

**Electricity
Distribution**

Distribution Flexibility Services Procurement Statement

April 2025

nationalgrid ▶ DSO



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Executive Summary

In our fifth Distribution Flexibility Services Procurement Statement we set out how we will be procuring flexibility services in the 2025/26 regulatory year.

This document lays out why and how we procure flexibility services, as well as how we engage with the market to ensure our procurement of flexibility continues to be effective.

We intend it to provide a good overview of our processes, whilst signposting to further information for those who need it.

This coming year, we will continue to develop our capabilities, focussing on activities that drive the procurement and operation of flexibility at scale.

We'll do this by growing market opportunities, improving visibility and certainty around market potential, and delivering day-ahead trading through the development of our **Market Gateway Platform**.

As part of our continued efforts to lead the way in the provision and development of flexibility markets, feedback from stakeholders is always welcome.

We want to know how we can further support you on your journey to providing flexibility services and where we can improve our processes to remove any barriers, conflicts or pain points.



If you have any questions or would like information on how to get involved, please do get in contact with **NGED.flexiblepower@nationalgrid.co.uk**.

1. Introduction

National Grid Electricity Distribution is a Distribution Network Operator (DNO) and a Distribution System Operator (DSO), responsible for distributing electricity to over eight million customers. We look after a network of wires, poles, pylons, cables and substations; distributing electricity to homes and businesses across the West Midlands, East Midlands, the South West and South Wales as shown in Figure 1.

The distribution network sits between the transmission network and our customers. The drive towards a low carbon economy has led to increasing levels of generation directly connected to our distribution network along with new forms of electricity demand such as electric vehicles, heat pumps and battery storage.

The energy system is undergoing a huge transition because of the changes to electricity generation and use, including the growth of distributed generation and the increasing popularity of low carbon technologies such as electric vehicles and heat pumps. These changes and the associated increases in demand have required us to develop new processes and systems, such as adopting flexible solutions to manage different power flows on the network. To continue to operate a smarter, more efficient energy system, we are carrying out the functions of a Distribution System Operator. Our **DSO Charter** outlines our vision and strategic commitments.

As these functions develop, we are committed to providing clear information about what Flexibility Services we need and how we procure them.

This document, our fifth Distribution Flexibility Services Procurement Statement, is one element of that commitment and draws together information to provide an overview of how we intend to procure services for the next regulatory year (April 2025 to March 2026).

It will sit alongside the Distribution Flexibility Services Procurement Report which will detail what services we have procured over the same period, to be published by the end of April. We see these documents, required as part of our Distribution Licence, as base requirements for market information and transparency, which are supported by a host of publicly available information and data to provide more details where necessary. These are referenced throughout the document, and are collated in **Section 7**.

All relevant information, including previous distribution flexibility procurement documents are available on our website: **National Grid - Distribution Flexibility Services Reporting**.

Within this document we cover a number of key topics such as:

- Why we procure flexibility services.
- How we procure these services.
- The process for identifying and publishing the needs.
- Our tendering processes.
- How we engage with stakeholders.
- The future services we are developing.
- What data is available and where.

Figure 1: Our coverage area



2. Flexibility Service Requirements

2.1 Why we procure Flexibility Services

Traditional network design was based on passive networks designed to deliver peak demand with minimal intervention with a specified level of redundancy. To enable a greater volume of demand, generation and storage to be connected, our networks are becoming smarter and more active.

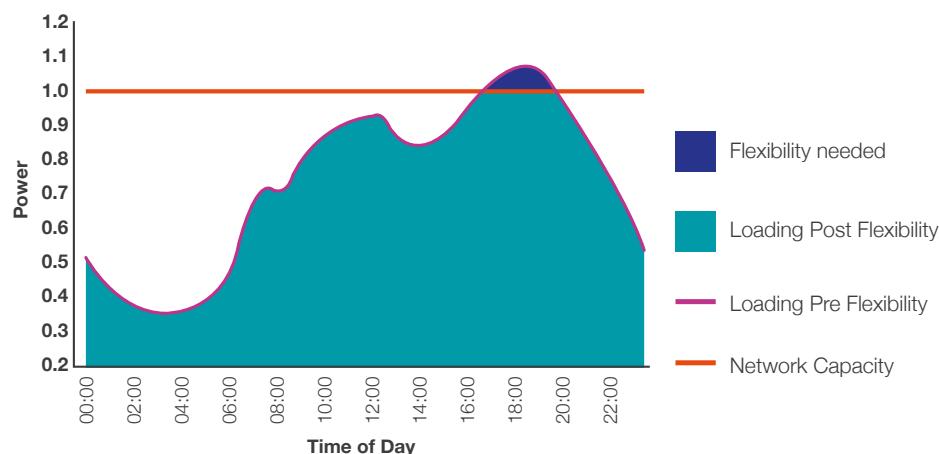
Creating a more efficient and flexible system will benefit all customers and empower them to be at the centre of the energy transition.

The core driver for our procurement of flexibility is the deferral of network reinforcement.

By managing temporal peaks on the network, we can avoid overloading assets and hence push back the need to invest in more assets.

As detailed in **Section 5.1**, we have developed robust processes to help us understand where the deployment of flexibility services is the most cost-effective solution.

Figure 2: The need for Flexibility



Flexibility can provide more granular increases in network capacity, better reflecting the in-year requirements of network users. Flexibility can also help to manage capacity shortfalls economically and responsively until the need for conventional reinforcement is established. In some circumstances, a longer period of flexibility may allow for more appropriate, long term investment plans to be implemented. Flexibility can also be used to connect new customers to heavily loaded parts of the network without the need for reinforcement. Our use of Flexibility can soften the criticality of timing for an intervention, if sufficient flexibility is available and economic, by managing peak demand leading up to and beyond the capacity limit of the network. The extent to which flexibility is used will be determined by an industry standard cost benefit analysis via the **Common Evaluation Methodology**.

While we will be making greater use of flexibility, there will still be situations where it is necessary to carry out conventional network reinforcement, for instance, where there is insufficient flexibility provision to tackle the level of network constraint. The following diagram illustrates the different approaches that may arise.

Figure 3: Options for constraint resolution

Network Loading	100%		
Conventional Reinforcement	Accept addition connection until net reached capacity		Reinforce conventionally
Flexibility First	Accept addition connection until network nearing capacity	Use flexibility to manage network up to the capacity and beyond where available	Reinforce conventionally where economic

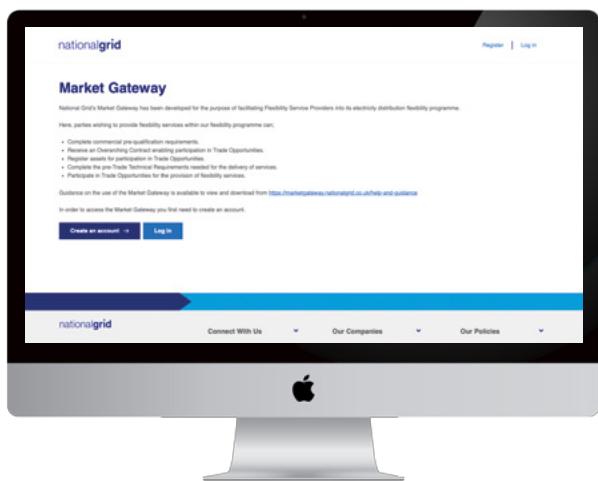
Flexibility Services are one of many new active solutions being used by DSOs to help manage networks effectively, including the use of smart grid technologies such as enhanced voltage optimisation or automated load transfers.

2.2 How we procure Flexibility Services

Flexibility Service Provider (FSP) registration, qualification, overarching contract, and assets registration are facilitated through our **Market Gateway** platform.

The key focus is establishing the Market Gateway as a standardised data entry point which can then be linked to wider market platforms. To this end, we have partnered with two market platforms, Piclo Flex and more recently Electron aimed at simplifying access into our flexibility markets. In addition to our Market Gateway, FSPs can participate in our trade opportunities through these platforms.

While we continue to develop our Market Gateway, the Flexible Power Portal (FPP) remains at the centre of our operation of flexibility services. The FPP is the operational tool we employ to facilitate all API communication necessary to dispatch services and calculate settlement and performance.



More details can be found on the Flexible Power website: flexiblepower.co.uk

2.2.1 Services

We have transitioned our procurement of Active Power products to align to the new standardised products developed under the **Open Networks Flexibility Products Review and Alignment** project in 2024. Going forward, we plan on procuring flexibility through three Active Power products. These products are summarised below.

Figure 4: Overview of our Flexibility Services

Scheduled Utilisation (SU)	Scheduled Availability, Operational Utilisation – Day ahead (SAOU_DA)	Operational Utilisation – 15 min (OU_15)
<p>Our SU service is a scheduled constraint management service with fixed delivery periods. It offers a utilisation only payment.</p>	<p>Our SAOU_DA service has been developed to support the network in the event of specific fault conditions, such as during maintenance work. It offers an availability and utilisation payment.</p>	<p>Our OU_15 service supports power restoration following rare fault conditions. No availability payment, instead it offers a premium utilisation payment.</p>

We do not currently procure any Reactive Power products.

Settlement of delivered services is calculated using aligned payment mechanics. First designed by NGED in 2017 and adopted by all UK DNOs in 2024, these **payment mechanics are designed to encourage full delivery, whilst balancing the level of penalties to ensure the services remain attractive**. The mechanics are detailed in the **ENA ON – Standardised DNO Settlement Methodology** and are based on a clawback of value for under delivery. For SU and SAOU_DA services, below our 5% grace factor, for every 1% of under delivery, we reduce the payment by 3%. This is measured on a minute-by-minute basis. There is also an overall performance percentage applied to availability payments.

