

Supply Interruption – Tillicoultry – 24th December 2020

The Fault

Please accept our sincere apologies for the disruption caused by this incident, and rest assured that SP Energy Networks are doing everything possible to resolve all outstanding matters on an urgent basis.

The supply interruption was due to a major fault on the low voltage, underground network. We first received reports of the supply interruption within the Tillicoultry area, at approximately 5:00am on the 24th December 2020 and teams of engineers were immediately dispatched to investigate.

Due to the nature of the fault significant work was required to fix the problem and restore supplies. All supplies were restored by 11:30pm on the same day.

Damage

Regretfully, many customers have suffered damage to electrical appliances, as well as experiencing the loss of supply. We have appointed our contractor partner Haste, along with other contractors to visit each affected property and prioritise repair to boilers, to restore hot water and heating to customers properties.

Prioritising Heating and Hot Water

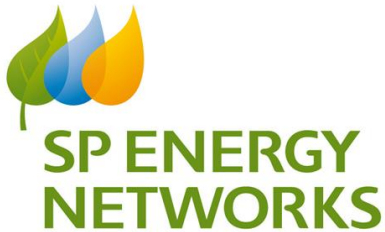
Once the boilers have been repaired our teams will then focus on repairing, or if unable to do so, replace all appliances that have been damaged because of the fault on Christmas Eve. We would like to assure you that all repairs are fully guaranteed for a 12-month period and your home will be returned to the same level as it was before the fault occurred.

Customer Engaged Own Contractors

For those customers who engaged their own contractor to inspect and repair any damaged electrical installations or appliances, or for those customers who purchased replacement small items (e.g. lamps, radios), then please send the receipts for any cost incurred to the above address, and this cost will be reimbursed if already agreed to do so.

Hot Food & Supreme Catering Van

On the morning of the 24th December, we advised customers to purchase hot food for their families, and if you forward the receipts to the address shown below, these costs will also be reimbursed. From the afternoon of the 24th December, we set up onsite catering facilities, that have been available for all impacted customers to use for the duration of the incident.



Supreme have been on-site since the 24th December offering hot food and drinks and will continue to offer this service until 29th December 2020. Provision of this service will be reviewed on an ongoing basis thereafter.

Any receipts, along with your name and address should be sent to the following address;

**SP Energy Networks
Customer Contact Team
SP House
320 St Vincent Street
Glasgow
G2 5AD**

Hotels

For those customers who took advantage of our offer to provide hotel accommodation, please let us know if you incurred any further food expenditure. This can also be claimed back by forwarding receipts to the above address.

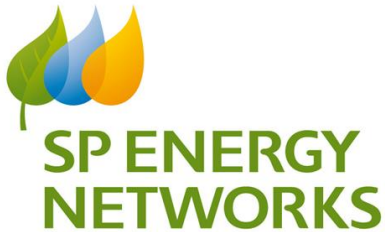
We are still booking hotels for those customers that may require a room.

Guaranteed Standard & Customer Service Payments

In respect of the interruption to your supply, the Industry Regulator, Ofgem, sets the guaranteed standards of operation for the Distribution Network Operators. If we fail to meet these standards you, as a domestic customer, are entitled to receive a payment. Under Regulation 5, if your electricity supply fails during normal weather conditions because of a problem on our distribution system we will restore it within 12 hours of first becoming aware of the problem. If we fail, we will arrange for you to receive £75. A payment of £75 is due to you under this standard, as it took longer than 12 hours to restore your electricity supply.

Whilst we are not required to compensate you for loss caused by anything beyond our reasonable control. The fault which occurred was beyond our reasonable control, as we could not foresee where, or when, this may happen. However, this is addressed and reviewed on an individual basis for each customer. We accept that on this occasion we need to look favorably on requests for reimbursement of fridge/freezer supplies and heating costs where we have supplied temporary electric heaters.

In view of this, in addition to the Guaranteed Standard payment noted above, I will also raise an additional customer service payment of £80 for each customer. Therefore you will be receiving a total payment of £155. Our customer contact team will be in touch with you, over the next few days, to provide further updates on any payments due and timelines.



Damage that may become apparent in the next few days / weeks

Damage to appliances that are not in everyday use may become apparent in the coming days/weeks, and over the that period we will continue to work to resolve any issues you may still be experiencing as quickly as possible. If there are any issues that are not currently being addressed, then please do not hesitate to contact my team on the above telephone number. If we have not been able to contact you or visit your home, can you please contact my team on an urgent basis, so that we can understand the impact this incident has had. Haste will also continue to work on our behalf to complete all of the repair or replacement work as soon as possible.

Electric Heaters

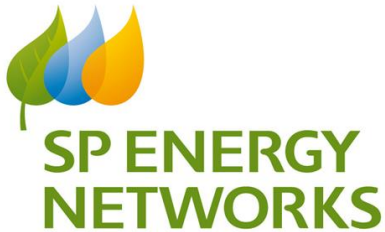
For those customers who are awaiting repair to damaged boilers, we have 2kW heaters available at the incident centre located at Murray Square. The typical cost of a 2kW heater to running over a continuous 6-hour period is approximately £2.15 per day.

