

Ways of working

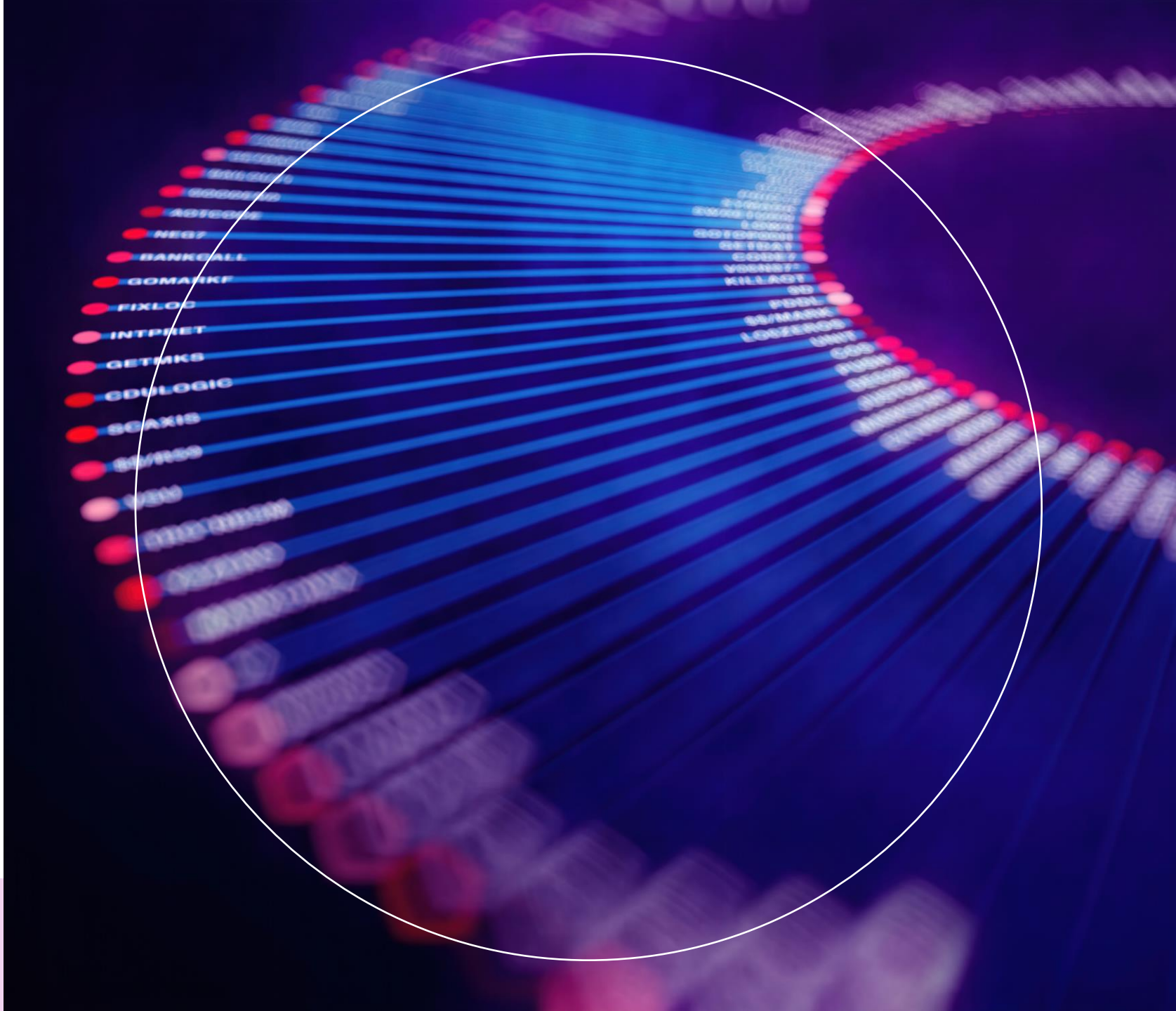
- The meeting will be recorded to aid notes taking and will not be shared outside Elexon.
- You should have received and invite to access the board via email. Please click and sign up to allow full participation.
- Please also engage by raising hands and commenting using the chat function
- We encourage attendees to **use video**, where bandwidth allows, especially when speaking
 - **Please mute when not speaking:**
 - Minimise background noise to maintain focus
 - Use the Teams chat if you are having problems with the camera
- Stay on topic: Keep contributions relevant to the agenda
- Respect all perspectives: Foster a collaborative and inclusive environment
- We may adapt these ways of working as we progress, building on learning. Please feedback on how we can run the session as effectively as possible.

Flexibility Market Rules Working
Groups

Evolution of the Flexibility Services Standard Agreement

Meeting 5

09 September 2025



Agenda

- Welcome – 5 mins
- Recap of progress to date – 5 mins
- Review of prioritisation - 20 mins
- Potential ways forward on key topics- 20 mins
- Next steps - 5 mins



01

Welcome & Introductions

Elexon Team



Ayo Bammeke

Senior Change Lead

Chair and Technical Secretary



Matt Watson

Senior Market Design Advisor

SME

02

Recap of progress to date

Progress to date

Phase	Task	Timing
Clarify approach to evolution of the Standard Agreement	Clarify the value of aligned legal agreements for the provision of flexibility services & Develop the desired end state of such legal agreements.	April
	Identify any specific issues and determine approach to rectification	May
Implement changes - batch 1 For Day 1 go-live	Determine specific resolution to each issue	June
	Legal drafting	July
	Flexibility Market Rule consultation	Sept
	Review of consultation responses	Oct
	Final rules	Nov/Dec
Batch 2	Selection of next changes	Sept/Oct
	Progress against options	Oct/Nov

- We want to see if we can make progress over Autumn on the next batch.
- Focus of 2026 will depend on the outcome of our Delivery Planning work.