The services are also currently subject to our baselining methodology as outlined in our **Guidance Document. Our Baselines have been updated to reflect a reduced focus on historic baselines and a move toward technology specific static baselines**. This has allowed us to provide more transparency around baselines at the point of bidding, greater optionality for FSPs managing varying asset portfolios and improved **revenue stacking**. We continue to actively engage in the Industry Working Group tasked with aligning Baseline approaches across all UK Network Operators, we expect this Working Group to conclude later this year and will implement any agreed changes in-line with recommendations.

We seek flexibility from a wide range of providers and as such, **we have not set a contractual minimum capacity limit for participation to make participation** possible for a larger range of FSPs, including those connected at lower voltages.

To date most procurements have focussed on Demand Turn Down/Generation Turn Up. In our last procurement round, we launched and procured Demand Turn Up/Generation Turn Down services in three constraint zones, for delivery in Q2 and Q3 of 2025. As this flexibility market develops, **we anticipate the number of Demand Turn Up zones to increase.**

More detail on each flexibility service can be found in the **ENA ON – Flexibility Products Review and Alignment document**.

As highlighted in **Sections 3 & 5**, we have a robust process for the identification of system needs, and the assessment of flexibility options through our **Distribution Network Options Assessment (DNOA)** process. This sets out in detail its specific requirements including the locations and volumes needed and feeds into the subsequent trading activity.

For our higher voltage zones our **Long Term Development Statement (LTDS)** highlights the assets that make up our network. Feeding in the forecasting of load growth from our **Distribution Future Energy Scenarios (DFES)** allow us to understand how the loadings on the network will change. We set this out, including the key areas for future enhancement in our **Network Development Plan (NDP)**. As detailed later in **Section 5**, the DNOA process then compares the options for managing any potential constraint. **Built around the ENA's Common Evaluation Methodology, this assesses the most effective routes forwards.** The DNOA then feeds into our Procurement of Flexibility Services.

Each Constraint Management Zone (CMZ) is focussed on the mitigation of a specific network constraint. As such the times, volumes and prices needed are highly diverse. Across the portfolio of zones, we have requirements in every month in the year, every day of the week and every settlement period. We acknowledge the requirement for comprehensive market information on our detailed procurement needs for each zone and therefore have created a suite of information to the market to communicate our latest needs. These include:

Network Flexibility Map

We publish comprehensive data on signposting and forecasting of our Higher Voltage zones through our Network Flexibility Map. This includes the overall availability windows and expected market volumes required for all our Distribution Future Energy Scenarios (DFES) for a five-year period under the Signposting process. Visualisations of the data are available online through the mapping tool and datasets are downloadable without registration.

The Network Flexibility Map also presents our firm flexibility requirements which feed into our procurement process. This shorter-term view, gives clarity on our needs and is refreshed annually in line with our procurement timeline. We are reviewing the best approach to viewing data for low voltage zones.

Flexible Power Map

The Flexible Power Map replicates much of the functionality of the Network Flexibility Map but focusses on the requirements against which we will procure. It highlights the required volumes and forecast availability windows. This map is held on the Flexible Power website and hosts data from the other DNOs who are also involved in the Flexible Power Collaboration.

Distribution Networks Options Assessment (DNOA)

Our DNOA process provides a systematic methodology to recommend a single investment option for potential constraints. (See **Section 5.1**). As part of the DNOA process we publish why we have gone out to procure for each zone.

The Market Gateway

As well as facilitating market qualification, our Market Gateway will host all our Trade opportunities. These are each of the requirements for which we are seeking a response. It is also the platform that will host all the responses from FSPs and our final Trade Awards. This will be the key point of commercial interaction for FSPs.

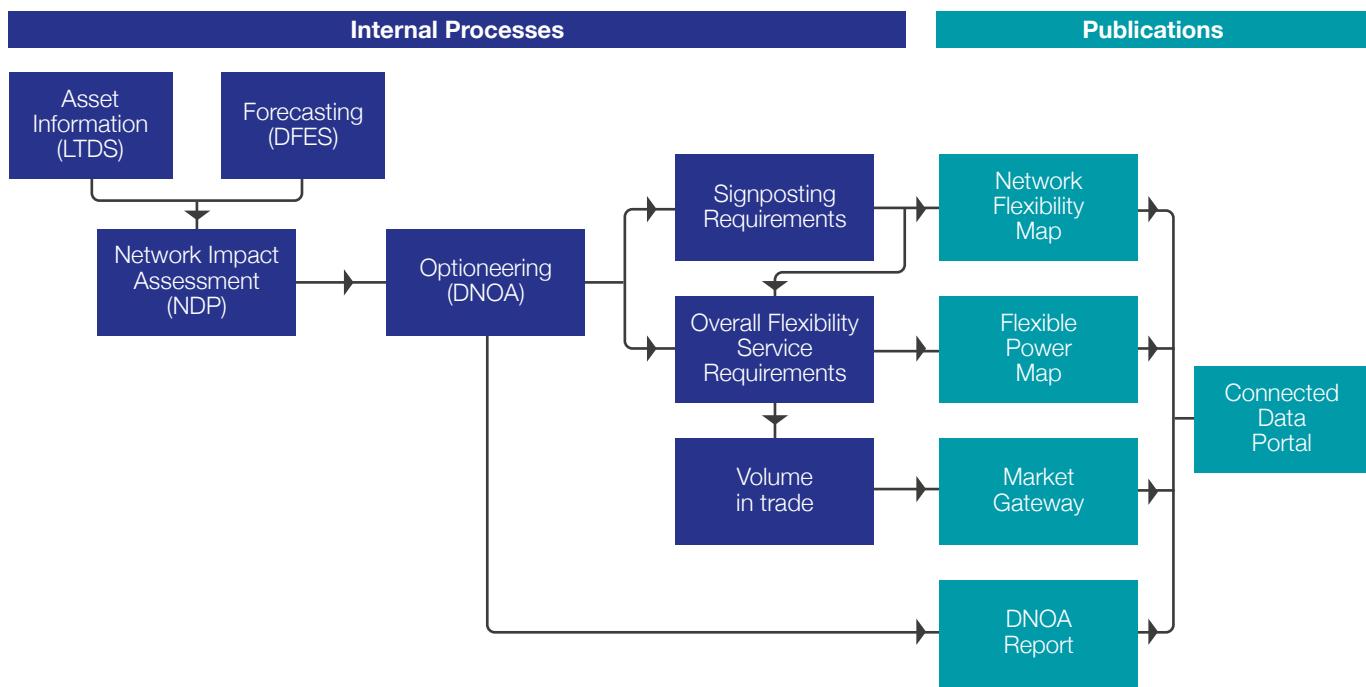
Connected Data Portal

We host detailed and machine-readable data on our Connected Data Portal. This is a platform for the hosting of datasets across the business. It allows data to be accessed via API, allowing easy processing at scale. We have committed to publishing the data behind the above publications on the portal. This includes, the detailed requirements in each zone as well as the associated geographic postcodes and polygons. It also hosts results of Awarded Trades.



These publications link together as shown in the figure below.

Figure 5: Network Requirement publication and signposting



We also provide a number of additional tools to aid FSPs in understanding our requirements such as a [Post Code Checker](#) and a [Revenue Estimator Tool](#). All our documentation is summarised in our [Document and Data Catalogue](#).

Due to the timing of our long-term procurement cycle, we cannot provide a definitive view of all the locations where we will be procuring flexibility services this regulatory year. Our DNOA processes refreshes on a yearly basis and will be updated following the latest Network Development plan.

However, we recognise the value in providing indications of the potential volumes of flexibility services needed, to help build understanding on the order of magnitude of the market. To foster transparency and give insight, we have provided the following summaries of our anticipated flexibility service needs for 2025/26. These are based on our last procurement round (concluded in Jan 2025) and include volume procured for operation in 2025/26 as well as volume beyond this regulatory year for some of our higher voltage zones that do not have need this year.

The following tables highlight these flexibility service needs.



