Public

Balancing Programme Forecasting Stakeholder Focus Group

5 June 2025
11:30 - 13:00

NESO
National Energy System Operator

Forecasting Focus Group Agenda

Time	Agenda Item	NESO Presenters	Details
11:30 – 11:35	Welcome & Introductions	**Rich Sykes,** Product Manager (Platform for Energy Forecasting - PEF)	• Aims of the session • Audience participation
11:35 – 11:45	Session 1 Recap	Rich Sykes	Recap on content covered at the 1st of these 2 Forecasting sessions on 21/05
11:45 – 12:00	Stakeholder Insights	**John Walsh**, Forecasting Manager	Playback of insights from stakeholders from session 1 re: NESO Forecasting Strategy goals & factors influencing energy consumption both now and in the future
12:00 – 12:45	Interactive Mural Breakout Session – accessible here.	John Walsh & Rich Sykes	• What new forecasts are needed? • What additional data is required? • What does good look like – KPIs?
12:45 – 12:55	Q&A	John Walsh & Rich Sykes	Please place your questions in the Teams Q&A or raise your hand
12:55 – 13:00	Next Steps	Rich Sykes	• Forecasting Strategy & delivery plan next steps • Future engagement opportunities
13:00 Meeting Close – Thank you for engaging with us			

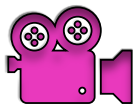
Audience Participation

A key element of this session is the interactive Mural Board – please proactively engage with the board during the allotted time.

There is time allocated to Q&A towards the end of the session - Please post your questions in the Teams Q&A or raise your hand & come off mute ensuring to state both your **name and organisation -** this will enable us to follow up with you after the webinar if necessary.

Out of scope questions will be forwarded on to the appropriate NESO team or expert for a direct response. We may ask you to contact us by email to ensure we have the correct contact details for the response.

If you have any further questions after the Focus Group, please get in contact with us at **box.balancingprogramme@neso.energy**



Today's Forecasting Focus Group will be **recorded and published online** after the session, along with the slide pack.

