



26<sup>th</sup> May 2022

**Optimal Power Networks**

1 Forbury Place  
Reading  
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0345 078 3237

**Dear DCUSA Contract Manager**

I am writing to you as an introduction to Optimal Power Networks, and to initiate engagement on ways that we can collaborate and co-operate with you to ensure the best outcomes for consumers connected to electricity networks across Great Britain.

Optimal Power Networks is an IDNO that was granted its licence in April 2020. As part of our licence application we engaged with Ofgem to discuss our belief that IDNOs needed to bring innovative solutions to the electricity distribution market, to support the move to net zero at the lowest cost to consumers. Our aim is for our networks to be fit for the future and zero carbon ready, which we do through design, network monitoring, and supporting the connection of low carbon technologies.

As you are aware, all Distribution Network Operators now also have an obligation under SLC 7A to coordinate and cooperate with other licensees to understand the implications of our activity on other licensees' systems. We are therefore very keen to understand from you what you would like to see from an IDNO connected to your network that could enhance the system on both sides of the network ownership boundary.

As an IDNO who already operates in your area, or has ambitions to do so in the near future, we are keen to engage with you on areas where you believe IDNOs could provide services that support your plans for development of Whole Electricity System solutions. We would be very happy to enter into dialogue to discuss new ways of working, including technical, technological and commercial adaptations, that could support the development of a low carbon energy system.

Optimal Power Networks was wholly supportive of the introduction of SLC 7A, and indeed do not feel that the licence condition goes as far as it potentially could in enabling Whole Energy System Coordination. We are always open to formal or informal discussions, on a bilateral or multilateral basis, over measures that could be implemented between DNOs and IDNOs to improve the efficiency of network operation, and bring closer the aim of an energy system that supports net zero.

If you wish to discuss any of the points in this letter further, please do not hesitate to contact me.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Grant Elder".

**Grant Elder**

Head of IDNO, Director of Optimal Power Networks Ltd