Table 1: Higher Voltage zonal requirements

Zone Name	Maximum Voltage Level at which service will be procured (kV)	Primary Product	Response Type	Seasonal Requirement	Peak Capacity (MW) 2025/26	Forecast Utilisation (MWh) 2025/26	Peak Capacity (MW) 2027-29	Forecast Utilisation (MWh) 2027-29
Abham to Totnes Tee	132	SAOU_DA	DTD/GTU	Winter and Summer	6.84	34.49		
Alderton Primary	11	SAOU_DA	DTD/GTU	Winter and Summer	3.26	31.38		
Alfreton-Wessington	33	SAOU_DA	DTD/GTU	Winter and Summer	2.27	84.88		
Ashgrove	11	SAOU_DA	DTD/GTU	Winter and Summer	6.16	7668.37		
Bartley Green BSP	11	SAOU_DA	DTD/GTU	Winter and Summer	5.49	62.60		
Bradley Lane Primary	11	SAOU_DA	DTD/GTU	Winter	0.67	1.00		
Bradwell Abbey BSP	33	SAOU_DA	DTD/GTU	Winter and Summer			0.71	0.38
Braunstone Primary	33	SAOU_DA	DTD/GTU	Winter and Summer	0.07	0.85		
Brockworth Primary	33	SAOU_DA	DTD/GTU	Winter and Summer			0.53	0.08
Bruntingthorpe Primary	11	SAOU_DA	DTD/GTU	Winter and Summer	2.41	1093.31		
Burton to Bretby	33	SAOU_DA	DTD/GTU	Winter and Summer			0.41	0.10
Camborne Treswithian	11	SAOU_DA	DTD/GTU	Winter and Summer			0.00	0.04
Clevedon Primary	11	SAOU_DA	DTD/GTU	Winter	3.33	72.93		
Clyst Honiton Primary	11	SAOU_DA	DTD/GTU	Winter and Summer			1.44	23.53
Core Hill Primary	11	SAOU_DA	DTD/GTU	Winter	1.34	115.07		
Edgarley Primary	11	SAOU_DA	DTD/GTU	Winter			0.22	0.03
Exeter City	33	SAOU_DA	DTD/GTU	Winter	6.14	64.42		
Feeder Road A Primary	11	SAOU_DA	DTD/GTU	Winter and Summer	5.23	55.46		
Feeder Road BSP	11	SAOU_DA	DTD/GTU	Winter and Summer			1.58	10.59
Grassmoor	11	SAOU_DA	DTD/GTU	Winter and Summer	3.25	4.46		
Gunnislake	11	SAOU_DA	DTD/GTU	Winter and Summer			0.06	0.08
Hallcroft Road	11	SAOU_DA	DTD/GTU	Winter and Summer	1.63	19.83		
Hammerley Down Primary	11	SAOU_DA	DTD/GTU	Winter and Summer	4.96	339.70		
Harbury to Banbury 132kV	132	SAOU_DA	DTD/GTU	Winter and Summer	28.77	564.74		
Hawton BSP	33	SAOU_DA	DTD/GTU	Winter and Summer			2.20	72.44
Hawton Primary	11	SAOU_DA	DTD/GTU	Winter and Summer	1.91	22.38		

Table 1: Higher Voltage zonal requirements

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Hemyock	11	SAOU_DA	DTD/GTU	Winter and Summer			0.34	1.73
Hereford - Ledbury Ring	66	SAOU_DA	DTD/GTU	Winter and Summer	5.72	39.41		
Ilkeston	11	SAOU_DA	DTD/GTU	Winter and Summer			0.05	4.90
Irthlingborough BSP	33	SAOU_DA	DTD/GTU	Winter and Summer	21.27	1817.87		
Irthlingborough to Higham Ferrers	33	SAOU_DA	DTD/GTU	Winter and Summer	1.68	9.73		
Kettering BSP	33	SAOU_DA	DTD/GTU	Winter and Summer	11.83	164.33		
Keynsham East Primary	11	SAOU_DA	DTD/GTU	Winter and Summer	1.70	125.88		
Knighton	11	SAOU_DA	DTD/GTU	Winter and Summer	0.89	35.38		
Langdale Drive	11	SAOU_DA	DTD/GTU	Winter and Summer			0.15	0.30
Langrick Primary	11	SAOU_DA	DTD/GTU	Winter and Summer	0.40	1.65		
Lime Street and Garngoch group	33	SAOU_DA	DTD/GTU	Winter and Summer	0.52	0.15		
Loughborough	132	SAOU_DA	DTD/GTU	Winter and Summer	43.75	518.76		
Moira Primary Generation	11	SAOU_DA	DTU/GTD	Winter and Summer	1.00	328.50		
Morwenstow	11	SAOU_DA	DTD/GTU	Winter and Summer	0.56	45.27		
Mullion	11	SAOU_DA	DTD/GTU	Winter and Summer	0.37	4.66		
Netherhills Primary	11	SAOU_DA	DTD/GTU	Winter and Summer	6.41	1843.54		
Newdigate Primary	11	SAOU_DA	DTD/GTU	Winter and Summer			1.63	3.75
Newport Pagnell Primary	33	SAOU_DA	DTD/GTU	Winter and Summer	5.82	608.90		
Newton Abbot to Newton Abbot Main	33	SAOU_DA	DTD/GTU	Winter and Summer	0.34	1.86		
Rugby	33	SAOU_DA	DTD/GTU	Winter and Summer			1.09	5.13
Shepshed	11	SAOU_DA	DTD/GTU	Winter and Summer			1.36	2.70
Simplex Primary	11	SAOU_DA	DTD/GTU	Winter and Summer			0.72	3.38
St Austell to Bugle Generation	33	SAOU_DA	DTU/GTD	Summer	0.50	73.02		
Stamford	11	SAOU_DA	DTD/GTU	Winter and Summer	4.20	201.72		

Table 1: Higher Voltage zonal requirements

Zone Name	Maximum Voltage Level at which service will be procured (kV)	Primary Product	Response Type	Seasonal Requirement	Peak Capacity (MW) 2025/26	Forecast Utilisation (MWh) 2025/26	Peak Capacity (MW) 2027-29	Forecast Utilisation (MWh) 2027-29
Stentaway Primary	11	SAOU_DA	DTD/GTU	Winter and Summer	0.20	0.11		
Stony Stratford BSP	33	SAOU_DA	DTD/GTU	Winter			3.64	5.96
Street BSP	33	SAOU_DA	DTD/GTU	Winter and Summer	2.79	96.48		
Tamworth to Polesworth and Atherstone	33	SAOU_DA	DTD/GTU	Winter and Summer	6.42	1508.27		
Taunton to Culmhead Tee	33	SAOU_DA	DTD/GTU	Winter and Summer	0.98	2.33		
Tavistock Primary	11	SAOU_DA	DTD/GTU	Winter and Summer	1.33	22.24		
Tiverton	33	SAOU_DA	DTD/GTU	Winter	10.13	627.66		
Tiverton to Bridge Mills and Cullompton circuits	33	SAOU_DA	DTD/GTU	Winter	3.14	93.85		
Towcester Primary	33	SAOU_DA	DTD/GTU	Winter and Summer	4.61	527.00		
Checkerhouse to Tuxford Generation	11	SAOU_DA	DTU/GTD	Summer	0.80	160.62		
Victoria Road Primary	33	SAOU_DA	DTD/GTU	Winter and Summer			0.45	0.12
Weston Super Mare	33	SAOU_DA	DTD/GTU	Winter and Summer	3.68	48.14		
Woodland Way Primary	11	SAOU_DA	DTD/GTU	Winter and Summer			0.54	0.41
Yeovil to Martock	33	SAOU_DA	DTD/GTU	Winter and Summer	1.59	16.33		
Total					226.36	19159.52	17.12	135.66



Our lower voltage zones are summarised below. These are for delivery in winter 2025/26.

Table 2: Lower voltage zone summary

Licence Area	Maximum Voltage Level at which service will be procured (kV)	Primary Product	Response Type	Peak Capacity (MW)	Full Delivery Window Utilisation (MWh)	Seasonal Requirement	Number of CMZs
East Midlands	0.4	SU	DTD	9.11	3,095.70	Winter	203
South Wales	0.4	SU	DTD	2.92	993.99	Winter	90
South West	0.4	SU	DTD	2.49	848.13	Winter	193
West Midlands	0.4	SU	DTD	7.42	2,521.44	Winter	258

The following table summarises the network needs the higher voltage services are being used to mitigate.

Table 3: Summary of volumes by network requirement type

Constraint	Regulatory Year	Pre-Fault		Post-Fault		Pre-Fault LV SU	
		Peak Capacity (MW)	Forecast Utilisation (MWh)	Peak Capacity (MW)	Forecast Utilisation (MWh)	Peak Capacity (MW)	Full Delivery Window Utilisation (MWh)
Thermal	2025/26	131.08	17,767.52	84.59	1,173.44	21.94	7,459.26
	2027-29	14.99	123.30	1.58	10.59	-	-
Voltage	2025/26	11.13	218.14	-	-	-	-
	2027-29	-	-	-	-	-	-
Security Of Supply	2025/26	1.83	85.30	-	-	-	-
	2027-29	0.55	1.76	-	-	-	-
Network Stability	2025/26	0	0	0	0	0	0
Other	2025/26	0	0	0	0	0	0



Table 4: Summary of the volumes per product

Primary Products		2025/26			2027-29		
		Peak Capacity (MW)	Forecast Utilisation (MWh)	Number of CMZs	Peak Capacity (MW)	Forecast Utilisation (MWh)	Number of CMZz
LV SU		21.94	7,459.26	744	N/A	N/A	N/A
SAOU_DA (DTD/GTU)	Long Term*	224.06	up to 9,298.69	42	17.12	up to 67.83	19
	Total	224.06	18,597.38	42	17.12	135.66	19
SAOU_DA (DTU/GTD)	Long Term*	2.30	up to 281.07	3	N/A	N/A	N/A
	Total	2.30	562.14	3	N/A	N/A	N/A
OU_15		226.36	N/A	45	17.12	N/A	19
Others		0	0	0	0	0	0

* Long Term highlights the volumes taken forwards into the long-term markets. We have not explicitly included the volumes in the short-term markets as it will procure the volume required to cover the total requirement minus what is successfully procured in the long-term markets.

