and control works will be completed in line with the substation energisation programme.

e) Civil Engineering Works

The earthworks to create the required extensions to the east and west sides of the platform are expected to be complete by the end of February 2025. The civil works will then commence with completion expected around October 2025.

6. Project Cost Estimate

As agreed with Ofgem, this Stage 2 submission provides the associated amendments to the outputs, delivery date and allowances to be detailed in LSpC 3.14 Appendix 1.

6.1 Estimated Total Project Cost

Aligned with the format of the Re-Opener Pipeline Log, Table 6 details expected energisation year and our current estimate of direct capital expenditure in RIO-T2.

Table 6: Estimated Incidence of Expenditure

Energisation Year	Pre-RIO-T2: direct capex	Potential direct capex value per year, £m, 18/19 price base							RIO-T2 Total: direct capex	Total: direct capex
		Yr. 21/22: direct capex	Yr. 22/23: direct capex	Yr. 23/24: direct capex	Yr. 24/25: direct capex	Yr. 25/26: direct capex	Yr. 26/27 (T3): direct capex	Yr. 27/28 (T3): direct capex		
2026/27	0.000	0.000	0.052	1.254	4.007	6.896	1.608	0.000	12.209	13.816

The capital expenditure detailed above relates to 6 of the 132kV bays at Glenglass 132kV Substation which form the shared infrastructure elements of Glenglass substation. The capital expenditure associated with the remaining bays is excluded from the total cost noted in Table 6 above, as it will be funded via the relevant projects (e.g. SPT-RI-173, [REDACTED], [REDACTED] and [REDACTED] WF).

As described in Section 4.3, it should be highlighted that where any contracted parties fail to secure a Gate 2 connection offer following the Gate 2 to Whole Queue Connections Reform exercise, their securities and allocation of costs will also fall away. This could have an impact on the current capital expenditure requested by SPT above, albeit this will not affect the works as stated in this submission. Therefore, following completion of the Gate 2 to Whole Queue exercise, SPT will review the contracted parties due to connect into Glenglass 132kV substation and will endeavour to inform Ofgem (i) where there is a change to the contracted connecting parties seeking to connect, and (ii) where there is any revision to the requested MSIP investment figures to reflect this change in the contracted background, for further Ofgem review.

6.2 Detailed Costs

Table 7 below provides a cost breakdown representing the latest view of Direct costs for the proposed investment, including details of the procurement strategy and the cost maturity for each contract.

Table 7: Direct Costs, Procurement Strategy and Cost Firmness

Contract Name	Contract Start	Current Finish Date	Cost (£m)	Procurement Strategy	Cost Firmness
[REDACTED]					

Contract Name	Contract Start	Current Finish Date	Cost (£m)	Procurement Strategy	Cost Firmness
Total			13.816		

6.3 Procurement Strategy

SPT Procurement strategy follows a disaggregated model, within which contracts are disaggregated and tendered separately to maximise cost efficiencies. On this project the major contracts to be awarded are for Civil Platform Enabling, GIS Switchgear purchase and installation, Civil Works (in the extension area and original substation), electrical installation/commissioning Balance of Plant works, Protection and Control supply and installation and Cable Supply and installation.

SPT also procure several items of equipment directly with manufacturers, utilising ongoing frameworks in place with various suppliers. These frameworks are tendered competitively to achieve the best market rates and are valid for a period of 2 years, giving cost certainty and best market rates.

Individual contract tendering details are included in the Table provided in Section 6.2.

6.4 Cost Maturity

Aligned with the classification outlined within the “OFGEM Class of Estimate” tab included in the “ET2 UM Submission Template” the table below includes the assessment of cost firmness:

Status of individual contracts is detailed in Table 7 provided in Section 6.2.

Table 8: Cost Firmness Assessment

Cost Firmness as per OFGEM classification	Total Direct Cost (£m)	Total Cost (%)
TOTAL	13.816	100%

As it can be seen in Table 8, [REDACTED] of the total costs are either fixed or have been contracted but re-measurable.

This submission is made in compliance with instruction included within RIIO-T3 Sector Specific Methodology Decision for the Gas Distribution, Gas Transmission and Electricity Transmission Sectors⁷ ET Specific Annex, Paragraph 2.277, which states that projects with 50% or more expenditure within RIIO-T2 price control period should submit full project allowance request within the January 2025 MSIP re-opener window.