Public

Session 1 Recap

Rich Sykes

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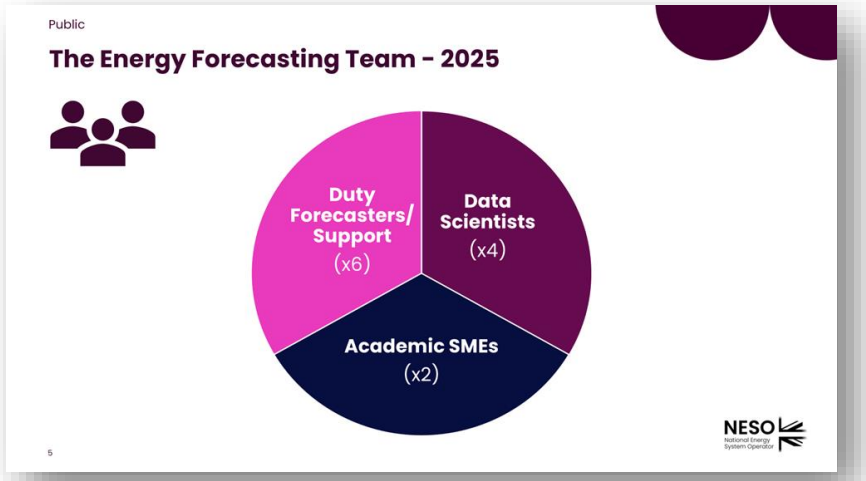
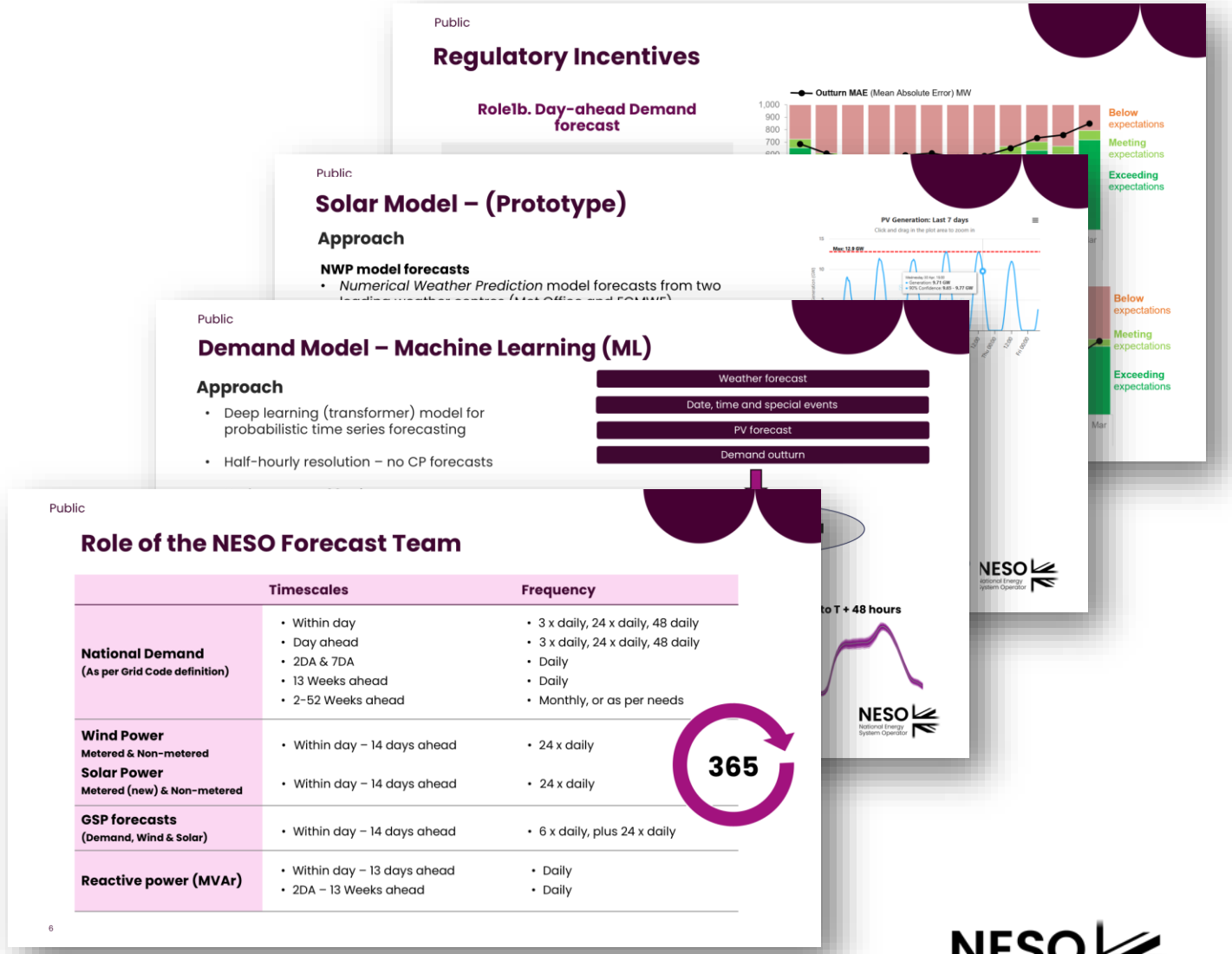
Session 1 Recap

The Current State of Energy Forecasting

- What the Energy Forecasting team do
- Modelling methodology
- Demand challenges
- Regulatory incentives