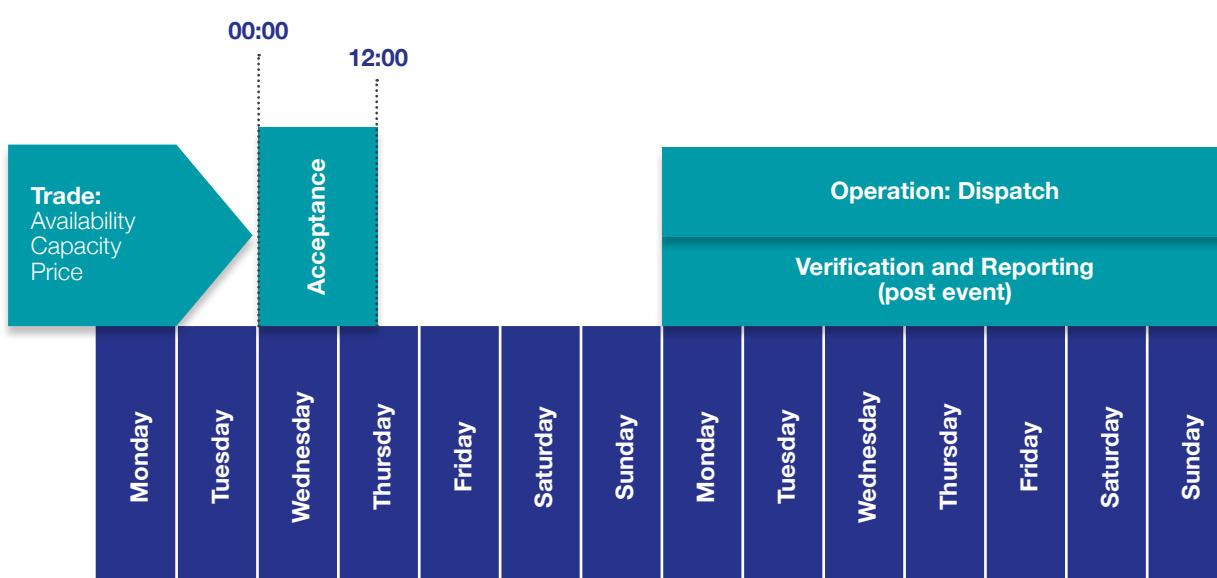
2.2.2 Operational Processes and Dispatch Principles

The services we procure are detailed in **Section 2.2.1**. Once services have been procured (see **Section 3**) we have clear and transparent processes for operating them.

We secure availability through our long-term procurement using the SAOU_DA product. This approach provides certainty in addressing known constraints during the planning phase, prior to the operational window. By taking this proactive stance, we can make better investment decisions by ensuring the availability of flexibility to defer reinforcement.

Utilisation decisions are made closer to real-time, leveraging up-to-date datasets and forecasts to accurately assess our immediate network needs. Additionally, any identified shortfalls are addressed through our short-term market, which supplements the long-term volumes we have already procured.

Our Short-Term products operate within a week-ahead timescales, and are procured under the SU product. This is a **utilisation only** service. FSPs offer their assets availability, capacity and utilisation prices to us. These are matched against requirements and are cleared according to the ENA's dispatch decision criteria guiding principles explained in **Section 5.2.1** below. The short-term timings are highlighted in the figure below.

Figure 6: Short Term Operational process

Availability Declarations: By 00:00 on Wednesday, FSPs provide us with their trade responses for the following operational week (Monday to Sunday). This includes providing details such as the available capacity they can provide, their bid price per MWh and the time windows they can deliver the service, as well as any key operational parameters such as maximum and minimum run times.

Acceptance: By Thursday morning, before 12:00, we assess the flexibility volume declared by FSPs against the immediate needs required to supplement our long-term procurement necessary to manage the relevant constraint. Trades are awarded under a utilisation only payment.

As OU_15 product has no availability payment, all availability declarations are accepted automatically.

After 12:00 this is communicated to FSPs via the Market Gateway.

Our Long-Term products trade over a longer timeframe, and are procured annually. The timings are highlighted in the figure below.

Figure 7: Long Term Operational process



Availability Declarations: Following publishing our long-term tender in September, FSPs will be able to submit their availability declarations in October/November. This includes providing details such as the available capacity they can provide, the price and key operational parameters such as maximum and minimum run times.

Acceptance: We will accept or reject trades by the end of December.

Once trades have been cleared, our dispatch processes then focus around the **Flexible Power Portal** and its associated API. This is a simple API used to send start/stop messages and receive metering data (see our **Guidance Document** for more details).

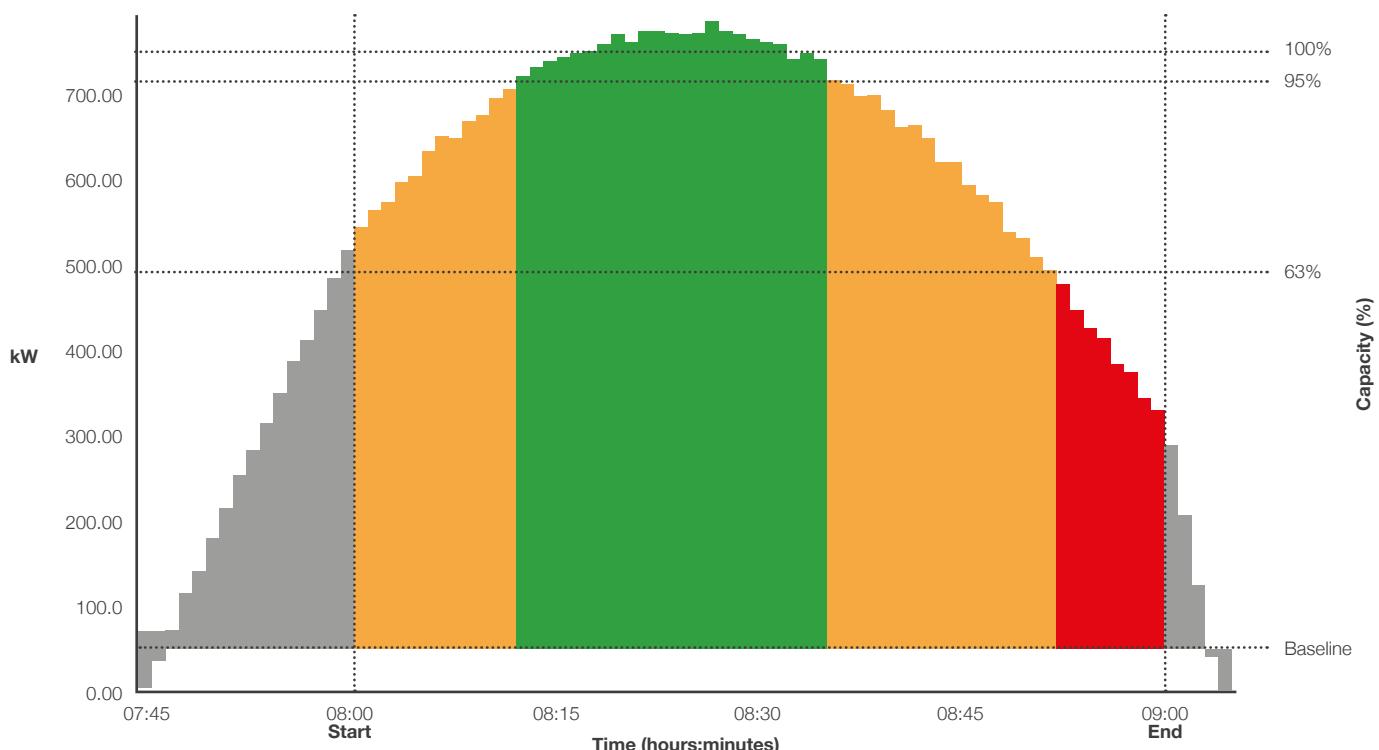
Operation

When we instruct FSPs to deliver flexibility depends on the service being used. These will always be within periods of accepted availability.

- For SU product, the default is that once accepted, the service will be utilised. FSPs can opt to schedule their asset operations and a utilisation instruction is sent via the API 15 minutes ahead of the requirement. This is a utilisation only service.
- For SAOU_DA product, utilisation is triggered by network conditions, after the acceptance of availability. Utilisation instruction is sent via the API day ahead of the requirement. This is an availability and utilisation payment service.
- For OU_15 product, utilisation is triggered in response to network conditions. FSPs are expected to provide response as soon as possible following receipt of the utilisation instruction sent via the API.
- Our dispatch principles align with our wider service selection principles laid out in **Section 5.2**.
- As our operational experience increases, we will use this information to provide feedback to FSPs in areas and support them to maximise their value to the system.

Reporting & Settlement

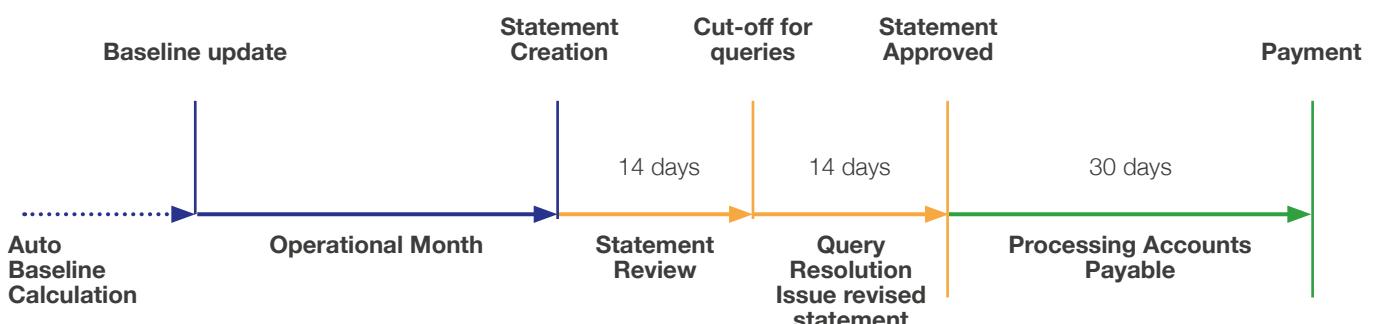
Event **performance** and **earnings reports** are automatically generated shortly after the close of each instruction. These allow FSPs to easily assess their performance. Examples are available on the **Flexible Power Website**. A sample performance report is shown below.

