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## Evolution of the Standard Agreement Working Group Session

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Meeting number	<b>4</b>	Venue	<b>Virtual via MS Teams</b>
Date of meeting	<b>16 July 2025 – 10 am – 12 pm</b>	Classification	<b>Public</b>

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### Summary

#### 1. Welcome and Summary of Previous Workgroup session

- 1.1 The Chair welcomed attendees to the fourth meeting of the Flexibility Market Rules Working Group and introduced the Elexon team. The Chair then presented the agenda for the session and provided a brief summary of the previous workgroup meeting, which included discussion on the phased approach to implementation, the latest prioritised issue log, and the key changes targeted for Day 1, namely enabling flexibility market rules, access rights, and change of ownership.

#### 2. Update on Proposed Changes

- 2.1 Elexon provided an overview of the proposed changes to the Standard Agreement and associated documents, focused on supporting the future introduction of the Flexibility Market Rules. These changes include introducing new definitions for terms such as “Market Facilitator” and “Flexibility Market Catalogue,” amending existing definitions, and separating out rules into specific documents.
- 2.2 Elexon explained that legal drafting now includes references in the Service Terms to the Flexibility Market Rules, with a proposed interim approach for defining “Contract Call Off.” Attendees were invited to provide feedback on the clarity and suitability of this term.
- 2.3 Regarding Access Rights, Elexon shared a ‘minded to’ position to remove the existing requirement for site access in the Standard Agreement and Service Terms, pending the outcome of an impact assessment from System Operators.
- 2.4 On Change of Ownership, Elexon confirmed the removal of clause 11.5 and retention of 11.6, reflecting discussions from the last session. This change is aimed at ensuring requirements are proportionate and focused on due diligence of the Provider, rather than the site.
- 2.5 Attendees discussed the clarity, benefits, and implementation timeline of these proposals. Questions were raised on definitions and drafting, and feedback was invited, particularly in areas where DSOs may adopt different terms or practices.

#### 3. Review of the Change Process

- 3.1 Elexon provided an overview of the end-to-end change process for updating the Flexibility Market Rules and associated documentation, using a high-level diagram. The change process includes inputs from Flexibility Service Providers (FSPs), System Operators (SOs), and other stakeholders via working groups, impact assessments, and consultation.
- 3.2 Elexon explained that decisions on changes would be made centrally, and if any change affects the Service Terms or Standard Agreement, the responsibility for managing those changes would lie with the relevant SO. The implementation timeline will be set out clearly and tracked by Elexon, and fields will be added to rules to support proportionate reporting.
- 3.3 Attendees sought clarity on whether future changes would require re-signing of contracts with FSPs. Elexon responded that this would be determined by the SOs based on the materiality of the changes, and urged SOs to feed this into the implementation timeline planning process.

- 3.4 Elexon noted that significant commercial delays might prompt further review of the implementation process. While April 2026 was highlighted as a likely go-live date for the new rules, Elexon clarified that early voluntary adoption before formal implementation could be possible, though care should be taken to avoid confusion during the winter period.
- 3.5 Elexon reiterated the importance of balancing speed and practicality when implementing changes, and welcomed feedback on how to improve or adapt the timeline where appropriate. The finalised market rules are expected by November following consultation and review.

#### **4. Review of Issue Prioritisation**

- 4.1 Elexon explained that the issue log would be uploaded to a collaboration tool to allow stakeholders to view, comment, and upvote/downvote issues. This aims to support clear prioritisation ahead of the September consultation phase.
- 4.2 Attendees were encouraged to review the issue log over summer. Elexon emphasised that although only a subset of issues can be tackled next, early input on both issues and potential solutions would help shape discussions.
- 4.3 Elexon acknowledged that remaining issues are more complex than those addressed previously and may require broader process alignment before legal terms can be updated.
- 4.4 Attendees were invited to reflect on what “good enough” looks like in resolving variations, with the aim of gradually reducing the need for bespoke terms in the Standard Agreement, though Service Terms may continue to vary for some time.
- 4.5 Elexon committed to maintaining transparency by sharing the issue log and prioritisation approach, and will continue engagement in September.

#### **5. Next Steps**

- 5.1 Elexon confirmed that summary notes from the session would be shared within 5 working days, and inputs from attendees would be reviewed to support next steps.
- 5.2 Elexon noted the next scheduled workgroup meeting for 6 August may be cancelled to focus efforts on finalising consultation documents. The group is expected to reconvene in September to prioritise the next batch of issues.
- 5.3 The timeline for the programme was discussed:
  - a) Early work focused on clarifying the value and desired end state of aligned legal agreements.
  - b) Batch 1 implementation is underway, including legal drafting (July), consultation (Aug/Sept), and review of responses (Sept/Oct) with final rules expected by Oct/Nov.
  - c) Batch 2 will follow with timings to be confirmed.
- 5.4 Attendees suggested that workgroup members could provide early feedback on consultation questions ahead of their release, even if a full August meeting is cancelled. Elexon agreed to explore this option and confirmed it would not delay progress.
- 5.5 There was discussion about version control and access to historic versions of the Standard Agreement and Service Terms. Elexon confirmed that previous versions would remain accessible and clearly marked with effective dates, with further discussions to take place offline to accommodate legal and practical considerations.