Public

30-minute procurement

Pre Read for April 2026 Webinar

NESO
National Energy System Operator

30-minute procurement of Dynamic Response

In March 2026 we introduced some of our thinking on procuring the Dynamic Response Services (DX), which are currently procured in EFA blocks, in 30-minute service windows, i.e Settlement Periods (SP).

Since then, we have consulted on Continuous Transition Periods, which will be essential to 30-minute procurement.

We are now considering the impacts on State of Energy (SOE) monitoring and have developed the options explored in this document.

Please note that the following slides are intended as outlines rather than in-depth service design of the options under consideration. Details are subject to change, and NESO would welcome any feedback

Current SOE Management

The current SOE guidance can be simplified to the below – the complete guidance can be found here.

In SP1 of the EFA, units must begin their contract with the **Contracted Response Energy Volume** (REV).

In SPs 2,3 and 4 of the EFA block, units are expected to have a minimum SOE which is based on the expected delivery for each service for SP(*n-1*) – this is a single value for each direction if there are stacked services.

In SPs 5-8 there is an additional requirement of recovering the **Energy Recovery Volume** (ER), which is usually the energy Delivery in SP*n-4*.

EFA 1 → EFA 2

SP1	SP2	SP3	SP4	SP5	SP6	SP7	SP8	SP9	…
REV	**REV** *minus* delivery in SP1	SOE start SP2 *minus* delivery in SP2	SOE start SP3 - delivery in SP3	SOE start SP4 - delivery in SP4	SOE start SP5 - delivery in SP5 + **ER**	SOE start SP6 - delivery in SP6 + **ER**	SOE start SP7 - delivery in SP7 + **ER**	**REV**	

$$REV = \frac{15\ (DC)\ or\ 30\ (DM)\ or\ 60\ (DR)}{60} \times Contracted\ Volume$$

ER: usually this is the energy Delivery in SP*n-4*

Option 1: Independent Settlement Periods

Providers enter each SP with a predetermined volume, REV. This is the only requirement for every SP. The REV formula would be modified to account for the change in delivery period.

For this proposal the k-factor would be independent for every SP.

Change in volume/service/ direction

Change in volume/service/ direction

SP1	SP2	SP3	SP4	SP5	SP6	…	SP30	SP31	…
REV	REV	REV	REV	REV	REV		REV	REV	

$$REV = \frac{15 \text{ or } 30 \text{ or } 60}{60} \times \text{Contracted Volume}$$

The REV calculation modified. For example, it could be divided by 30 rather than 60, to reflect the shorter delivery window

Option 2: Indefinite Contiguous Periods

Energy recovery rules are changed so providers can deliver the service with no reset for REV regardless of contracted volume change. Each direction is treated independently and the minimum SOE for the start of a settlement periods is generalized so an uncontracted duration does not impact calculations.

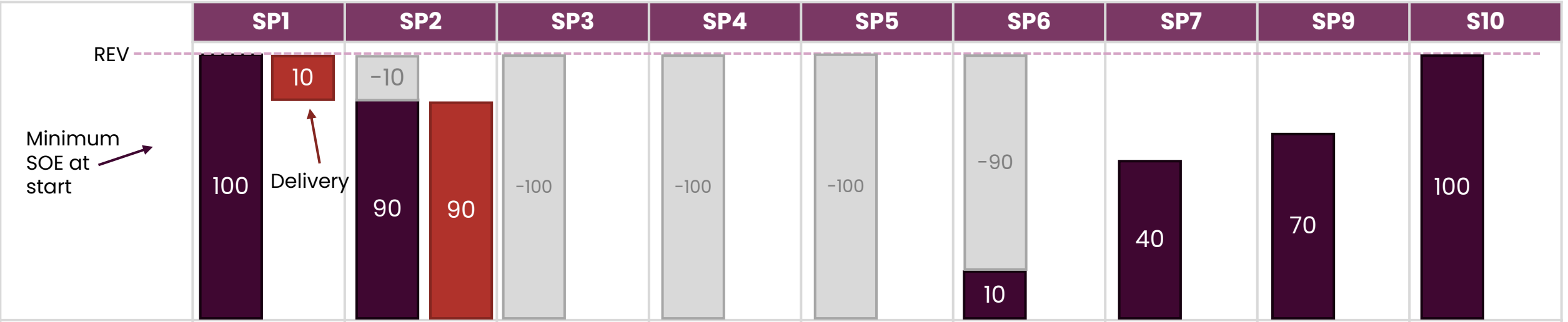
MSOE at the start of SP*n* =
REV for SP*n* - Delivery in SP*n-4* through SP*n-1* –
max(delivery in SP*n-5* - 30% of REV in SP*n-5*, 0) -max(delivery in SP*n-6* - 60% of REV in SP*n-6*, 0)

For simplicity we are assuming no delivery in the 6 SPs prior to SP1 in the below example.