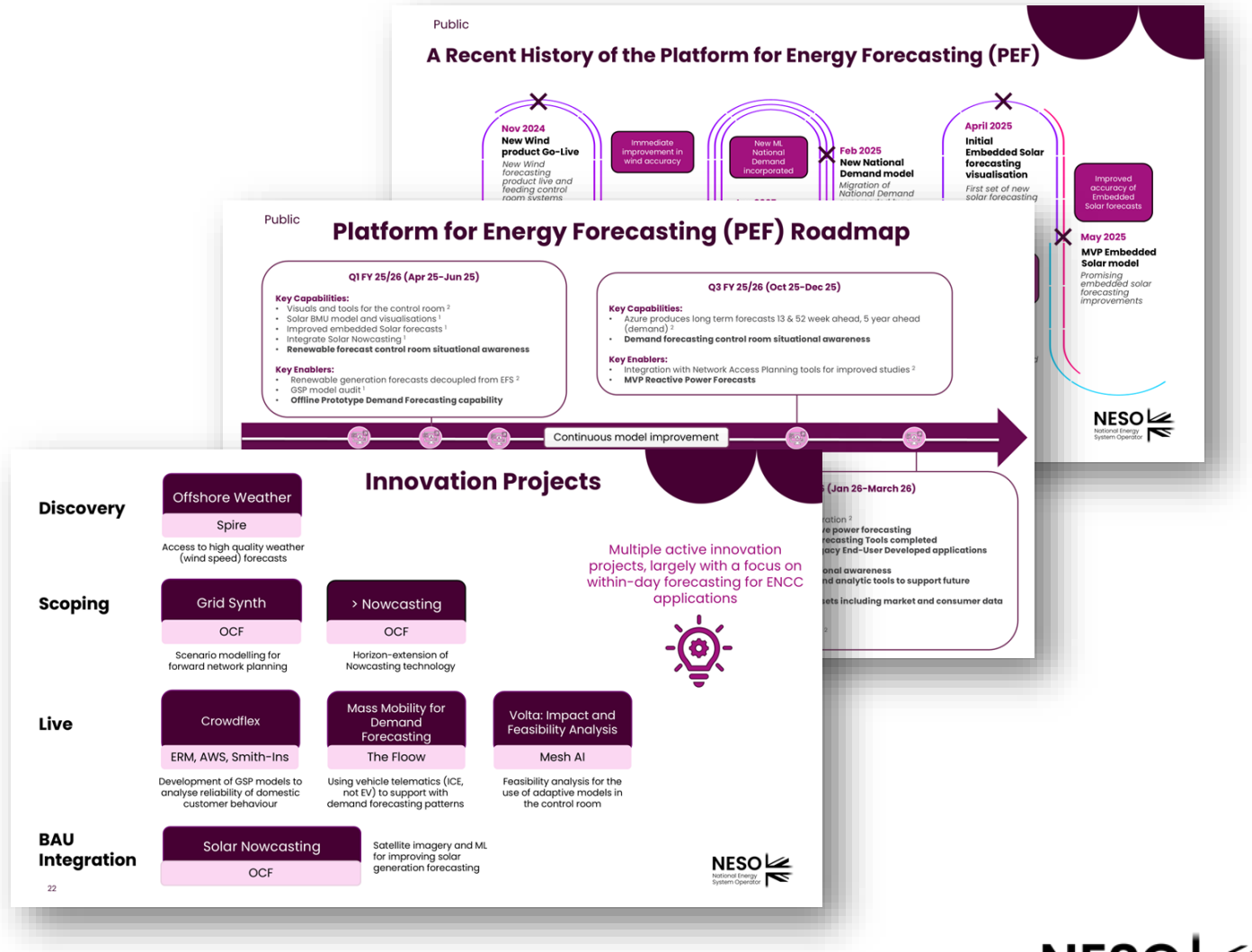
Session 1 Recap

PEF Roadmap

- Brief history of PEF
- Roadmap up to March 2026

Innovation Projects

- High level run through of innovation projects from Discovery to BAU integration



