

Promoting choice and value for all customers

Decision on the designation of the distribution connection and use of system agreement (DCUSA) which will occur on 5 October 2006.

This letter provides notice of the Authority's decision to designate the DCUSA, submitted to the Authority on 29 August 2006.

In deciding whether it is satisfied with the DCUSA, as required by condition 9B, and accordingly, whether it should direct that the DCUSA be designated the Authority has considered:

- 1. whether the DCUSA meets the requirements of standard licence condition 9B of the distribution licence (condition 9B);
- 2. the responses made following its notice of intention to designate the DCUSA, issued on 29 August 2006; and
- 3. whether directing the DCUSA to be designated is in accordance with its principal objective and general duties.

The Authority has concluded that it is satisfied with the DCUSA and has therefore decided to direct that the DCUSA be designated and that it will make that direction on 5 October 2006. At the same time as the direction is given the Authority will issue a document that sets out its reasons for issuing the direction.

Direction to permit changes from the consolidated agreement for use of systems (consolidated agreement) and the DCUSA

Condition 9B(7) requires the text of the consolidated agreement and the DCUSA to be the same, save to the extent directed by the Authority. The consolidated agreement was produced by the Consolidation Group and finalised on 7 April 2006. There are a number of changes between the two documents, which have been considered by the Authority.

The Authority hereby directs that all changes made between the consolidated agreement and the DCUSA can be made. The Authority will issue its reasons for making this decision in a document to be issued on 5 October 2006.

Sarah Harrison

Managing Director, Corporate Affairs

John Have