Figure 8: Example Performance Report

Performance Highlights

Expected Total Volume	700.00 kWh
Actual Total Volume	592.92 kWh
Baseline	50.00 kW

Self-billing invoices are then created on a monthly basis aggregating all the monthly events and follow the process highlighted below. This gives time for the review of the invoice, as well as any follow up queries ahead of payment.



More details about our settlement process can be found in our [Guidance Document](#).

3. Tendering Process

3.1 Process

We have developed our tendering processes to be objective, transparent and market based. They are designed to be as simple as possible whilst maintaining compliance with the Utilities Contract Regulations.

These regulations impose strict requirements on how utilities procure services. Since 2019 we have used a Dynamic Purchasing System (DPS) to manage pre-qualified parties enabling their eligibility to tender into all our published procurement cycles. Our experience of using the DPS has fed into the procurement processes developed within the Open Networks project.

In April 2023 we evolved our tendering processes to align with the framework contract approach taken by the NESO, and as such have implemented a process where market participants are pre-qualified and awarded an overarching contract ahead of being able to bid for trade opportunities. This has allowed us to accommodate the procurement of services at both long-term and short-term timescales and in the future will allow us to facilitate even closer to real time procurement.

This process, still uses a DPS, and is split into an initial qualification, where the formal procurement is carried out to award an overarching contract. Following this, ongoing technical qualification and trading can happen at any time. This process is administered on our **Market Gateway**, which we launched in April 2023 to digitalise our end-to-end procurement process and accelerate platform and marketplace interactions.

Figure 9: Overview of our qualification and trading processes



We understand the need to further improve the standardisation of processes across the industry and have:

- Aligned with the NESO's method of framework procurement through the early adoption of the Service Terms structure for the Standard Flexibility Agreement. This allowed our implementation of Short-Term Trades. Other DNOs have aligned with this structure and have implemented version 3 of the Standard Flexibility Agreement. Given the feedback received so far on this version, this will be reviewed through the ENA Open Networks in due course and recommended changes implemented in version 4.
- Aligned with the standardised procurement timelines for our long-term products.

We will continue to implement the outcomes of the Open Networks project.

3.1.1 Qualification

The qualification process is designed to prepare the FSP and assets for participation in a trade and service delivery. It has three distinct phases. More information can be found in our [Guidance Document](#).

Commercial Qualification

Commercial qualification involves the submission of some basic information to gain access to the DPS. The PIN response is effectively an expression of interest to join, based on basic company information (Name, address, company type and number etc.).

This is followed by the PQQ, this requires confirmation that the FSP meets the minimum requirements for participation in flexibility services. These are:

- Commitment to build the Flexible Power API for services that are utilised close to real-time.
- Ability to provide relevant metering data over the API or via upload.
- Asset ability to respond to utilisation instruction and provide a response for minimum of 30mins.

There are also a number of mandatory questions that FSPs must complete in order to comply with the Utilities Contract Regulations. The FSP must confirm their acceptance and adherence to these.

Once complete, the FSP is added to the DPS and invited to the overarching tender. **Commercial qualification is always open.**

Overarching Tender

The tender for an overarching contract is then available immediately after commercial qualification and only includes the Terms and Conditions and associated Service Terms of the Standard Flexibility Agreement. Acceptance of the Standard Flexibility Agreement is the only criteria for pass/fail. Pricing, capacity and asset qualification are not be considered at this stage. Once accepted, an overarching contract is awarded. This is enduring with re-acceptance only needed for significant updates to the terms and conditions.

This approach replicates that seen in the NESO framework approach and also retains the requirement for UK DNOs to comply with the Utility Contract Regulations (UCR), however, unlike a framework, it doesn't have a time limit on when parties can join.

Once an overarching tender is awarded an FSP is commercially eligible to participate in trades, however in order to be fully eligible to enter into trades the technical qualification requirements must then be completed.

Technical Qualification

Technical qualification focusses on ensuring FSPs are ready to conduct trades. It includes the registration and validation of assets, the creation of logical grouping of these assets (Meterable Units), and testing through our operational portal so utilisation instruction can be received and metering data can be shared for verification and settlement purposes.

Typical details include:

- The location of the asset.
- The energisation status of the asset.
- The technology type.
- The installed capacity (in kW).
- The metering location.

Assets can be added, updated and deleted at any time by the contracted FSP, as can the logical grouping. Only assets that are registered and have been verified by National Grid can be selected for participation in a trade.

3.1.2 Trading

Trades are the vehicle for the award of service windows. They form the detailed requirements for availability (and for some products utilisation). Once awarded, as well as service windows, a trade will specify the parameters for delivery; the expected volume of response, the assets being utilised and the associated price.

Details of the data covered in a trade can be found in our **Guidance Document**. Trades do not form part of the formal overarching tender process and will only be awarded through a subsequent trade award following a successful trade response.

Our trades currently operate across two timeframes, short term (weekly) and long term (annually). A trade is used to lock in key requirements from FSPs and the DSO, and clearly set out delivery expectations.

As such once a trade opportunity closes, the trade responses are locked and assessed. The trade award is used to confirm the availability acceptance windows, the meterable units (the asset or asset group) covered and the technical parameters (as specified in the trade response). These cannot be edited post trade. In due course we will develop processes to facilitate secondary trading.

It should however be noted that whilst the meterable units tied to a trade are fixed, the assets linked to those units can still be changed subject to the operational period.

This will allow FSPs to manage which assets are being used. The same response, with the same availability window is expected, but the baseline values will alter to align with the latest assets. For example, an energy retailer may want to remove assets that are no longer their customers, and add others in their place.

3.2 Pricing Strategy

A ceiling price for each zone is calculated as part of our DNOA process using the CEM tool. All ceiling prices will be communicated in the trade opportunity. We are currently fixing the ratio between availability and utilisation prices, but will be looking to remove this restriction in due course.

We then use a Pay as Clear (PaC) mechanic where we are using competitive pricing. This means that all providers are paid at the rate of the marginal accepted bid, rather than the price they bid. This is designed to encourage bids at the marginal cost of operation, rather than the expected clearing price of the zone. This mechanic is being used in most new Flexibility Services across Europe.

The decision between PaC and fixed pricing will be determined in the trade. Our default parameters are:

Product	Pricing Mechanic	
SU	Pay As Clear	Our initial implementation of PaC is built on manual processes looking to best align with our service selection principles. The clearing price will be set by the most expensive provider selected.
SAOU_DA	Pay As Clear	OU_15 services are used in response to rare, high impact network events. The nature of these events often restricts the flexibility services that could be used due to locational requirements. In order to ensure timely usage of these services they will remain fixed price.
OU_15	Fixed Price	

 These prices feed into the performance related payment mechanics.
More details can be found in our **Guidance Document**.

3.3 Timelines

As detailed in **Section 3.1**, our new commercial and technical qualification processes are open all year round.

We will update our flexibility requirements, and open long term trades annually. The windows for short term trades will then be opened weekly. Please note that some dates may be subject to change depending on our procurement need. The timeline provided below shows our best view at this stage.

Figure 10: Procurement Timeline



As highlighted in **Section 2.2**. Our flexibility requirements are published across a number of publications. On publication of needs we also remind our registered stakeholders through an update service, with the links to the requirements, links to DPS registration and any further information (such as webinars).

3.4 Contract Award Process

FSPs respond to the qualification tender by accepting the latest Flexibility Service Agreement, a self-billing agreement and providing billing details. No asset details are collected at this stage. These are collected later at the technical qualification stage.

Following the qualification tender, a contract is awarded to the FSP.

We have worked collaboratively with industry through the ENA's Open Networks project to develop a common set of terms and conditions, and were the first DNO to adopt these as an Overarching Contract. We will continue to ensure our terms and conditions provide low barriers of entry, maximise participation and reduce complexity. They include:

- Mutual and capped liabilities.
- Performance based payment mechanisms to incentivise participation.
- No penalties for non-delivery, only loss of potential revenue.
- No exclusivity clauses.
- No obligation to trade.

Our contracts do not have any exclusivity, maximising the ability for a flexibility provider to increase revenue opportunities by providing services to other parties or through revenue stacking.

Our implementation of version 3 of the Flexibility Service Agreement is available on the **Flexible Power Website**. The terms must be accepted as part of the qualification tender. As it is a standard, cross party contract, it is non-negotiable, however feedback will be collated and fed back into future reviews, both within National Grid and with the wider ENA standard terms.

4. Stakeholder Engagement

4.1 Engagement around Flexibility requirements

We have a dedicated flexibility Commercial team that are focused on the engagement and support of existing and potential flexibility service providers from registration through to delivery and settlement.

The team uses a wide range of methods to engage with stakeholders and encourage participation in our flexibility market.

These include:

- On Track to Trade Webinars, hosted at least twice a year to provide useful and up to date information on the route to become a flexibility service provider. Flexibility Surgery appointments are always available to speak directly with the team.
- We actively encourage stakeholders to join our update service using our contact form: **Contact NGED**.
- A dedicated support page on **Flexible Power Website** with the latest guidance, support and contact information.
- We can also be contacted directly at **NGED.FlexiblePower@nationalgrid.co.uk**.