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Session 1 Recap

Forecasting Strategy

- Shared early draft of Forecasting Strategy 3 main goals

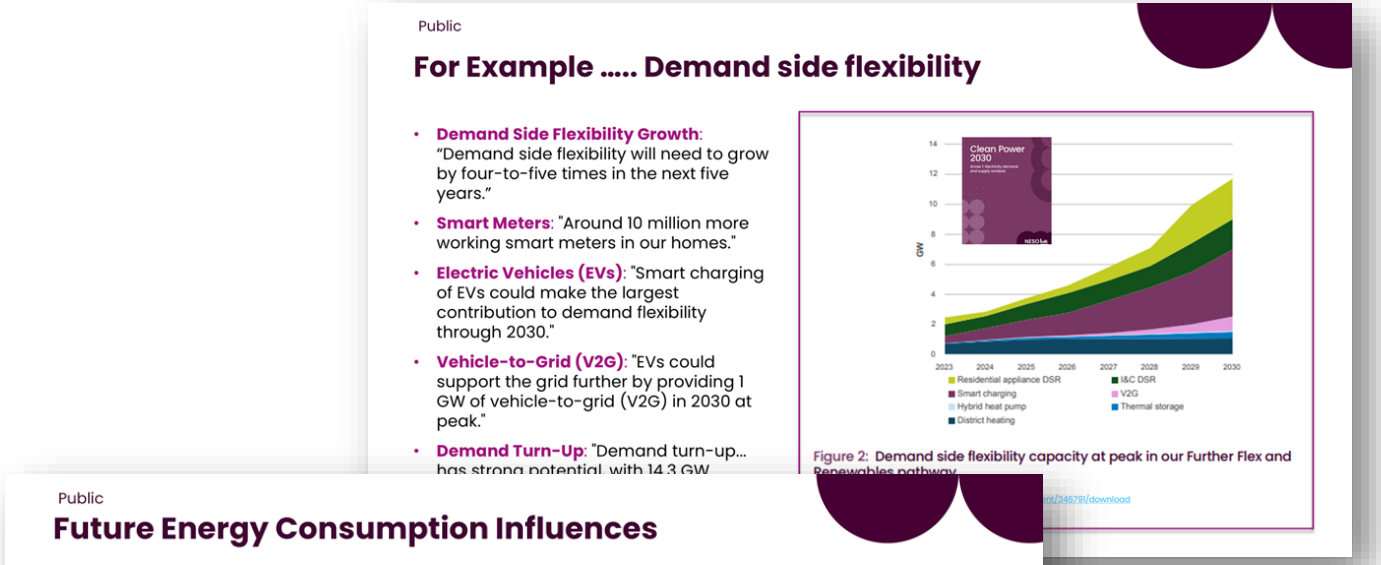
    1. Produce more accurate and informative forecasts
    2. Establish digital infrastructures that unlock value
    3. Increase engagement with suppliers and consumers of forecast data

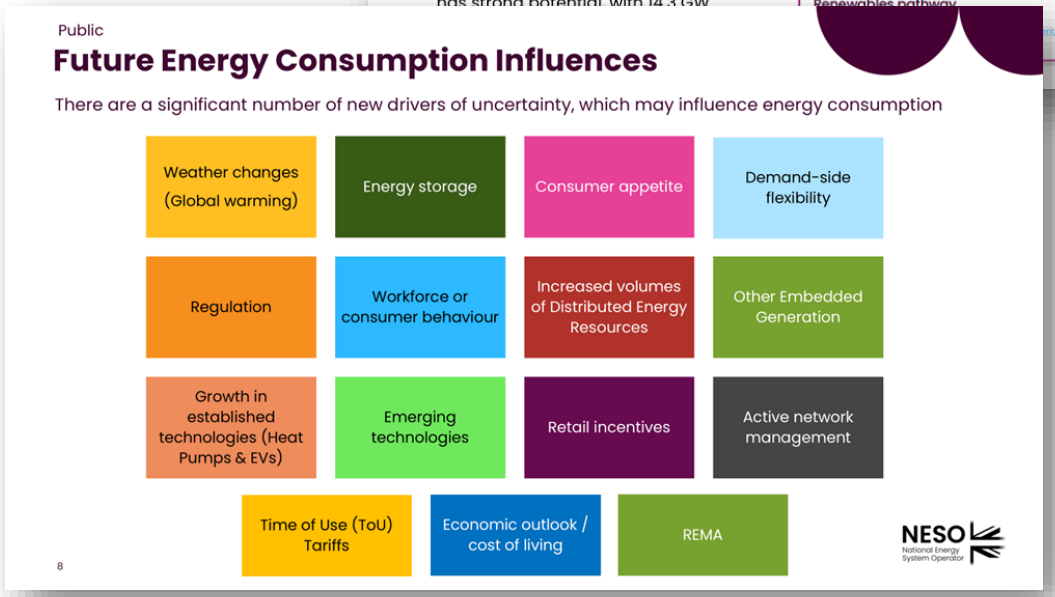
- Interactive session gathering stakeholder feedback

Session 1 Recap

Future Energy Consumption Influences 2026 -2031

- NESO understanding of Future Energy Consumption Influences
- Interactive session gathering stakeholder feedback





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Feedback Playback

What did you tell us re: Forecasting Strategy Goals?