SP1	SP2	SP3	SP4	SP5	SP6	SP7	...	SP25	SP26
REV for SP1	REV for SP2 *minus* delivery SP1	REV for SP3 *minus* delivery (SP1 to SP2)	REV for SP4 - delivery (SP1 to SP3)	REV for SP5 - delivery (SP1 to SP4)	REV for SP6 - delivery (SP2 to SP5) - Max (delivery SP1-30% REV in SP1, 0)	REV for SP7 - delivery (SP3 to SP6) - Max (delivery SP2-30% REV in SP2, 0) - Max(delivery in SP1 – 60% REV in SP1, 0)		REV for SP25 - delivery (SP21 to SP25) - Max (delivery SP20-30% REV in SP20, 0) - Max(delivery in SP21 – 60% REV in SP21, 0)	REV for SP25 - delivery (SP21 to SP25) - Max (delivery SP21-30% REV in SP20, 0) - Max(delivery in SP22 – 60% REV in SP21, 0)

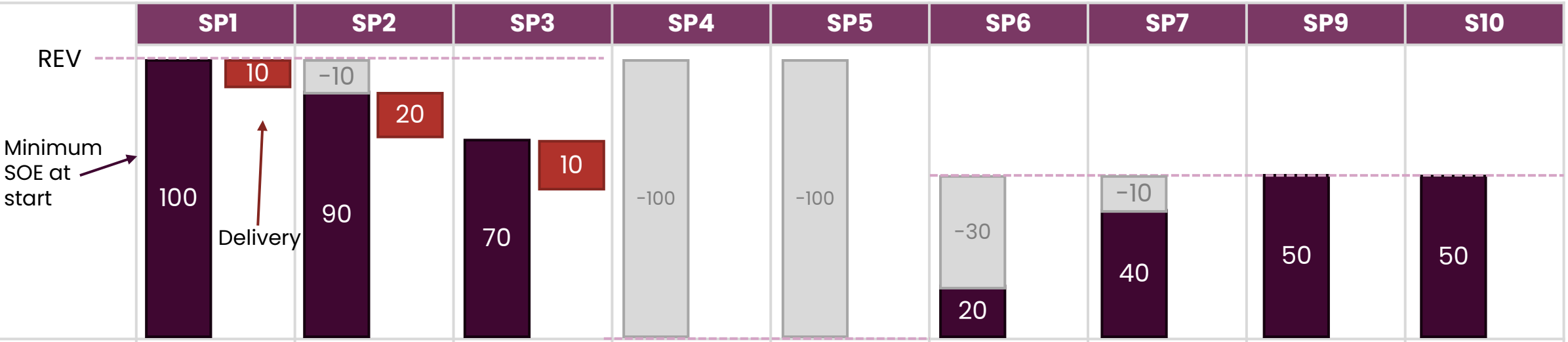
$$\text{REV} = \frac{15 \text{ or } 30 \text{ or } 60}{60} \times \text{Contracted Volume}$$

Option 2: Worked Example 1



	SP1	SP2	SP3	SP4	SP5	SP6	SP7	SP9	S10
REV for SP*n*	100	100	100	100	100	100	100	100	100
-Delivery SP*n-4* to SP*n-1*	-0	-10	-100	-100	-100	-90	-0	0	0
-Max (delivery SP*n-5*-30% REV in SP*n-5*, 0)	-0	-0	-0	-0	-0	-0	-60	0	0
-Max(delivery in SP*n-6*– 60% REV in SP*n-6*, 0)	-0	-0	-0	-0	-0	-0	-0	-30	0
Total	**100**	**90**	**0**	**0**	**0**	**10**	**40**	**70**	**0**

Option 2: Worked Example 2 (changing REV)



	SP1	SP2	SP3	SP4	SP5	SP6	SP7	SP9	S10
REV for SP*n*	100	100	100	0	0	50	50	50	50
-Delivery SP*n-4* to SP*n-1*	-0	-10	-30	-40	-40	-30	-10	0	0
-Max (delivery SP*n-5*-30% REV in SP*n-5*, 0)	-0	-0	-0	-0	-0	-0	-0	0	0
-Max(delivery in SP*n-6*– 60% REV in SP*n-6*, 0)	-0	-0	-0	-0	-0	-0	-0	-0	0
Total	**100**	**90**	**70**	**0**	**0**	**20**	**40**	**50**	**50**

Option 3: SOE Management blocks

The current rules for SOE are generalized and may be applied for contracts with the same volumes in the same direction for 1-8 SPs, with the requirement resetting after , for example, 8SPs.

The SOE and performance monitoring for blocks will be linked – similar to the current arrangements for EFA blocks. Blocks will be independent for each direction (high and low). Blocks will be a maximum of 8 SPs with a REV requirement resetting for the 1st SP of the block and energy recovery periods like the current ones in place for SPs 5-8.

Block changes due to change in volume for one of the services

Block changes as 8SPs of the same volumes have been exceeded

Block changes due to change in volume for the services

SPs	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
DCH	1	1	1	1	1	1	1	1	1	1	1	3	3	3		
DMH	1	2	2	2	2	2	2	2	2	2	2	0	0	0		
DRH	1	1	2	1	1	1	1	1	1	1	1	0	0	0		
DCL	1	1	1	1	1	1	1	1	1	0	0	3	3	3		
DML	2	2	2	2	2	2	2	2	2	0	0	0	0	0		
DRL	1	1	1	1	1	1	1	1	1	0	0	0	0	0		

Block changes as 8SPs of the same volumes have been exceeded

Option 3 continued

For this proposal k-factors and performance monitoring would be aggregated across the SOE Management Block group.

Change in volume/service/ direction

8SPs exceeded

SOE Management Block 1 | SOE Management Block 2 | SOE MB 3

SP1	SP2	SP3	SP4	SP5	SP6	…	SP12	SP10	…
REV	**REV** – delivery in SP1	SOE start SP2 – delivery in SP2	**REV**	**REV** – delivery in SP4	SOE start SP5 – delivery in SP5		SOE start SP11 – delivery in SP11 + **ER**	**REV**	

$$REV = \frac{15 \text{ or } 30 \text{ or } 60}{60} \times \text{Contracted Volume}$$

ER: usually this is the energy Delivery in SP*n-4*

Thank you

The webinar will be held on 22/04/2026 – you can sign up here.

The aim of the webinar will be to start engagement on the aforementioned options, answering questions and gathering feedback.

Please feel free to share any feedback or questions on this content to box.futureofbalancingservices@neso.energy