This project is included in RIIO-T3 Business Plan Data Table, 6.1_Scheme C&V_Load_Actuals, with the Licence Term of MSIPRE_t and Project Flag “T2 carry over- no cost assessment” as our understanding is that the full project cost assessment will be completed as part of this MSIP submission.

6.5 Project Risk and Mitigation

Table 9 below provides a breakdown of the individual project risks followed by further detailed explanation regarding mitigation and likelihood. The provision for risk at [REDACTED] of the cost is proportionate and justified.

⁷ [RIIO-3 Sector Specific Methodology Decision for the Gas Distribution, Gas Transmission and Electricity Transmission Sectors | Ofgem](#)

Table 9: Risk Quantification

Risk	Description	Probability	Value (£m)
[Redacted content]			

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]



6.6 Potential Volume Driver Allowance

Applying the RIIO-T2 Generation Connections VDUM to this project results in a £7.298m allowance provided by the VDUM. The allowance is calculated as per Table 10 below. Please note that this excludes the further allowance permitted under Licence Special Condition 3.36 Opex escalator to provide a better comparison to direct expenditure.

Table 10: Volume Driver Allowance

Volume Driver (2018/19 price base)		£m/unit	Unit	Volume Driver Allowance (£m)
Project	Fixed Cost	1.700	1.00	1.700
Shared Use	Generation Connection Capacity, MVA	0.010	263 ⁸	2.632
	Cable <1km	1.820	1.63 ⁹	2.967
Total				7.298

Table 11: Comparison of Volume Driver Allowance and Estimated Cost

Description	Pre-RIIO-T2: direct capex	Potential direct capex value per year, £m, 18/19 price base							RIIO-T2 Total: direct capex	Total: direct capex
		Yr 21/22: direct capex	Yr 22/23: direct capex	Yr 23/24: direct capex	Yr 24/25: direct capex	Yr 25/26: direct capex	Yr 26/27 (T3): direct capex	Yr 27/28 (T3): direct capex		
Allowance	0.000	0.000	0.000	1.825	1.825	1.825	1.825	0.000	5.474	7.298
Cost	0.000	0.000	0.052	1.254	4.007	6.896	1.608	0.000	12.209	13.816
Variance	0.000	0.000	-0.052	0.571	-2.182	-5.071	0.217	0.000	-6.735	-6.518

The potential VDUM allowance for the project is lower than the estimated cost by £6.518m. This is more than £4.24m, which is the threshold set in LSpC 3.14.6(a) for consideration under this uncertainty mechanism.

6.7 Total Allowance Request

SPT requests that the following allowance is provided through the MSIP Re-opener mechanism to deliver the works described within Section 5. The requested MSIP allowance will be subject to the Opex escalator mechanism:

⁸ The unit value of 263MVA has been derived given that [REDACTED] is the connection driving the initial need for Glenglass 132kV substation. The connection capacity of [REDACTED] has been converted to MVA producing the value of 263MVA.

⁹ The unit value of 1.63km is to account for the cable works to be carried out under SPT-RI-302 which shall reinforce two sections of 132kV cable at Blackhill substation of approximately 800m in length each.

Table 12: Requested Direct Allowances

	Direct allowance requested per year, £m, 18/19 price base							Total (£m)
	Pre- RIIO-T2	Yr 21/22:	Yr 22/23:	Yr 23/24:	Yr 24/25:	Yr 25/26:	Yr 25/26:	
Direct Allowances Requested	0.000	0.000	0.052	1.254	4.007	6.896	1.608	13.816

An aggregated view of the total cost is outlined in Table 13 below:

Table 13: Total Price Control Project Cost Aggregated view

Category	Total Project Cost (£m)	Direct Cost (£m)	Contractor Indirects* (£m)	SPT Indirects (£m)

* Contractor Indirects costs are only shown for reference and have been excluded from the potential direct capital expenditure to be funded via the MSIP Re-opener mechanism.

SPT also requests that the following allowance is provided for Community Benefits associated with the project as described in Section 8, calculated according to latest draft Government guidance:

Table 14 - Requested Direct Allowance – Community Benefits

OSR	Scheme Name	Allowance (£m)
SPT200199	SPT-RI-302 – Glenglass 132kV Substation	0.6095

6.8 Regulatory Outputs

It is proposed that the associated Price Control Deliverable is defined as follows:

Table 15: Price Control Deliverable – SPT-RI-302 Glenglass 132kV Substation

OSR	Scheme Name	Output	Allowance* (Oncosted)	Delivery Date
SPT200199	SPT-RI-302 – Glenglass 132kV Substation	Delivery of the works required to facilitate the GIS Extension to the existing Glenglass 132/33kV Substation	£15.669m	31 st July 2026

*Includes Indirect costs calculated using the Opex Escalator uplift (13.4%) on Direct costs.

