

# Distribution Contestability – DSO Impact Assessment for Gate 3 Offer Project

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# Present agreed Offer Issuance Schedule

Area	DSO Shallow Connection Reports to TSO	Transmission Offers to DSO	Offers Issue
K (2)	31/07/2009	26/11/2009	17/12/2009
D (9)	01/10/2009	05/03/2010	02/04/2010
H2 (10)	04/12/2009	25/06/2010	29/07/2010
H1 (16)	24/11/2009	09/08/2010	17/09/2010
B (18)	13/11/2009	01/09/2010	13/10/2010
F (5)	07/04/2010	28/10/2010	23/11/2010
E (30+)	12/03/2010	03/01/2011	07/03/2011
J (1)	23/04/2010	28/02/2011	13/04/2011
A (16)	19/07/2010	27/04/2011	10/06/2011
C (3)	03/08/2010	24/05/2011	15/06/2011
G (9)	12/08/2010	12/05/2011	17/06/2011
I (1)	10/09/2010	31/05/2011	21/06/2011

# Proposed Process Going Forward

- DSO to write to customers to request them to choose a contestable or non-contestable option.
  - Initial communication may be purely in relation to contesting of Transmission assets (earlier feedback required)
  - Communication will include cost estimates and information on assets which can be contested
  - Customer response to also include nomination of the lead developer where appropriate
- Customers will have 20 business days to respond
- Responses to include a signed statement of intention to contest
- Default – in the absence of a response – will be a non-contestable build

# Impact on issuance of Distribution Connection Offers

- Major scope change to Gate 3
- Change required is complex
- Focus on delivery of quality offers efficiently
- Intend to issue contestable offers as part of Gate 3
- Currently expect delays of a number of months for next few Areas
- Will confirm specific impacts once change request process complete

# Critical Path For Distribution Offers

- Finalising contestable charge estimates
- Internal financial review of costs
- Initial communication with customers
- Feedback from customers
- Transmission offer to DSO
- Approval of Distribution Contestable contracts

# Current Estimate Impact on issuance of Distribution Connection Offers

Area	Original Offer Issue Schedule	Current Estimate Revised Offer Schedule
H2 (10)	29/07/2010	Early Q4
H1 (16)	17/09/2010	Mid Q4
B (18)	13/10/2010	End Q4
F (5)	23/11/2010	Early Q1 2011
E (30+)	07/03/2011	Early Q2 2011
J (1)	13/04/2011	Early Q2 2011
A (16)	10/06/2011	End Q2 2011
C (3)	15/06/2011	End Q2 2011
G (9)	17/06/2011	End Q2 2011
I (1)	21/06/2011	End Q2 2011

# Unknown factors

- Final Impact of Distribution contestability on Transmission offers to DSO
- Level of engagement required with customers
- Level of requests for pre-Gate 3 modifications
- Unknown unknowns!

# Next steps

- Finalising Impact Assessment
- Publishing revised agreed Offer Schedule
- Regular review as part of ongoing engagement through Status Report and Liaison Group



# Questions/Feedback?