As detailed in **Section 3.3** we operate one long term trading cycle a year and weekly short term trades, focussed on our summer and winter requirements. The timings are set in our **Procurement and Engagement Timetable**. These are surrounded by a mix of promotional activities to maximise participation, as well as feedback processes to allow us to continually improve our processes. Information on our pre-qualification requirements as well as all other relevant information are available on the **Flexible Power Website**. We have summarised the full list of relevant documents in our **Document and Data Catalogue**.

4.2 Engagement about products and process

In addition to what we procure, we also seek stakeholder feedback on how we procure services. We aim to target key stakeholders including those who have been involved in various elements of the process as well as wider industry stakeholders, including the NESO and other DNOs.

As well as ad hoc feedback we see a number of key processes;

- As part of our work in the Open Networks project (see **Section 4.3**) we collaborate with the other DNOs to deliver more standardised processes for procurement and operation of Flexibility Services. This includes engagement with the Challenge group, focus groups and the Insights forum. We use this feedback to inform ON work as well as our internal process. We look forward to continuing our engagement with ON and the new formed Market Facilitator, as ON projects transition.

We also consult and collect feedback on specific topics, which is then fed into relevant processes. Examples include: the consultation on our **Operational Decision Making (ODM) framework**, the **Review of Flexibility Service Accessibility**, and feedback gathered from our stakeholders to understand how they use and consume our trade data. Going forward, our ODM framework consultation will be conducted annually, so we have sufficient amount of relevant feedback to continuously refine our operational processes and ensure they are fit for purpose.

Stakeholder engagement is also a key part of any new service development work (see **Section 6**).

4.3 Engagement with NESO and DNOs

We recognise that National Grid is one actor amongst many in an ever more complex energy market place. As such, in addition to our wider engagement, we endeavour to engage heavily with the other network licensees.

A key part of this is through our active involvement at the Energy Network Association, especially the Open Networks project, where we work with the other licensees to develop and adopt common approaches across a range of DSO related activities. The Market Development and Network Operations work streams are focussed on the development of Flexibility Services.

The key objectives include:

- Bringing more transparency in how DNOs facilitate local markets for flexibility and make decisions to provide more confidence in independent decision making.
- Simplifying participation in local flexibility markets through standardisation of approaches across DNOs and between DNOs and the NESO.
- Addressing barriers to participation in flexibility markets and facilitate stacking of revenues across multiple markets.

We welcome Ofgem's appointment of Elexon as the Market Facilitator and will actively engage to deliver a more coordinated and accessible flexibility market, as relevant ENA Open Networks projects transition.

Some of the key areas of engagement include:

- Setting stacking rules, which enable one asset to know if it can deliver multiple products.
- Setting primacy rules for deciding which market takes precedence when the same asset is called on twice to provide a service.
- Standardising flexibility market registration processes for participants.

In addition, we engage actively with other licensees directly when needed. Examples of this include:

- Our collaboration with the NESO and other relevant DNOs on the Regional Development Programmes (RDPs). The RDPs look across the whole-system landscape to identify key areas of development to unlock additional network capacity, reduce constraints and open up new revenue streams for market FSPs. Through this work we have developed the MW Dispatch service with the NESO.
- Our joint consultation with UK Power Networks on **proposals for local flexibility**. The insightful feedback received has allowed us to refine our positions on some key deliverables, such as our plans to introduce a Day-ahead procurement later this year, aligning with UK Power Networks' approach and timelines, focusing effects on developing liquid and well-functioning primary markets for flexibility, and trialling our Demand Turn Up operation across 3 constraints zones in Q2 and Q3 of 2025.
- By opening up our Flexible Power brand and processes to other DNOs we have looked to increase alignment and collaboration within the industry. The collaboration will help streamline the process for flexibility providers and make interfacing with DNOs simpler and easier by avoiding the complexities and resource intensity associated with liaising with numerous network operators. We intend to work in partnership to further develop the Flexible Power brand and develop the portal functionality to support close to real-time procurement, and automation of clearing processes.



5. Detailed Quantitative Assessment

5.1 Flexibility Service Requirements

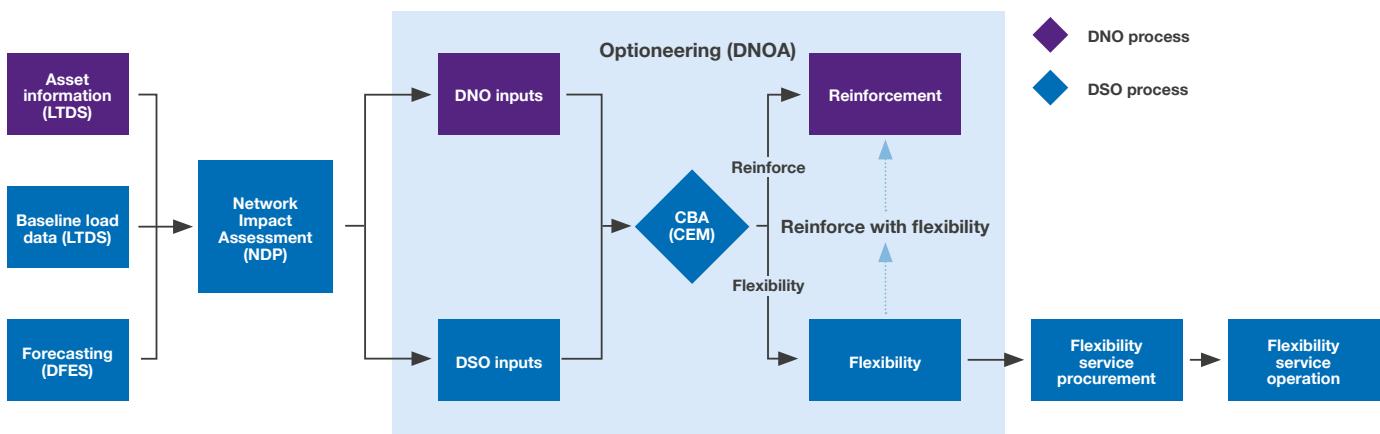
Our **Long Term Development Statement (LTDS)** highlights the assets that make up our network. As highlighted in **Section 2.2.2**, our **Distribution Future Energy Scenarios (DFES)** provides data on the predicted growth in generation and demand across the 4 licence areas on a yearly basis. This scenario growth data allows areas on the network expected to be constrained to be identified.

Forecasts carried out using this data feed into the **Network Development Plan (NDP)** and are used to plan conventional network build solutions and/or flexibility procurement based on system needs.

The decision-making process for determining the optimal solution for each constraint is called the **Distribution Network Options Assessment (DNOA)**. This is carried out in an annual process, and informs our rounds of Flexibility Service Procurement.

The DNOA process is used to both look forward and identify which services should have services procured to help mitigate them, as well as looking backwards to ensure they continue to provide value.

Figure 11: Determining Flexibility Requirements



Key

LTDS: Long Term Development Statement

DNO: Distribution Network Operator

CBA: Cost Benefit Analysis

DFES: Distribution Future Energy Scenarios

DSO: Distribution System Operator

CEM: Common Evaluation Methodology

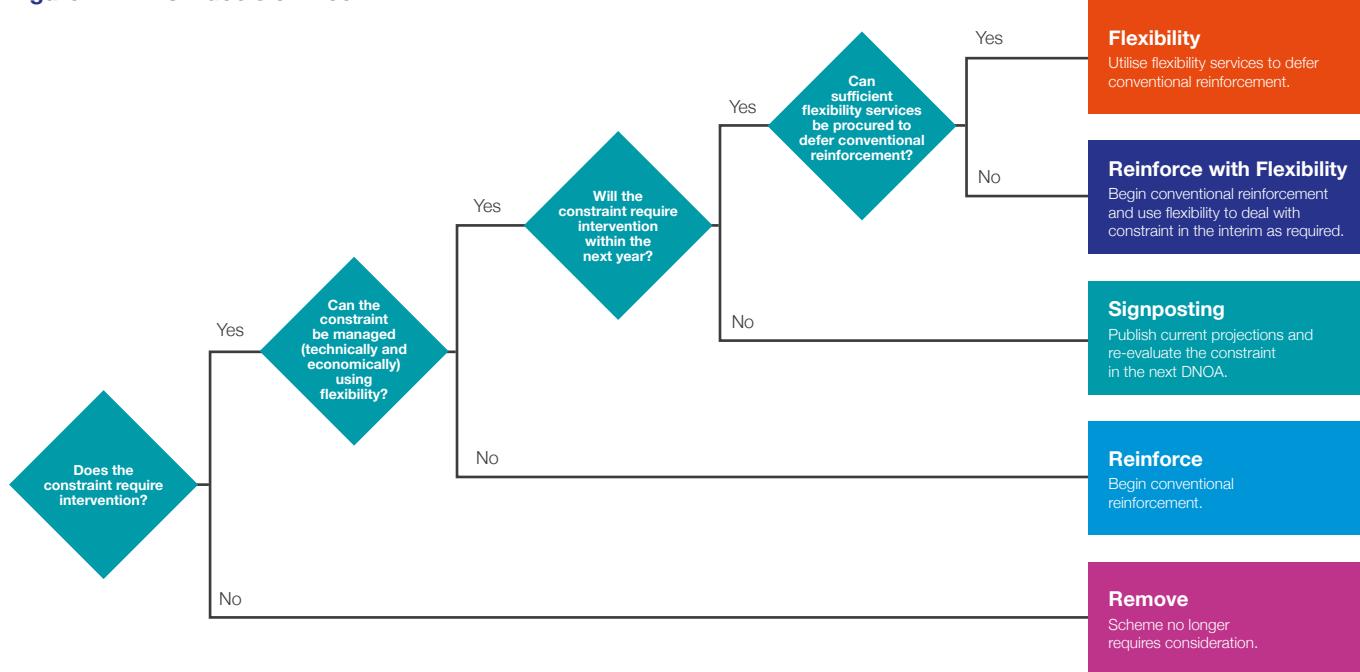
NDP: Network Development Plan

The DNOA outlines the decisions made to meet the future needs of the distribution network. A smarter network needs smarter decisions: the DNOA outlines the options considered to provide the best consumer value in investments made on the distribution network and how cost-benefit analysis is employed to determine the optimal investment path. The decisions show in a transparent manner how we are optimising our investment to deliver secure, sustainable and affordable electricity to meet the changing needs of the areas we serve.