John Walsh

Strategy Goals: What We Heard From You . . . . .

Need for Improved Transparency

- Don't just expand internal capability to ingest inputs
- Feeling that NESO publishes some forecasts but uses others internally, which can make NESO decision-making opaque and confusing
- Want for inputs that flow into the ENCC to flow to publication channels - all working on the same understanding
- Better understanding of the forecasting models used
- Transparency re: what sites are metered vs. not metered
- Require operationally metered wind farms to provide actual wind speed data
- More solar sites to be metered
- NESO to lead in publishing demand forecasts

Additional Data Publication Requirements

- Publish regional forecasts and actuals, not just national – locational awareness is important.
- Publish interconnector forecasts
- Real-time & frequent publication
- Need for data from Distribution Network Operators (DNOs) to support improved understanding of evolving picture of embedded generation / distributed resources
- Need for improved outage & constraint data
- Need for accurate predictions of growing and shifting load profiles, especially with Time-of-Use tariffs
- Improving accuracy using combined models (e.g., GFS from Windy.com with NEMS-GFS), especially for cyclonic systems
- Behind-the-meter storage volumes / usage
- Account for increased variability due to consumer trends and behaviour

Space for Innovation

Create an environment of innovation for NESO data scientists & remove barriers preventing this.

Long-Term Thinking

Need for longer-term thinking as part of the forecasting strategy & roadmap development

How will we use this Information?

Context:

- There are a significant number of **new drivers of uncertainty**, which may influence energy consumption & demand e.g., growth of embedded and flexible assets, retail incentives etc.
- **Growth of wind and solar capacity** - Accurate generation forecasting will be critical for markets and ENCC to operate as efficiently as possible.
- **Forecasting active and reactive power at GSP** and national level is required but complicated by largely unobserved activation of flexibility.

A coherent & co-created Forecasting Strategy is required to ensure we can optimise forecasting accuracy, whilst enabling clean power and consumer value

- **Commitment to produce a NESO Forecasting Strategy in BP3**; these focus groups (21 May & 05 June 2025) are the early engagement touch-points for Industry to input into the shaping & design of the strategy. A consultation will officially be launched on the strategy in Autumn 2025 – this group will be sent the consultation.
- **The strategy will help guide & inform deliverables** on the Platform For Energy Forecasting, and future innovation projects.

