



Flo Silver  
Policy Manager  
Commonwealth House  
32 Albion Street  
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3 April 2020

Dear Flo,

**Statutory consultation on licence obligations to ensure coordination and cooperation in the efficient and economical operation of the electricity system**

Forbury Assets Limited (FAL) welcomes the opportunity to respond to the above consultation. As a prospective Independent Distribution Network Operator (IDNO) we are supportive in principle of the Whole Systems licence change. As a new market entrant, FAL aims to be progressive and innovative, engaging with Ofgem to help ensure the future energy system is fit for purpose.

FAL recognises and supports the opportunities that a whole system approach to system planning, construction and operation offer and believes that the definition of "whole system" could be broadened further. A broader approach would give further incentives for cross-vector working beyond today's regulatory framework which pushes licensees into silos that may no longer reflect the way energy infrastructure is procured, developed and managed.

IDNOs are focused on the operation of extension assets to the existing DNO infrastructure, and work with managing multiple stakeholders across the energy system. They are hence well-placed to address the question of impacts of new assets on the existing system. However, there are limitations on the options available to address these impacts as an IDNO, due to restrictions currently imposed by the licence. Ultimately, decisions relating to new infrastructure rest with the customer, and an IDNO can have limited influence on that decision.

FAL supports Ofgem introducing the proposed principles-based licence condition to provide a structure for effective coordination of energy networks in the interest of consumers. To ensure clarity for network operators and other network users it is imperative that the licence condition is backed up by useful guidance from Ofgem, either in the form of organic guidance notes that develop as the whole system approach evolves, or an advice service that could be provided to licensees.

Should you require any further information or wish to discuss this response further, please do not hesitate to contact me.

Yours sincerely,

Louise Murphy  
**Regulation Business Partner: Enterprise**