

The Office of Gas and Electricity Markets (Ofgem)  
10 South Colonnade,  
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London,  
E14 4PU  
For the attention of the Ofgem Flexibility Team.

20<sup>th</sup> June 2025

**Advanced Electricity Networks – Distribution Flexibility Service Procurement Statement for the 2024/2025 and 2025/2026 Regulatory Years**

Advanced Electricity Networks Limited (AEN) is an IDNO licensee; our networks are connected to upstream DNO networks and are located throughout Great Britain. Our distribution networks normally constitute extensions to existing electricity distribution networks (often colloquially referred to as the “last mile” of the distribution network), having been designed and constructed for our adoption by an Independent Connections Provider (ICP) to provide electricity supplies to new property developments (both residential and Industrial & Commercial developments). As such, our networks have been designed to the latest standards and to provide sufficient capacity to meet the load requirements of the new developments which they serve.

We had a limited number of networks which were live and operational during the 2024/2025 regulatory year. Although we are on a growth trajectory, we expect that throughout the 2025/2026 regulatory year the number of live and operational networks within our portfolio will remain relatively limited in number, compared to other Network Operators who have been Electricity Distribution Licence holders for longer than us. We do monitor the loadings and capacities of our live networks through various means, such as; monitoring whether non-domestic customers are exceeding the Maximum Import Capacity applicable to their connection to our network, logging data from maximum demand indicators within substations during planned routine annual substation inspections. We are also embarking on a program to install LV monitoring equipment at distribution substations to further improve our visibility of the loadings on our networks (this will consist of targeted installations at key substations to achieve monitoring of a suitable sample of networks to form a good representation of our network portfolio).

We have not identified any need for the reinforcement of any of our networks in the 2024/2025 regulatory year and we do not expect this to change during the 2025/2026 regulatory year. Accordingly, we do not currently have any operational or technical need to procure flexibility services for any of our networks.

We will continue to monitor this on an ongoing basis to identify whether any of our networks are experiencing load growth, or changes in customer behaviour, to an extent where network capacity might be at risk of being either fully utilised or exceeded. If any of our networks do become considered at risk of reaching the limits of their capacity in the future, it is our intention to consider flexibility services as a solution prior to resorting to any network reinforcement.

**Flexibility Procurement and Use Summary**

In accordance with the introduction to this statement, Advanced Electricity Networks did not procure any flexibility services in the regulatory year to which this statement pertains.

**Stakeholder Engagement**

Owing to the absence of any procurement of flexibility services, we did not engage with any stakeholders regarding flexibility services within the regulatory year to which this statement pertains.

**Economic Viability**

As a result of there being no requirement (nor any future plans) for reinforcement of any of our networks, it was not necessary for us to carry out any economic modelling to assess the viability of flexibility services as an alternative to traditional network reinforcement measures within the regulatory year to which this statement pertains.

**Carbon Reporting**

We did not contract any flexibility services within the regulatory year to which this statement pertains. As such, we have not undertaken any carbon assessments and therefore do not have any to report upon. In the event that we do contract flexibility services in the future, we intend to align with the DNO/DSO/NESO (as applicable) to ensure we apply an agreed common methodology for calculating carbon intensity and emissions.

**Plans and Intentions for the 2025/2026 Regulatory Year**

In accordance with the introduction to this statement, AEN does not intend to procure any flexibility services within the 2025/2026 regulatory year. As such, the content of the sections above (Flexibility Procurement and Use Summary, Stakeholder Engagement, Economic Viability, Carbon Reporting) are equally applicable to the 2025/2026 regulatory year as they are to the 2024/2025 regulatory year.

We trust that this statement fulfils our obligations under the Standard Distribution Licence Condition 31E.

Please contact me if you have any comments or questions.

Kind regards,

A handwritten signature in black ink, appearing to read "Andrew Blincow".

Andrew Blincow

Managing Director

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