



Ofgem
Sent by email: euan.dickson@ofgem.gov.uk

Optimal Power Networks
1 Forbury Place
Reading
RG1 3JH
0345 078 3237

27/03/2023

Dear Euan,

RE: Procurement and use of Distribution Flexibility Services by Optimal Power Networks Ltd

As per the requirements of the new Licence Condition 31E, Optimal Power Networks (OPN) has assessed its need to procure flexibility services to coordinate and direct the flow of electricity onto and over its Distribution System in an efficient, economic and coordinated manner.

As per the terms of Condition 31E.10 we are writing to you to inform you that we expect that we will not procure Distribution Flexibility Services in the twelve-month period starting 1st April 2023, for the reasons described below.

OPN was granted its IDNO Licence in April 2020 (under its former name of Forbury Assets Limited). We operate newly built electricity distribution networks designed to meet the electrical demands of those customers intended to be connected to those networks at the time of design. As part of the design and build process, capacity for our network is secured at the boundary point with the host DNO. As such, at the time of preparing this statement, we have no indication that any network operated by OPN will require any reinforcement works, nor any fault remediation works that would instigate a need for flexibility procurement.

Given the age and condition of the newly constructed assets that OPN operate we feel it is very unlikely that we will have any need to procure flexibility services in the coming year. We review existing networks on an annual basis to ensure there are still operating within designed parameters and meet capacity needs. In addition, we have introduced active monitoring across our networks where we have primary infrastructure, to provide early indications of any need for flexibility services. We will continue to keep the situation under review, particularly with regard to power flows at the boundary with incumbent DNOs, and should our view change we will inform you immediately and produce the appropriate statements.

From our previous correspondence on this matter, we understand that the content of this letter is sufficient for the purposes of our compliance with the requirements of the Licence Condition and that we are not



required, under these circumstances, to produce a Services Procurement Statement in the form described in Condition 31E.8. As per the terms of Condition 31E.13, should our intentions in respect of the procurement of Distribution Flexibility Services change, we will promptly prepare a Distribution Flexibility Services Statement in accordance with the provisions of 31E.8 and submit it to you for approval.

Yours sincerely,

Sally Musaka
Enterprise Regulation Manager