

ESP Electricity Ltd
Distribution
Flexibility
Services
Procurement
Statement



Awaiting 2022 Approval

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1. INTRODUCTION

- 1.1 ESP Electricity Ltd (“ESPE”) is an independent electricity distribution business, licensed to design, adopt, operate and maintain electricity distribution networks in Great Britain.
- 1.2 The Flexibility Services Procurement Statement describes ESPE’s current intent for procurement of Distribution Flexibility Services (“flexibility services”) and the mechanisms by which to achieve this.
- 1.3 This document has been prepared in accordance with the requirements of ESPE’s Electricity Distribution Licence (the Licence) issued under the Electricity Act 1989 (as amended). The form of this statement and the methodology outlined have been approved by Ofgem.
- 1.4 For further information about this document, please contact:

Regulations
ESP Utilities Group
1st Floor, Bluebird House
Mole Business Park
Leatherhead
Surrey
KT22 7BA

Tel: 01372 587 500

Regulation@espug.com

2. Flexibility Services Requirements

2.1 ESPE does not anticipate incurring flexibility services requirements on ESPE's networks.

This is due to factors including but not limited to:

- IDNO network sizing approach
- Limited connected Distribution Generation
- Lack of IDNO remuneration and benefit mechanisms
- Unviable procurement costs
- Nationwide coverage

3. Tendering Process

3.1 As ESPE do not seek to procure flexibility services, we have not developed a tendering process to achieve this objective.

3.2 Should ESPE seek to procure flexibility services in the future, we will establish a tendering process that conforms to applicable regulations and competition law and will republish this statement upon Ofgem approval.

4. Stakeholders Engagement

4.1 Should ESPE seek to procure flexibility services in the future, a procurement timetable and process will be published alongside a description of the planned engagement activities with relevant stakeholders, particularly DNOs and network customers.

5. Detailed Quantitative Assessment

5.1 No quantitative assessment has been undertaken at this time.

6. Glossary

Distribution Constraint management	means any limit on the ability of the licensee's Distribution System, or any part of it, to transmit the power supplied onto the licensee's Distribution System to the location where the demand for that power is situated, such limit arising as a result of any one or more of: (a)the need to not exceed the thermal rating of any asset forming part of the licensee's Distribution System; (b) the need to maintain voltages on the licensee's Distribution System; and (c) the need to maintain the transient and dynamic stability of electricity plant, equipment and systems directly or indirectly connected to the licensee's Distribution System and used by the licensee to operate the licensee's electricity distribution system in accordance with the Act, this licence, or any other requirement of law.
Distribution Flexibility Services	Comprises of Distribution Non-frequency Ancillary Services and Distribution Constraint management.
Distribution Non-frequency Ancillary Services	A service used by the Distribution Licensee for steady state voltage control, fast reactive current injections, inertia for local grid stability, short-circuit current, black start capability and island operation capability.
DNO	Distribution Network Operator, an electricity distributor that operates one of the 14 distribution services areas and in whose electricity distribution licence the requirements of Section B of the standard conditions of that licence have effect.



For more information on the content of this document please contact us at the following address:

ESP Utilities Group
Bluebird House
Mole Business Park
Leatherhead
Surrey
KT22 7BA

Tel: 01372 587 500
Fax: 01372 377 996
Email: Regulation@espug.com

