

Public

# State of Energy (SOE) Management Rules Monitoring and Penalties

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We appreciate that State of Energy (SOE) management is a complex area and have recently received a number of queries regarding the SOE calculations, which we have been responding to with service providers. Please see link to [Q+A document](#). It is important that we addressed all queries, and ensured the integrity of our processes, before finalising the date of enforcement.

Consequently, we can now confirm that the penalties for non-compliance with the SOE Management Rules will be enforced systematically from 1 April 2025.

We have organised two drop-in sessions (one on 26 February 2025 15:00, and another on 5 March 2025 15:00) to address any further questions. Please click the relevant links below to sign up:

- [Sign up for Drop-in Session 1 on 26 February](#)
- [Sign up for Drop-in Session 2 on 5 March](#)

Service Providers should be aware that they have an obligation to abide by the terms of the contracts, even in the absence of monitoring and penalisation.

It is also important to highlight that, in line with Ofgem's [Decision on the National Energy System Operator's Proposed Amendments to the Terms and Conditions Related to Balancing in relation to Dynamic Response Services](#), the conclusion of the grace period took effect from 1 February 2025.

For the avoidance of doubt, the monitoring of SOE management is now in force, and data on non-compliance has been shared with service providers. Now that queries have been responded to, we are expecting compliance well in advance of 1 April. Data and market behaviour relating to non-compliance over the period leading up to 1 April may be used for investigations by the relevant authorities.

As a reminder, we will also be enforcing the long-standing requirement to submit operational baselines from 1 April 2025.