

**Ofgem
10 S Colonnade
Canary Wharf
London
E14 4PU**

30 March 2021

Dear Sir/Madam,

SLC 31E Procurement and use of Distribution Flexibility Services

With reference to Distribution Standard Licence Condition 31E, I write to inform the Authority that Vattenfall Networks do not intend to procure distribution flexibility services in the 12 months following the annual submission date (1 April 2021).

Vattenfall Networks currently own and operate two energised sites. At one site, each customer is supplied by a Vattenfall owned distribution transformer. At the other site, Vattenfall own the service cable to a single customer. In each of these electricity networks, the electricity assets that supply our customer are solely for the supply of that customer. These assets are therefore sized to provide the adequate electricity supply to that customer. At both these sites there is no scope to use flexibility services to allow for more efficient use of the asset.

Vattenfall Networks hope to greatly increase the number of networks that we adopt as our business grows. However, at present we have no guarantee of new networks that we can adopt. Therefore, we cannot know if there is the opportunity to procure or use distribution flexibility services in the next 12 months.

Vattenfall Networks fully support the Authority's actions to require the procurement and use of flexibility services, where these are appropriate. Should Vattenfall Networks adopt an electricity network where the procurement and use of flexibility services is a viable option, we will look to procure and use flexibility services to ensure this network is operated efficiently. The Authority will be informed of any action Vattenfall Networks take in this area, in accordance with the Standard Licence Conditions.

Yours faithfully,



Donald James Stewart Dawson

Managing Director