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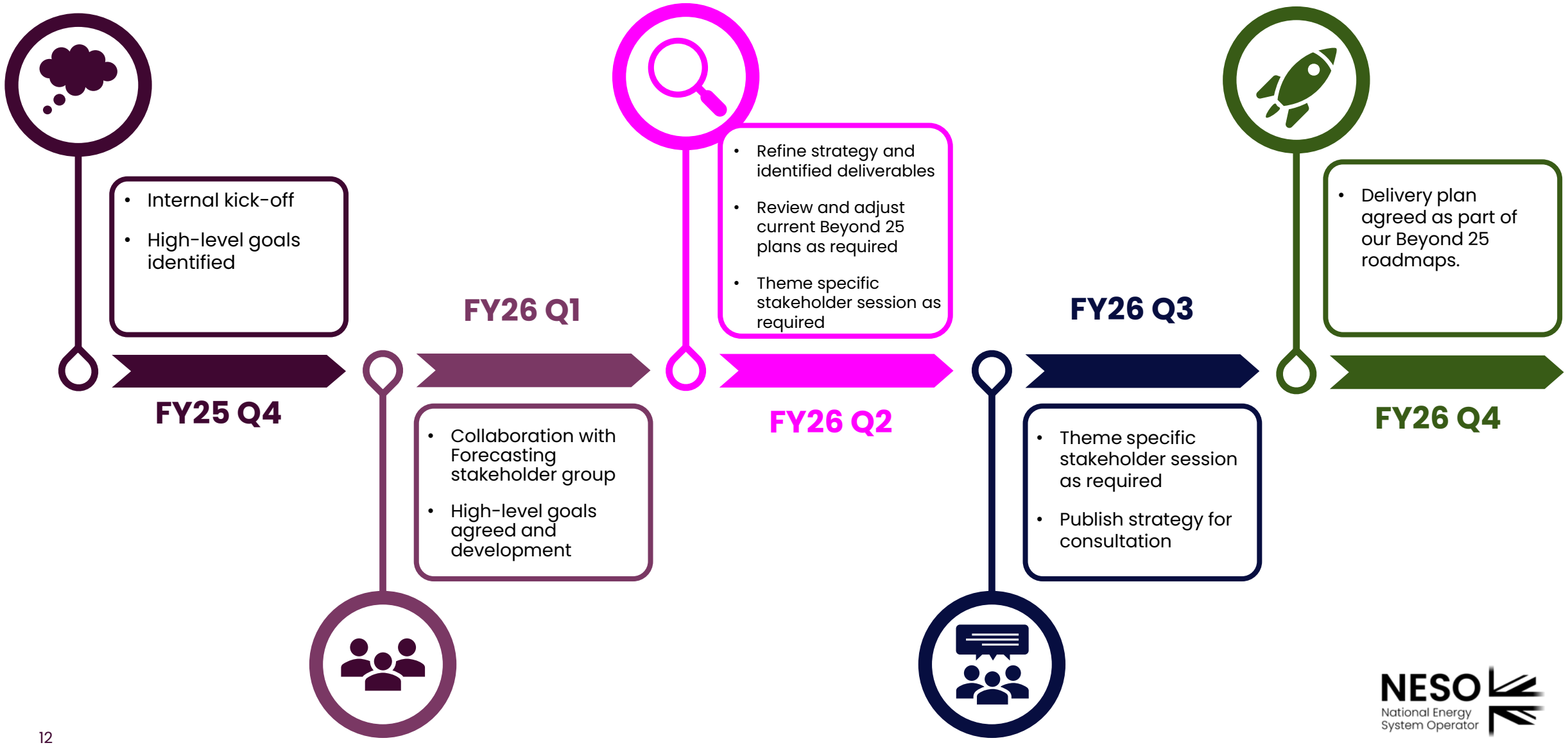
Purpose – NESO Forecasting Strategy & Delivery Plan



Feedback Playback

What did you tell us re: Future Energy Consumption Influences

John Walsh

What we heard re: Future Energy Consumption Influences

Collectively we identified a significant number of drivers of uncertainty, which may influence energy consumption both now & in the future, posing forecasting challenges we need to effectively manage

Regulatory, Economic, & Natural Environment

- Weather changes (Global warming)
- REMA (Review of Electricity Market Arrangements) – potential to influence how systems operate and how distributed generation is sized
- Incentives reshaping how demand is managed and responded to inc. demand-side incentives
- Economic outlook
- Cross-border complexity - Increasing difficulty in managing international energy flows & extra regional load from European consumption is affecting interconnectors.

Consumer Behaviour & Engagement

- Workforce or consumer behaviour
- Retail incentives inc. Time of Use tariffs
- Demand-side flexibility
- Consumer behaviour clustering around half-hourly settlement boundaries
- Behind-the-meter demand aggregator challenges
- Growth/decline of certain industries e.g., data centre growth
- Appetite for self-generation & consumption
- Cost of living

Technological Developments

- Growth and evolution of established technologies (Energy, Storage, Heat Pumps & EVs, Smart appliances etc.) e.g., EV batteries increasing in size, reducing charging frequency - more variability in when and where charging occurs.
- Emerging technologies
- Increased volumes of Distributed Energy Resources
- Active network management

Over to you . . . Let's Discuss Forecasting Technology, Data & Best Practice

10 minutes is allocated to each question for the 3 thematic areas identified – we will pause after each question and reflect on feedback.

1. What new forecasts are required and why (type / regularity / granularity), what problem will it solve?
2. What additional data might be required over the next 6 years that will unlock improved forecasting, and where is it?
3. What might an industry recognised "What does good look like" be? What KPIs could we use to measure progress?

