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Diana Kennedy
Ofgem
9 Millbank
London
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Dear Diana

**Offshore Electricity Transmission: Consultation on Draft Tender Regulations 2010 –
Qualification Stages Issue - DONG Energy's Response**

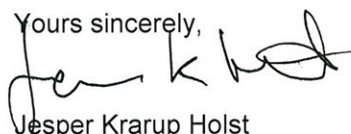
Thank you for the opportunity to comment on the consultation on the Draft Tender Regulations 2010. This response is made by DONG Wind (UK) Ltd on behalf of its affiliated generator companies operating or under development in the British electricity market. In this letter we intend to comment on the Qualification Stages issue which is proposed in the consultation: a more detailed response to cover the rest of the consultation will be submitted at a later stage.

In our response to the Enduring Regime consultation of December 2009, we were supportive of Ofgem's proposal to reduce the steps of the tender process. A reduction in the number of steps would have allowed longer PQ and ITT phases, without an excessive increase of the tender process duration. Therefore, we would appreciate some clarification regarding why Ofgem has decided to move back to the three-stage approach and how Ofgem intends to develop this new structure. Which criteria would be used by Ofgem to decide whether this additional qualification stage is needed or not? Furthermore, how the other phases of the tender process, namely PQ and ITT, would be affected by a new phase? Would their duration be reduced, in order to maintain a tender process of 14 months or would the entire tender process be extended by the time required to assess the new qualification phase? If the tender process is extended, we would prefer a longer ITT phase in order to allow bidders to prepare a more detailed offer and to allow a more accurate assessment of the bids, instead of allocating time for evaluation of aspects that can be considered at other stages, i.e. PQ phase.

We therefore do not support of the proposed solution: we consider it to add complexity to the tender process and not to facilitate the OFTO appointment.

This response has been sent by email only.

Yours sincerely,



Jesper Krarup Holst
Senior Manager
Head of UK Project Development