To improve transparency in how DNOs reach decisions for the flexibility procurement and the potential to delay conventional reinforcement, a **Common Evaluation Methodology (CEM)** Cost-Benefit Analysis (CBA) tool has been created by Baringa Partners as part of the Open Networks project. This tool is used in the DNOA process to assess the net benefit of flexibility against a baseline of conventional reinforcement for scenarios over a number of years. The economic analysis is based on the Time Value of Money wherein delaying reinforcement costs creates a significant economic benefit. If this benefit is greater than the cost of flexibility required during the deferral period, then flexibility procurement is deemed the optimal solution and could create savings that can be passed on to customers and stakeholders. A good practice guide for its use can be found on the **Energy Networks Association website**.

The decision tree below demonstrates the different choices our analysis can lead to. Firstly, the schemes that do not require any intervention are removed from future DNOAs. Among the schemes which do require intervention, if the constraint cannot be managed using flexibility, then reinforcement is pursued. The schemes which require flexibility services are put through cost-benefit analysis to determine if flexibility can be used to defer reinforcement. This is further detailed in the latest DNOA document (**National Grid - Distribution Network Options Assessment**).

Figure 12: DNOA decision tree



5.2 Flexibility Service Selection

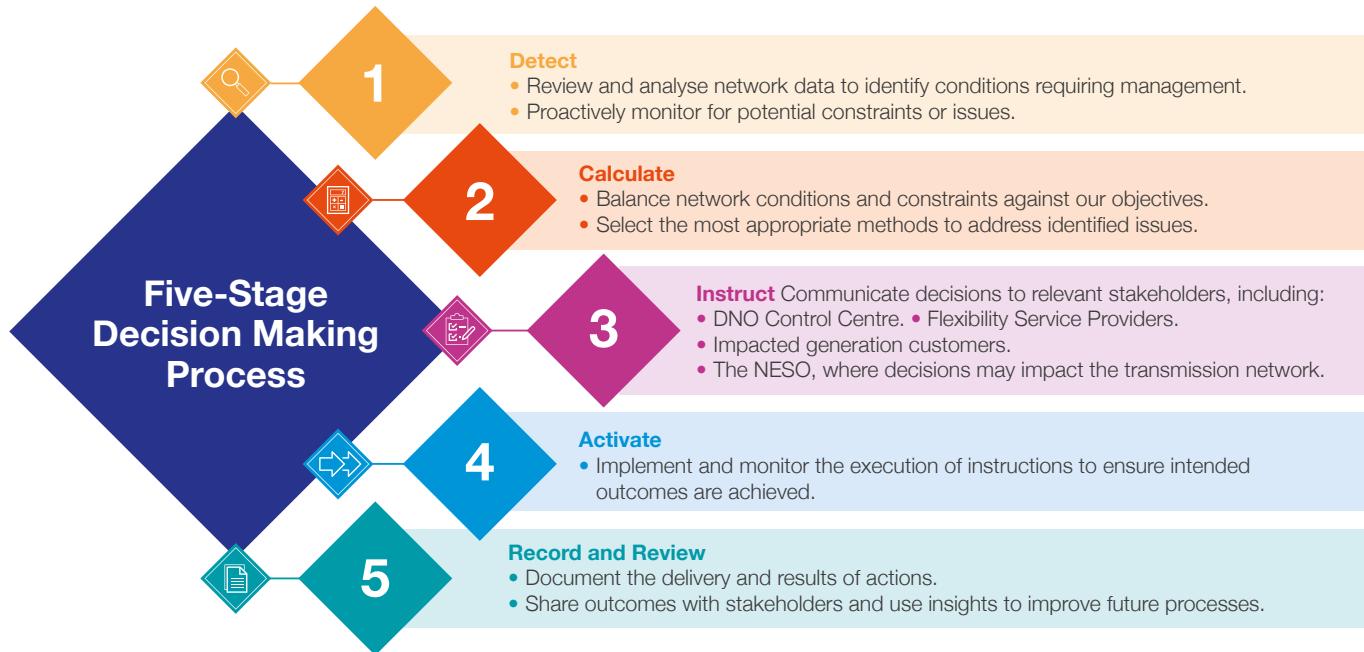
As detailed in **Section 3**, we have a detailed process for the procurement of Flexibility Services, including a clear methodology for how we select which services to procure and then instruct.

As we implement the new structure of trades, we are reviewing how we select services. We need to balance the needs for transparency, efficiency and deliverability. These are interlinked with our dispatch principles.

Earlier this year we published our first-ever **ODM Framework** and our proposals for future development. This highlights the comprehensive operational activities we undertake, demonstrating the huge stride we've made towards operating a smart and more dynamic network.

It is important that our approach to decision making is well-informed and consistent, our decisions must be able to demonstrate that they balance our objectives and deliver the best outcome for the energy system as a whole and for our customers. To support this, we have developed a structured five-stage process to define and guide our approach:

Figure 13: ODM Process



Our service selection is currently built on manual processes, aiming to provide the lowest total cost to the DNO and function on a Pay-as-Clear basis. As we progress, we will look to develop robust service selection systems.



5.2.1 Service Selection Principles

In March 2020 the ENA Open Networks Project published a set of **dispatch decision criteria** guiding principles, which guide how DSOs decide which services to dispatch.

Principle	Description	National Grid Electricity Distribution implementation
Security	The needs of the system will be met using flexibility in such a way that security of supply is maintained.	<p>This principle can be subdivided into two key criteria that need to be met, Technical Integrity and Customer Security.</p> <ul style="list-style-type: none"> • Technical Integrity considers Network Integrity, the ability of a network to operate within technical limits and System Frequency Integrity, the ability of the System to operate within acceptable frequency limits¹. • Customer Security is the ability of a network to meet customer demand and generation. There are minimum standards for these National Grid Electricity Distribution must meet but opportunities to go beyond these standards are also considered where these are economic.
Cost	Flexibility will be operated to meet system need at the minimum level of cost.	The use of Flexibility Services should be cost effective and expenditure proportional to the benefits it brings to the network.
Operability	DSOs will seek to dispatch services that offer compatible levels of operability.	Operability is a measure of how well an offer of a Flexibility Service meets actual or potential System needs. National Grid Electricity Distribution will seek to develop an objective and transparent method for assessing the operability of offers of Flexibility Services.
Competition	DSOs will provide transparency of their dispatch decisions and activities.	Flexibility should be procured using simple, fair and transparent rules and processes. Services should be developed such that service providers can participate easily in different markets.
Fairness	DSOs will operate a fair dispatch methodology and provide equal opportunities to participate.	<p>Flexibility Services shall be assessed and selected impartially purely on their technical and commercial merits.</p> <p>Where multiple technically sufficient Flexibility Services are available at a comparable cost, we will share the dispatch of services across these providers.</p>

We have created a framework for prioritising service selection that serves as our practical application of the ENA guiding principles. This prioritisation provides consistency and clarity in decision-making, facilitating both immediate service selection and the continuous development of rules for implementing an automated rule-based dispatch approach.

Priority	Name	Meaning	Implemented Open Networks Principle
1	Technical Integrity	The National Grid Electricity Distribution requirements of Network Integrity, System Frequency Integrity (SD2/ TP1B) shall be met. Where these are dependent on Flexibly Services, these services must meet these requirements.	Security
2	Customer Security	National Grid Electricity Distribution requirements for demand and generator security (SD2) shall be met. Where these are dependent on Flexibility Services, these services must meet these requirements.	Security
3	Value	Flexibility should be procured and operated to carry out the roles of a DSO, in a cost-effective manner.	Operability & Cost
4	Market Resilience	Where multiple technically sufficient Flexibility Services are available at a comparable cost, we will share the dispatch of services across these providers.	Competition & Fairness

As our operational experience in dispatching flexibility increases, we are seeing how these principles apply in practice, and what further rules we must implement to ensure these are applied consistently and that we have effective and transparent decision making. These will be regularly communicated with FSPs to ensure they can maximise their value to the system.

¹ Although System Frequency is not managed by National Grid Electricity Distribution, it can be affected by the operation of National Grid Electricity Distribution's network and customers.

6. Services in Development

Since developing our initial processes and procedures through innovation trials, our processes for procuring flexibility have been evolving and maturing. As we build learning and scale, we expect to continue developing and improving our processes.

Alongside the existing products mentioned in the sections above, we have a number of other services in development. These range from innovation trials to BaU development work.

Depending on the learning generated as part of their development they may, or may not be implemented in the next reporting year.

6.1 Areas we are prioritising

Demand Turn Up Services

As a trial, we have launched our first Demand Turn Up service under the Scheduled Availability, Operational Utilisation – Day Ahead product, in 3 constraint zones across our network for delivery in Q2 and Q3 of 2025. As we learn from this trial and this flexibility market develops, we anticipate an increase in the number of Demand Turn Up zones.