7. Project Delivery

We have applied our project management approach to ensure that this project is delivered safely, and in line with the agreed time, cost and quality commitments. We have a proven track record of delivering essential transmission network upgrade projects and will draw upon this knowledge and experience to effectively manage this project. We have assigned a dedicated Project Manager to this project who will be responsible for overall delivery of the scope and is the primary point of contact for all stakeholders.

7.1 Delivery Schedule

A standard approach has been applied to the planning phase of this project and that will continue for the reporting and the application of processes and controls throughout the project lifecycle. Table 16 summarises the key project milestones within the delivery schedule.

Table 16: Key Project Milestone

Milestone	Project Phase	Completion Date
1	Award Main Platform Works	April 2022 - Complete
2	Award GIS Supply & Install works	Jan 2024 - Complete
3	Commence Main Site works	July 2024 - Complete
4	GIS works complete	May 2026
5	Complete Site works	July 2026

Regular meetings with the Project and Construction Management Teams shall be undertaken to assess the ongoing effectiveness of the Project Management interfaces.

The Project Manager will facilitate internal Project Team Meetings, in which project progress and deliverables will be reviewed and any arising risks or issues will be discussed and addressed.

7.2 Alignment with other projects

The Glenglass 132kV Substation project is classed as Enabling Works for the connections noted in

Table 5 in Section 4.2, some of which are also dependent upon the [REDACTED]. The Glenglass 132kV Substation works will be coordinated with these other projects.

7.3 Quality Management

SPT adopts a “life cycle” approach to Quality Management in major project delivery. Our Management Systems are certified to ISO 9001, ISO 14001 and ISO 45001. Various areas applicable to these standards ensure a quality product is delivered. The significant areas detailed below:

7.3.1 Quality Requirements During Project Development

Any risk or opportunity that may affect the quality of the product are detailed in the Project Risk Register (that is noted in Section 6.5 above).

The suppliers of main equipment may also receive a Factory Acceptance Test Inspection when the asset is being built.

7.3.2 Quality Requirements in Tenders

Each contract that SPT issues has a standard format. Specifically in relation to quality, this will include a Contractors' Quality Performance Requirement (CQPR). This CQPR represents a specification that details roles and responsibilities for all parties during the works, frequency and format of reporting. It will also specify the document management process to be adhered to during the delivery of the project. In addition to the CQPR, each project has a contract specific Quality Management Plan, detailing the inspection and testing regime for works as well as the records to be maintained.

7.3.3 Monitoring and Measuring During Project Delivery

SPT Projects undertake regular inspections on projects and contractors to monitor and measure compliance with SPT Environmental, Quality and Health and Safety requirements, as detailed in the contract specifications for the work. All inspections are visual, with the person undertaking the inspection ensuring that evidence of the inspection and any actions raised are documented.

The following inspections are completed:

- Quality Inspections (monthly)
- Environmental Inspections (monthly, with weekly review by third party Environmental Clerk of Works)
- Safety Assessments & Contractor Safety Inspection (daily, with full time Site Manager)
- Project Management Tours (monthly)

The scope of audits and Inspections is to determine compliance with:

- Procedures & Guides
- Planned arrangements for ISO 9001, 14001 & 18001
- Legal and other requirements.

7.3.4 Post Energisation

SPT Projects and SPT Operations carry out a Defect Liability Period Inspection within the Contract Defect Liability Period with the aim of identifying any defects and rectifying them with the contractors.

7.4 Stakeholder Engagement

SPT is committed to delivering optimal solutions in all the projects we undertake. A key part of this is engaging with relevant stakeholders throughout the project development and delivery process. Stakeholders can include customers, regulatory bodies and other statutory consultees, national and local government, landowners, community groups, and local residents and their representatives (e.g., MPs, MSPs and councillors).

Community impacts associated with construction activities are considered at project initiation by completion of a Community Communications Plan, which details the stakeholders relevant to the project, the communication channels that will be used to engage with them, the information that will be provided to and sought from them, and the timescales over which this will happen. It considers any particular sensitivities that may require increased stakeholder consultation and details specific events that will be held with stakeholders during the course of the project.

As part of this project, SPT has engaged with statutory consultees associated with the planning application for these works - the Local Authority, SEPA and NatureScot - and the third-party landowner Forestry Land Scotland. We have also engaged with the other stakeholders, including community councils and local residents.

