

Independent Distribution Network Operators Legal Process

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1. Background

- The implementation of the Utilities Act 2000 removed the monopoly held by the existing Distribution Network operators (DNOs) to provide and maintain an electricity distribution network by opening up the market to Independent Distribution Network Operators (IDNOs).
- An IDNO is permitted to build and operate a distribution network within an area served by the host DNO. A DNO is also, subject to gaining accreditation, able to operate a distribution network outside of its traditional geographic area, acting as an IDNO.

2. Bilateral Agreement

(for 11kV Connections only including LV if present)

- Western Power Distribution (WPD) has agreed a form of template lease and transfer (freehold) for use with land owners. An IDNO shall enter into a lease or transfer containing the agreed template rights with the land owner in the form of the agreed template documents in respect of the substation, access and cabling. WPD will rely on the Contracts (Rights of Third Parties) Act 1999 to enforce the rights set out in the direct agreement between the IDNO and the landowner.
- Except for the insertion of any particulars, an IDNO shall not alter the Relevant Clauses of the agreed template document without obtaining WPD's prior written consent. Relevant Clauses are those clauses giving WPD rights or that affect WPD, such as restrictive covenants
- If any amendments to the Relevant Clauses are required, the IDNO shall inform WPD's solicitors, Geldards LLP in Nottingham, at the earliest opportunity. Following receipt of an amendment request, WPD's solicitors will advise the WPD case owner on the impact and consequences of the proposed amendments and seek instructions. The IDNO shall not agree an amendment request without the consent of WPD's solicitors.

3. Process

- When an enquiry for a connection to an embedded network is made by an IDNO (or its agent), it will be routed to the WPD Planner for that area. The Planner will then produce for the applicant the minimum cost technically compliant scheme in connection with WPD's Connection Charging Methodology Statement.
- Once the connection point has been agreed the IDNO will produce a plan which will show in sufficient detail the substation together with access arrangements and cabling. Once the plan has been agreed by both parties, the IDNO shall instruct their solicitors with all the relevant details. The IDNO's solicitors should provide the site name, WPD's reference and a copy of the plan to WPD's solicitors as soon as possible following their instruction.
- Where there is a need to divert existing WPD apparatus on an embedded network site, the rights for the diverted apparatus can be included in the template at WPD's discretion. For guidance, this could include a short LV or 11kV diversion. Where a long diversion is required or the diversion is at 33kV or above, separate WPD legal rights need to be secured.

4. Notification of Completion before Energisation

- In all cases the IDNO shall provide WPD's solicitors with the completion of Land Registry document, together with a certified copy of the completed transfer or lease once registration has occurred. This must be done within 5 working days of completion of registration. This is likely to occur after the works have started; hence the IDNO will inform the WPD case holder and provide them with a copy of the completed document ahead of registration by the Land Registry.
- Energisation can occur before the document is registered at the Land Registry as long as the legal document is legally 'complete' between solicitors. Geldards will advise the WPD case holder as soon as the legal document has been completed so that a date for energisation can be agreed.

5. Legal Costs

- The IDNO will be responsible for their own and WPD's legal costs in completing the lease or transfer under the bilateral process.
- Any additional costs (if any) are payable by the IDNO, not WPD.

6. Finding More Information

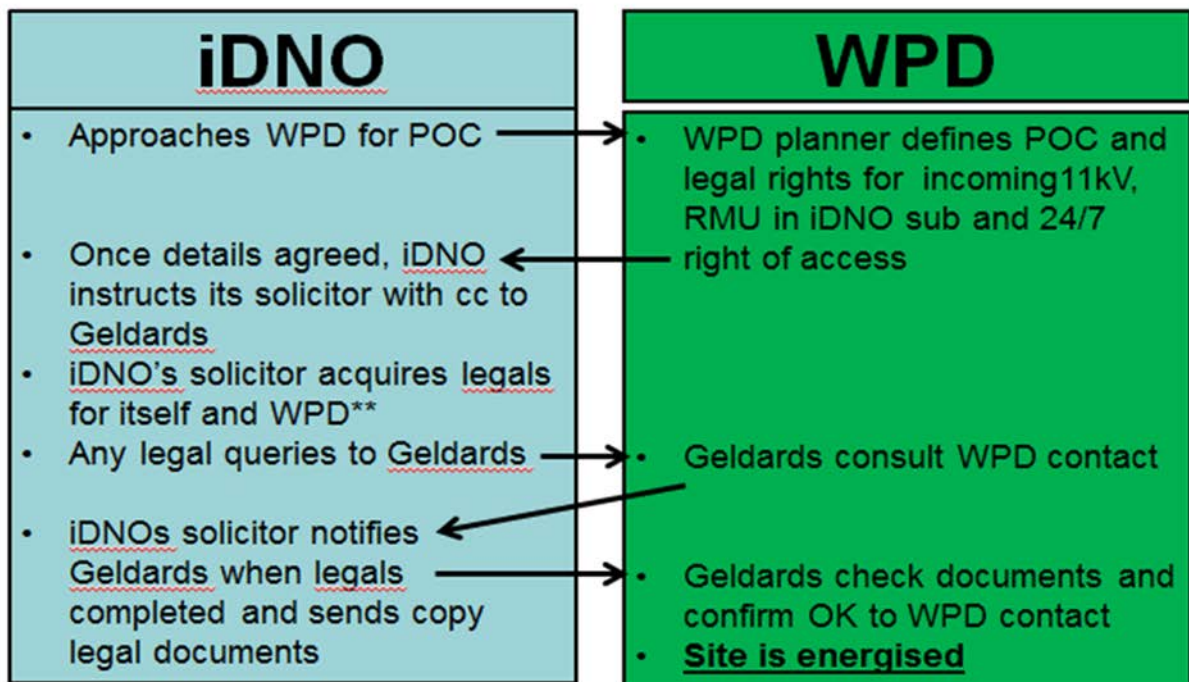
Please visit our website:

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WPD's Techinfo website (password access):

<https://www.westernpowertechinfo.co.uk>

iDNOs.....who does what



** Agreed process (under Contracts (Rights of Third Parties) Act 1999, using standard legal documents. No direct involvement by WPD in legal process