Scan the QR code to interact with the Mural Board

Q&A

Please raise your hand & come off mute or post your question in the Q&A on Teams

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Next Steps

Rich Sykes

Next Steps: Co-Created NESO Forecasting Strategy & Delivery Plan

FY25 Q4

- Internal kick-off
- High-level goals identified

FY26 Q1

- Collaboration with Forecasting stakeholder group
- High-level goals agreed and development

FY26 Q2

- Refine strategy and identified deliverables
- Review and adjust current Beyond 25 plans as required
- Theme specific stakeholder session as required

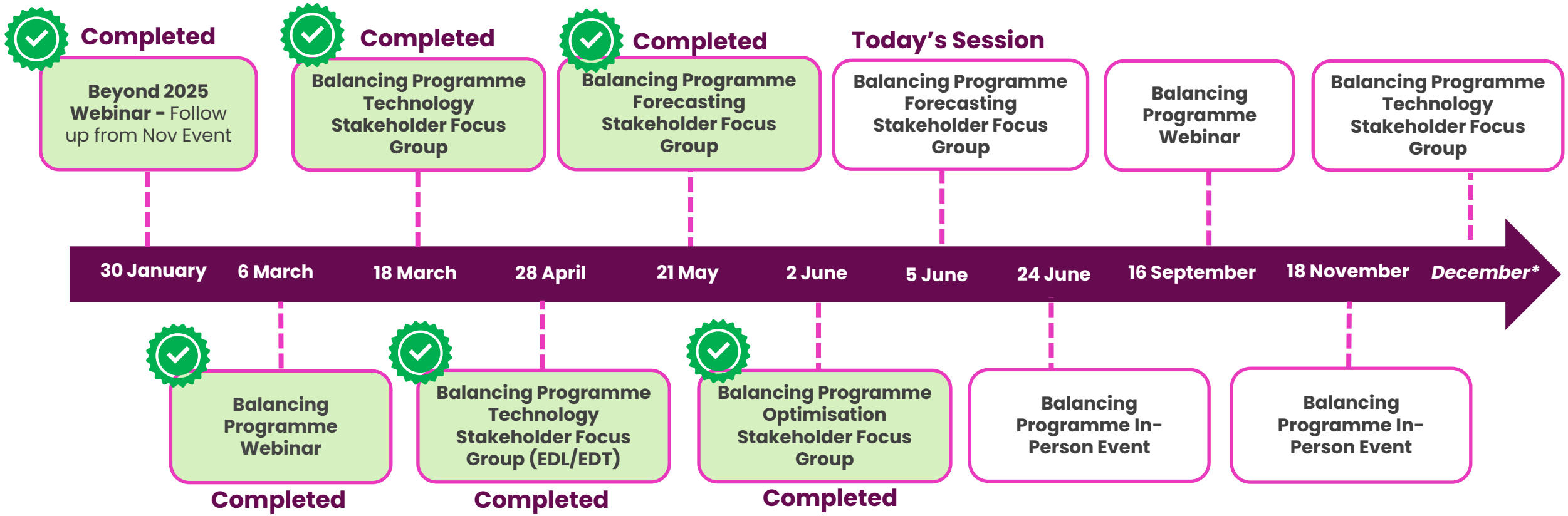
FY26 Q3

- Theme specific stakeholder session as required
- Publish strategy for consultation

FY26 Q4

- Delivery plan agreed as part of our Beyond 25 roadmaps.

2025 External Engagement Timeline



** Exact date TBC*

Balancing Programme **relationship management meetings** throughout 2025 & **external NESO newsletters 'Energising Progress'** with Balancing Programme content issued regularly, providing updates between online & in-person events. **Further Stakeholder Focus Group dates** to be added throughout 2025.

Closing Remarks . . .

We welcome your feedback & questions – please get in contact with us at **box.balancingprogramme@neso.energy**

The recording and slides from today's session will be published on our website by close of this week.

Our 24 June 2025 in-person Balancing Programme Event has reached capacity – if you would like to attend, please register your interest **here** or scan the QR code, and if spaces become available, we will contact you.

24.06.25 Event

Subscribe to our new NESO newsletter **here** - please select **Future of Balancing Services inc. Balancing Programme** to keep up to date.

Sign-up to our other Stakeholder Focus Groups for Technology & Optimisation - **Balancing Programme Stakeholder Focus Groups.**

If you are interested in a regular meeting with a representative from the Programme and would like more information, please get in contact using the email address above.

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