Flexibility from low carbon heating

Our EQUINOX project which develops novel commercial methods, designed to maximise participation in domestic DNO flexibility services, will directly inform BaU procurement strategies. These methods explore various risk-reward models between DNOs, suppliers, and customers, demonstrating their impact on flexibility volume, cost, and reliability across different customer segments, including the fuel poor and vulnerable.

Closer to real-time Procurement

We are committed to rolling out our Day-ahead market in due course. This near real-time procurement will allow flexibility service providers to participate in daily weekday auctions, enabling them to deliver flexibility with just one day's notice.

In the first instance, the Day-ahead market will use the Scheduled Utilisation product, which would be designed to align with UK Power Networks' approach and timeline as agreed upon in our joint consultation on proposals for local flexibility.

As we gain experience and scale in this market, we will refine our processes and timelines to better align with broader standardised approaches.

Review of Flexibility Service Accessibility

Through our collaboration with the Centre for Sustainable Energy (CSE), we are evaluating how our flexibility procurement affects the ability of FSPs to engage with diverse households, thereby enabling us to support equitable access. Some key areas of focus in this review include:

- Assessing our current market requirements and the barriers they impose on consumer groups.
- Evaluating other activities related to flexibility procurement to identify ways to reduce access barriers.
- Collaborating with several of our FSPs to profile their current domestic offers and understand the barriers they face, using the CSE's Smart & Fair Offer Profiling Tool (OPT).
- Identifying potential solutions to address any identified barriers and opportunities to broaden access.

Joint Utilisation Competition (JUC)

We aim to implement a JUC in the future. All flexibility service availability will be assessed consistently based on our Service Selection Principles. For long-term products, we will aim to acquire a specified availability volume with capped utilisation pricing and committed availability payments.

The offered long-term utilisation price will compete with short-term products for the total required utilisation volume to meet immediate network needs. Long-term participants can enter the JUC at their originally offered utilisation price or may submit a reduced price to become more competitive in the short-term market, while the already committed long-term availability price will remain unchanged.

6.2 Areas of less priority

Secondary Trading

Feedback received through our joint consultation with UKPN on **proposals for local flexibility** shows that stakeholders currently see limited value from secondary trading, hence, we are de-prioritising development in this space, allowing us to focus on core areas of market development.

As primary markets for flexibility services mature, we will look to develop processes for secondary trading. This involves shifting an obligation for delivery from one FSP to another. In our processes this would mean changing the organisation and the assets associated with a trade. A key part of secondary trading is matching suitable FSPs and Assets that could trade. We see this as a clear opportunity for a third-party market, with the responsibility of the DSO being to validate a process for the trade once agreed, rather than being the primary facilitator.

7. Data and Publications

We acknowledge there is a significant amount of data and information involved in the procurement of our services, as well as wider DSO processes.

As such we have summarised the key references in this section.

To provide a live view of please refer to our [Document and Data Catalogue](#).

7.1 Distribution Flexibility Services Regulatory Reporting

Publication	Description	Location
Distribution Flexibility Services Procurement Statement	A forward-looking report on how we will procure services in the coming regulatory year.	National Grid Website
		Flexible Power Website
Distribution Flexibility Services Procurement Report	A report, and supporting data table, detailing how and where we have procured flexibility services in the past regulatory year.	National Grid Website
Ongoing Reporting	We publish the outcomes of our Flexibility Service procurement. This is covered by our Procurement Results document.	Flexible Power Website
Evolution of Distribution Flexibility Service Procurement Document and Webinar	Our initial, informal engagement on the changes we would like to make to how we procure flexibility services.	Flexible Power Website
Distribution Flexibility Services Procurement Consultation Document, Webinar and Outcomes	Our formal consultation on changes we have proposed on how we procure flexibility services.	Flexible Power Website
Ofgem Guidance	The Ofgem guidance determining what should be covered in the regulatory reporting.	Ofgem Website

7.2 DSO process (and inputs)

Publication	Description	Location
Long Term Development Statement (LTDS)	The Long Term Development Statement provides an overview of the design and operation of the distribution network, together with data on the 132kV, 66kV and 33kV systems and the transformation levels down to 11kV. This is produced by DNO rather than DSO functions.	National Grid Website (registration needed)
Distribution Future Energy Scenarios (DFES)	The Distribution Future Energy Scenarios outline the range of credible futures for the growth of the distribution network out to 2050.	National Grid Website
Network Development Plan (NDP)	The Network Development Plan provide stakeholders with transparency on network constraints and needs for flexibility. The NDP has been created to present the ‘best view’ of planned asset based and flexible network developments over the five to ten-year period.	National Grid Website
Distribution Network Options Assessment (DNOA)	The Distribution Network Options Assessment (DNOA) is a publication which outlines reasons behind investment decisions made in order to deal with constraints on our network.	National Grid Website

7.3 Flexibility Requirements

Publication	Description	Location
Connected Data Portal	The Connected Data Portal hosts detailed and machine-readable data on our Connected Data Portal. This is a platform for the hosting of datasets across the business. It allows data to be accessed via API, allowing easy processing at scale. We have committed to publishing the data behind the above publications on the portal. This includes, the detailed requirements in each zone as well as the associated geographic postcodes and polygons. It also hosts results of Awarded Trades.	Connected Data Portal
Network Flexibility Map	The Network Flexibility Map includes the availability windows and expected market volumes required for all our DFES scenarios for a five-year period under the Signposting process. Visualisations of the data are available online through the mapping tool and datasets are downloadable. The Network Flexibility Map also presents our firm flexibility requirements which feed into our procurement process. This shorter-term view, gives clarity on our needs and is refreshed every six months in line with our procurement timeline.	National Grid Website
Flexible Power Map	The Flexible Power Map replicates much of the functionality of the Network Flexibility Map but focusses on the requirements against which we will procure. It highlights the required volumes and forecast availability windows. This map is held on the Flexible Power website and hosts data from the other DNOs who are also involved in the Flexible Power Collaboration.	Flexible Power Website
Market Gateway	Our portal for all commercial interactions.	Market Gateway
Procurement results	The results documents provide detailed information on the volumes procured through each cycle.	Flexible Power Website Connected Data Portal
Post Code Checker	A simple look up tool to assess the allocation of postcodes to CMZs. The background data is available as an excel sheet and on the connected data portal.	Flexible Power Website Connected Data Portal
Revenue Estimator Tool	A tool to provide a view on the maximum potential revenue available to a provider.	Flexible Power Website
Flexibility Zone Activity Timetable	A spreadsheet detailing which months of the year each zone has a requirement for provider availability.	Flexible Power Website



7.4 Flexibility Process

Publication	Description	Location
Procurement & Engagement Timetable	This document provides the proposed procurement window dates and the surrounding market engagement.	Flexible Power Website
National Grid Guidance for Electricity Distribution Service Providers	Our Consolidated guidance on how we procure flexibility services.	Flexible Power Website
NGED_ENA Standard Flexibility Services Agreement	The latest version of the T&Cs applicable to our Procurement of Flexibility Services.	Flexible Power Website
On Track to Trade - Webinar	Slides and Recording on our Webinars on how to participate in our services.	Flexible Power Website
Flexible Power Payment Mechanics	An overview of the Flexible Power Payment Mechanics.	Flexible Power Website
Flexible Power Example Event Performance Report	An example of the performance report created post a response event.	Flexible Power Website
Flexible Power Example Monthly Invoice	An example of the monthly invoice created at the end of each month.	Flexible Power Website
Flexible Power Example Event Earnings Report	An example of the payment breakdown of utilisation earnings created post a response event.	Flexible Power Website
Flexible Power Nominated Baseline values	The values used for our nominated baselines.	Flexible Power Website

7.5 Flexibility Updates

Publication	Description	Location
Flexibility Update Service	A mailing list to receive Updates on our Flexibility Services.	Email Sign up at: Contact NGED (flexiblepower.co.uk)

7.6 Other relevant information

Topic	Description	Location
Open Networks	An overview of the Open Networks Project and all the relevant documentation.	ENA Website
RDPs	Overviews of the Regional Development Programmes.	National Grid ESO website
		National Grid website
Innovation	An overview of the National Grid Electricity Distribution innovation portfolio.	National Grid Website

Appendix A

NGED implementation of common products

Name	Common Product Parameter	Scheduled Utilisation	Scheduled Availability, Operational Utilisation - Day ahead notice	Operational Utilisation - 15 min response time
Structure	Payment Structure	Utilisation Only	Availability and Utilisation	Utilisation Only
	When prices are set (procurement timescales)	At trade	At trade	At trade
Availability	Availability Request Mechanism	N/A	Request initiated by DNO	N/A
	Availability Acceptance timing		At trade	
	Availability Refinement timing		Not allowed	
	Availability Changes Allowed?		No	
	Minimum Aggregate Unit Size		N/A	
	Partial Availability Acceptance Possible?		No	
	Time Variable Availability Volumes Allowed		No	
	Availability Payment Unit		£/MW/H	
	Availability Period		Settlement Periods	
Utilisation	Utilisation Payment Unit	£/MWh	£/MWh	£/MWh
	Utilisation Period	Blocks/Settlement Periods	Minutes	Minutes
	Delivery Expectation	Continuous	Continuous	Continuous
	Maximum Response Time	N/A	N/A	15 mins
	Payments during response time?	No	No	No
	Minimum Utilisation Time	30 mins	30 mins	30 mins
	Minimum Utilisation Volume	N/A	N/A	N/A
	Utilisation Instruction Timings	At trade	Operational - Day Ahead	Real Time
	Partial Utilisation Instruction possible	No	No	No
	Time Variable Utilisation Volumes Allowed	No	No	No

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