
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations set out the process for competitive tenders that will apply to the grant of offshore transmission licences.

Regulations 3 and 4 provide for the Authority to undertake an estimate or assessment of the total costs required to develop and construct the transmission assets and for the Authority to recover its costs in doing so.

Regulation 5 sets out how projects qualify for a tender exercise. Schedule 1 contains the details of how a qualifying project will be determined.

Regulation 6 requires a developer to make a payment and provide security to the Authority in respect of the Authority's tender costs.

Regulation 7 requires the Authority to publish a notice specifying the date on which a tender exercise will begin for one or more qualifying projects, once it has determined qualifying projects and received payment and security from a developer.

Regulation 8 sets out the conditions which must be satisfied by a developer. Schedule 2 contains the details of those conditions.

Regulations 9 and 10 describe the pre-qualification stage of a tender exercise and how qualifying applicants will be determined. Schedule 3 sets out the information in the qualification documentation.

Regulations 11 and 12 describe the qualification to tender stage of a tender exercise and how qualifying bidders will be determined. Regulation 13 describes the invitation to tender stage of a tender exercise. Schedule 4 sets out the information in the invitation to tender documentation.

Regulation 14 describes how the Authority will evaluate tenders to identify a preferred bidder. The Authority may also identify a reserve bidder. Where the Authority is unable to determine a preferred bidder, the Authority may hold a best and final offer stage under regulation 15. The Authority may also identify a reserve bidder at the best and final offer stage. Schedule 5 sets out the information in the best and final offer documentation.

Regulation 16 requires the preferred bidder to satisfy certain matters before it becomes the successful bidder. The reserve bidder may be treated as the preferred bidder if the original preferred bidder fails to satisfy the matters, fails to make a payment or withdraws from a tender exercise.

Regulation 17 provides for participants to withdraw from a tender exercise and allows the Authority to retain any payments made to the Authority in the event of a withdrawal.

Regulation 18 provides for the Authority to cancel a tender exercise under the circumstances described in Schedule 6. A tender exercise may be re-run from a particular stage until a preferred bidder or reserve bidder is identified or a tender exercise can be determined as failed. Regulation 19 describes how payments and security will be forfeited, repaid or released in the event of cancellation of a tender exercise.

Regulation 20 allows the Authority to disqualify a participant from a tender exercise under the circumstances described in Schedule 7 and forfeit any payments or security provided.

Regulation 21 requires the Authority to publish details of the successful bidder. Regulation 22 allows ten working days before an offshore transmission licence is granted to allow unsuccessful bidders an opportunity to request information from the Authority in respect of the successful tender.

Status: *This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

Regulation 23 allows the Authority to recover its costs in running a tender exercise and return any overpayment and security where tender costs have been exceeded.

Regulation 24 relates to failure to make payments or provide security. Regulation 25 allows an application to the Authority for a decision as to the effect of any restriction or requirement applied under these Regulations.

Regulation 26 describes the rules for changes to bidder groups. The Authority shall notify a participant of any changes to the delivery of documents or actions required under regulation 27.

Regulation 28 dispenses with sections 6A and 6B of the Electricity Act 1989 for an application in respect of an offshore transmission licence.