



UK Power Distribution Limited

**Distribution flexibility services procurement
statement**

Regulatory year 2021/2022

1. Introduction

UK Power Distribution Ltd is an Independent Distribution Network Operator (IDNO). We are regulated by Ofgem and our licence allows us to adopt, operate and maintain new electricity distribution networks throughout Great Britain, up to and including 132kV. We are part of Matrix Networks Group – a business which was founded on the principles of delivering the best possible levels of service to its customers.

This statement sets out what flexibility service we intend to procure in the next regulatory year, and also describes how we intend to comply with the licence condition that require each licensee to set out the rules and technical requirements governing the procurement of flexibility, the actions to be taken to ensure active participation of prospective flexibility providers, and the actions to be carried out to coordinate with other distribution licence holders and the ESO in the procurement and use of flexibility services.

It has been prepared according to Standard Licence Condition 31E of the Electricity Distribution Licence.

2. Flexibility services requirements

We will not be procuring flexibility in the year 2021/22 as the set-up of our network currently offers little need to resort to active network management for the reasons of pre-or-post faults and reinforcement.

This is because:

- Our network assets are new and in good condition: the oldest substation is 5 years old.
- Our sites have enough capacity: they were purpose-built and still remain within the design parameter. The network assets have not reached maximum power requirement.
- Our network is made of many islanded networks: we have a variety of customer types connected across our portfolio but not always within an individual network.

This creates a context with little need for, and ability to, resort to active network management:

- Pre or post fault: Our customers benefit from high quality of supply.
- Reinforcement: we do not witness a general load growth on our networks, and the sites that are growing have the appropriate local infrastructure in place.

3. Tendering process

Not applicable

4. Stakeholder engagement

We remain engaged with Open Networks to stay up to date with developing industry standards, including those relating to flexibility services, and with DNOs on the topic of their ED2 plan.

5. Detailed quantitative assessment

We recognise the duty to anticipate the future electricity requirements of our distribution system and have a good knowledge and understanding of the customers that are connected to our network. For now, the infrastructure has been designed and built for the end game maximum power requirement, as per the requirement of the developers we work with; and we are seeing no frequency stability unbalance and no evidence of customers exceeding their agreed supply capacity.