

21st May 2015

Nisha Doshi
Ofgem
9 Millbank,
London,
SW1P 3GE

Low Carbon London's Successful Delivery Reward Application

Dear Nisha,

I am writing in support of UK Power Network's (UKPN's) application above.

Flexitricity is the UK's largest aggregator of Demand Side Response (DSR) services in the UK, with over 250MW under management and providing reserve energy to National Grid. Within UKPN's Low Carbon London project, Flexitricity provided live industrial and commercial demand response capacity from central London sites using our aggregation platform. With UKPN, Flexitricity developed a unique approach to wind balancing in the Wind Twinning project area. Our company also participated in the LCNF projects run by Electricity Northwest (Capacity to Customers), Northern Powergrid (Customer Led Network Revolution) and Western Power Distribution (FALCON), and this experience allows us to provide objective feedback on approach, communication, implementation and delivery.

UK Power Networks was outstanding in its active promotion of collaboration and communication throughout the project. The Project Steering Group allowed organisations within the project to input ideas and feedback observations in an open environment. The PSG aims were clearly communicated and contributed to the overall success of the project, both in the development of the initial plan and in the subsequent change control. Change Management was exceptionally good within the LCL project, with requirements communicated clearly and deliverables managed in line with best principles.

As market signals point to the necessity for Demand Side Response at a geographical level, UKPN successfully developed and successfully implemented a project which addresses multiple facets of the developing electricity landscape, including residential and domestic demand response, and impact of the growth in ownership of electric vehicles. This proved UKPN's commitment to the networks of the future.

One of the truly pioneering aspects of the LCL project was the wind twinning workstream, which delivered outcomes on multiple points such as cost of balancing and CO₂ emissions. We expect that given the success of Industrial and Commercial DSM for peak-shifting and load management, there will be a number of "Business as Usual" services developed to support the use of DSM as an alternative to major network reinforcement.

Flexitricity is grateful to UKPN for the opportunity to provide our support to this important project. Low Carbon London has enhanced our understanding of the future challenges for the network. We are heartened by the ability of an organisation such as UKPN to innovate in design and deliver a valuable suite of project outcomes.

Yours sincerely,

Dr Alastair J Martin
Chief Strategy Officer, Flexitricity Limited

REGISTERED OFFICE:
Exchange Tower, 19 Canning Street
Edinburgh EH3 8EG

Registered in Scotland No 263298