03

Latest view on Issues and prioritisation

Overview of backlog

We are now hosting the backlog on **Github**.
This is an interim measure as we develop an enduring collaboration tool & repository.

Github basics:

- Core market facilitator page [here](#).
- Navigation can be done via files but is also covered in the readme's.
- Split into FMAR and Flex market rules.
- [Evolution of Standard Agreement](#) page has all the working group slides and summary notes.
- There is also a link to the [backlog](#). This gives an overview of all the issues and their prioritisation. You can comment on these and upvote them (you will need to sign in to do this).
- You can raise a new issue [here](#).

The market facilitator team will administer all changes to issues.

Evolution of the Standard Agreement

Backlog Status Priority & Size

Filter by keyword or by field

Column	Count	Estimate	Description	Priority	Size
Todo	0 / 50	0	This item hasn't been started		
In Progress	0 / 10	0	This is actively being worked on		
	Market-Facilitator #45		Flexibility Market Rule Issue: Accommodating Market Facilitator and Flexibility Market Rules	High	M
	Market-Facilitator #43		Flexibility Market Rule Issue: Site Access Rites	Medium	S
	Market-Facilitator #44		Flexibility Market Rule Issue: Change of Ownership	Medium	S
	Market-Facilitator #33		Flexibility Market Rule Issue: Different Credit requirements	Low	M
Under Implementation	0	0			
	Market-Facilitator #32		Flexibility Market Rule Issue: Onerous Credit Requirements	Low	M
	Market-Facilitator #34		Flexibility Market Rule Issue: Unclear disclosure terms	Low	S
	Market-Facilitator #35		Flexibility Market Rule Issue: Unclear warranties	Low	S

Github demo

Medium priority issues identified

There are 4 key themes in the medium priority issues.

Area	Issues	Thoughts on routes for progression
Liabilities	Scale, difference...	A key topic for this group
Audit requirements	Scale	A key topic for this group
Cyber requirements	Different and Onerous requirements	Is this a purely legal matter? Does this require specific expertise outside of this group? Does it interact with the load control licencing work?
Asset Management	No process for managing disputes over assets	Should be taken forwards via FMAR

Questions:

- are there other issues of higher priority?
- Do you agree with our thoughts on progression?

04

Initial thoughts on way forwards

Liabilities

Issues:

- Scale of liabilities
- Consistency (NGED vary the terms to reduce liabilities)

Area	Pro	Con
Push use of current standard terms (alignment to higher liabilities)	Aligned approach	Increase in liabilities for NGED FSPs. Raising barriers to entry
Alignment to lower liabilities	Lower barrier to entry	Who holds the additional risk on SOs?
Choice of 2 standard options	Semi Aligned	Semi Aligned
Move liabilities to Service terms	General Terms more aligned. Can move towards removing variations	Pushes problems to a different document

Question

- Do you see any alternative approaches?
- Do you agree with our reasoning?
- For SOs: How did you arrive at your current Liability positions?
- For FSPs: are there equivalent contracts with lower liability positions?

Audit Rights

The General Terms contain robust audit rights.

The core question is:

- Are these appropriate or overly onerous?

To support this, we need evidence to understand if these terms are good practice or not.

Question

- Are there examples of different rights used in similar situations?
- Are there examples of similar rights used in different situations?

4. Record and Audits

- 4.1. The Provider shall keep proper and accurate records of all matters relating to the performance of its obligations under the Agreement.
- 4.2. The records shall be maintained in a form suitable for audit purposes and shall be retained for any period required by any Applicable Law, and in any event, for the Term of the Agreement and for a period of no less than:
 - 4.2.1. seven (7) years after expiry or termination of the Agreement where such records contain or relate to financial data and/or Contract Data; or
 - 4.2.2. unless specified otherwise in the Annexes, four (4) years after expiry or termination of the Agreement where such records relate to Performance Data.
- 4.3. The Company, or a reputable independent third-party auditor nominated by it, may, on reasonable notice, and in any event on not less than fifteen (15) Business Days' (or such other period as may be specified in the Service Terms or required by Applicable Law) notice, to the Provider and during normal working hours, inspect and review the records, as described in paragraph 4.2, for the purposes of verifying the Provider's compliance with its obligations under the Agreement and/or to meet any other audit or information requirement that may be required by Applicable Law and/or any regulatory body, including the Authority.
- 4.4. The Provider shall co-operate fully and promptly with any such audit and/or inspection conducted by the Company and provide such reasonable assistance as may be required by the Company in relation to any audit.
- 4.5. The Provider shall ensure that all paperwork issued by or on behalf of the Provider to the Company (including, without limitation, invoices, correspondence and delivery notes), is complete, accurate and clearly references any other appropriate and necessary information.

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Next Steps

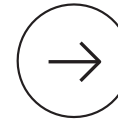
Next Steps

- We aim to share the summary notes within 5WD.
- We will process the inputs from today's meeting
- The next workgroup meeting was due for 21st of October. We will focus on reviewing any consultation feedback and the new issues.

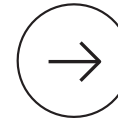
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Thank you

ELEXON



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[Market Facilitator Website](#)



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