Due to the location and nature of this project, no particular sensitivities or community impact issues have been identified, but a general level of interest from local representatives has been noted and we will continue to engage with them throughout the project.

Stakeholder engagement to date has informed the details of the construction and permanent drainage details for the works.

8. Community Benefits

SPT projects delivering new infrastructure will attract a sum of Community Benefits funding proportional to the new works carried out. As there has been a general level of interest from the community regarding this project there will be an expectation that Community Benefits will be available once Government guidance has been published.

Community Benefits, in the context of network infrastructure, refer to an additional mechanism, **separate from the planning process**, aimed at enabling communities to directly benefit from hosting electricity infrastructure. They aim to enhance the local economy, society, and environment, and can also drive growth in the local area by investing in local priorities such as infrastructure, supply chains, and skills.

SP Energy Networks has a great deal of experience and are recognised as industry leaders in delivering Community Benefits, having already dispersed almost £25m of funding to our communities through our Transmission Net Zero Fund and Green Economy Fund. We have created draft Community Benefit Principles for new infrastructure host communities.

SPT will:

- Work in partnership with communities to understand their needs, ambitions and plans for social, economic and environmental sustainability
- Provide tailored support for communities to get the right skills, knowledge, capability and structures in place
- Put in place clear independent assessment of funding allocation with fair and straightforward governance
- Deliver lasting outcomes for communities, aligned to their ambitions
- Evaluate the benefits that funding has delivered to communities, develop case studies, and share learnings publicly

Community Benefit investment

Government guidance has not been released but the latest draft guidance indicates the following:

[REDACTED]

Draft guidance is restricted to new infrastructure, discussions with DESNZ and the other TOs propose the inclusion of:

- Sections of existing transmission routes that require voltage uprating and are screened as requiring an Environmental Impact Assessment; and
- Substation extension projects that increase the footprint of an existing substation beyond the original boundary by at least one hectare

SPT will appoint an independent administrator to support communities and provide fair and transparent assessment of funding allocation. To distribute funds within communities effectively, [REDACTED] in line with draft guidance, for individual MSIPs to cover the running costs of funding.

As detailed in 5.1, project works involve increased substation capacity. Construction is beyond the existing property boundary (new land purchased to accommodate) and adds new bays. We therefore classify this as a new substation for community benefit purposes.

Table 17: Community Benefits

Works	Km	Cost (£)
TOTAL		£609,500

9. Conclusion and Recommendations

This MSIP Re-opener application confirms the need to establish Glenglass 132kV Substation (ref. SPT-RI-302), with works commencing in the RIIO-T2 period (April 2021 – March 2026) and completing in the RIIO-T3 period. The establishment of the new Glenglass 132kV substation will enable the timely and efficient connection of 460.6MW of new renewable generation directly into Glenglass 132kV Substation whilst enabling a further 342MW of contracted renewable connections in this area.

The main conclusions of this submission are:

- The timely connection of low carbon generation, such as onshore wind and hydro pumped storage, will play a vital role in reaching legislated net zero targets, and is aligned with SPT's RIIO-T2 strategic goals.
- It is necessary to invest in transmission infrastructure at Glenglass 132kV Substation to facilitate the connection of 460.6MW of contracted renewable connections directly into Glenglass substation. It is critical to allow the network to keep pace with projected growth in the connection of onshore renewable projects to support legislated Net Zero targets.
- Applying the RIIO-T2 Generation Connections VDUM to this project results in the £13.816m estimated cost being £6.518m higher than the £7.298m allowance provided by the VDUM. An MSIP Re-opener application is therefore required. Submission of this MSIP Re-opener application is aligned with the contracted connection programme.
- This submission is made in compliance with instruction included within RIIO-T3 Sector Specific Methodology Decision for the Gas Distribution, Gas Transmission and Electricity Transmission Sectors¹⁰ ET Specific Annex, Paragraph 2.277, which states that projects with 50% or more expenditure within RIIO-T2 price control period should submit full project allowance request within January 2025 MSIP re-opener window.

SPT, respectfully, request Ofgem's agreement to the following:

- The option being progressed (supported by Ofgem in its provisional decision of September 2023) addresses a clear customer need and represents value to consumers.
- By virtue of being founded on market-tested costs, the proposed allowance value represents the real efficient cost of the works and should be fully funded.

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¹⁰ [RIIO-3 Sector Specific Methodology Decision for the Gas Distribution, Gas Transmission and Electricity Transmission Sectors | Ofgem](#)