Prepayment Metering

For those customers who have a pre-payment meter installed in their homes, it is important that customers continue to vend and pay for the energy that they consume.

Throughout the festive period until Tuesday 29th December until approx. 9am, a friendly non-disconnect policy is in place. This means that if the customer is on supply and has entered the emergency credit facility in their meter the supply will stay on until the allocated times set by their supplier.

Customers should contact their own supplier with any queries or concerns over purchasing credit. SP Energy Networks also have teams at our incident centre in Murray Square who may be able to provide further advice.



Copy of Letter Hand Delivered to Affected Properties on 27th December 2020

Dear Sir / Madam

Thank you for your patience regarding the supply interruption you experienced at your property. On behalf of SP Energy Networks please accept my sincere apologies for the distress and upset that this incident has caused to you and your family.

The reason for the supply interruption was due to a major fault on the low voltage, underground network. We first received reports of the supply interruption within the Tillicoultry area, at approximately 5:00am on the 24th December 2020 and a team of engineers were immediately dispatched to investigate. When the engineers arrived on site, they identified a major fault with the underground network affecting a number of properties in the area.

Due to the nature of the fault significant work was required to fix the problem and restore supplies. All supplies were restored by 11:30pm on the same day.

Regretfully, many customers have suffered damage to electrical appliances, as well as experiencing the loss of supply. We have appointed our contractor partner Haste, along with other contractors to visit each affected property and prioritise repair to boilers, to restore hot water and heating to customers properties.

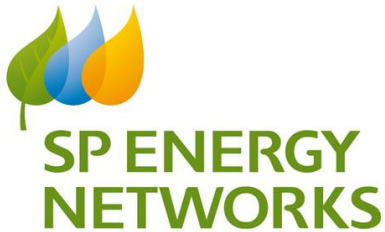
Once the boilers have been repaired our teams will then focus on repairing, or if unable to do so, replace all appliances that have been damaged as a result of the fault on Christmas Eve. I would like to assure you that all repairs are fully guaranteed for a 12-month period and your home will be returned to the same level as it was before the fault occurred.

For those customers who engaged their own contractor to inspect and repair any damaged electrical installations or appliances, or for those customers who purchased replacement small items (e.g. lamps, radios), then please send the receipts for any cost incurred to the above address, and this cost will be reimbursed if already agreed to do so.

On the morning of the 24th December, we advised customers to purchase hot food for their families, and if you forward the receipts to the above address, these costs will also be reimbursed. From the afternoon of the 24th December, we set up onsite catering facilities, that have been available for all impacted customers to use for the duration of the incident.

For those customers who took advantage of our offer to provide hotel accommodation, please let us know if you incurred any further food expenditure. This can also be claimed back by forwarding receipts.

In respect of the interruption to your supply, the Industry Regulator, Ofgem, sets the guaranteed standards of operation for the Distribution Network Operators. If we fail to meet



these standards you, as a domestic customer, are entitled to receive a payment. Under Regulation 5, if your electricity supply fails during normal weather conditions because of a problem on our distribution system we will restore it within 12 hours of first becoming aware of the problem. If we fail, we will arrange for you to receive £75. A payment of £75 is due to you under this standard, as it took longer than 12 hours to restore your electricity supply.

Under the National Terms of Connection for Great Britain, if a distribution network operator is negligent, you may be entitled to recover compensation for any consequential loss suffered (e.g. freezer goods). However, we are not required to compensate you for loss caused by anything beyond our reasonable control. The fault which occurred was beyond our reasonable control, as we could not foresee where, or when, this may happen. However, this is addressed and reviewed on an individual basis for each customer. I accept that on this occasion we need to look favourably on requests for reimbursement of fridge/freezer supplies and heating costs where we have supplied temporary electric heaters.

In view of this, in addition to the Guaranteed Standard payment noted above, I will also raise an additional customer service payment of £80 for each customer. Therefore you will be receiving a total payment of £155. Our customer contact team will be in touch with you, over the next few days, to provide further updates on any payments due and timelines.

Damage to appliances that are not in everyday use may become apparent in the coming days/weeks, and over the that period we will continue to work to resolve any issues you may still be experiencing as quickly as possible. If there are any issues that are not currently being addressed, then please do not hesitate to contact my team on the above telephone number. If we have not been able to contact you or visit your home, can you please contact my team on an urgent basis, so that we can understand the impact this incident has had. Haste will also continue to work on our behalf to complete all of the repair or replacement work as soon as possible.

Once again please accept my sincere apologies for the disruption caused by this incident, and rest assured that Energy Networks are doing everything possible to resolve all outstanding matters on an urgent basis.

Yours sincerely,

Guy Jefferson
Customer Service Director