

Public

Electricity Markets Advisory Council

10 June 2025

Agenda

Item	Lead	Time (13:30 – 16:00)
Welcome	Rebecca Beresford (NESO)	13:30 – 13:35 (5 min)
Introductions Members of the EMAC	All	13:35 – 14:00 (25 min)
Markets Roadmap For discussion	Becky Hart (NESO)	14:00 – 14:45 (45 min)
<i>Break</i>		14:45 – 15:00 (15 min)
EMAC Foundations Purpose, Vision and Terms of Reference	Carlos Vallejo (NESO)	15:00 – 15:25 (25 min)
Future Topics For discussion	All	15:25 – 15:55 (30 min)
Close and Next Steps	Rebecca Beresford (NESO)	15:55 – 16:00 (5 min)

Welcome

Introductions

The UK's 2023 Energy Act set the legislative framework for an independent system planner and operator to be set up to help accelerate Great Britain's energy transition, leading to the establishment of the National Energy System Operator (NESO).

Our Primary Duties

NESO will promote the following three objectives:



Net Zero
Enabling the Government to deliver on its legally binding emissions targets.



Efficiency & Economy
Promoting efficient, co-ordinated and economical systems for electricity and gas.



Security of Supply
Ensuring security of supply for current and future customers of electricity and gases.

Our Secondary Duties

NESO will also have regard to:



Facilitating Competition
Creating and maintaining competitive energy markets and networks.



Consumer Impacts
Understanding what changes mean for consumers.



Whole System Impacts
Understanding linkages across systems.



Facilitating Innovation
Creating an environment that enables others to help solve energy challenges.

Our Purpose, Vision And Values



Our purpose is to forge the path to a sustainable future for everyone.



Our vision is a future where everyone has access to reliable, clean and affordable energy; our work will be a catalyst for change across the global community.

Our values are what define us, setting the foundation for our purpose and guiding us as we move towards achieving our vision.



Accelerate Progress

We deliver better outcomes at pace when we take accountability, are courageous and progress the bigger picture.



Be Curious

We achieve more when we demonstrate a growth mindset, being curious, asking questions beyond and within our organisation to develop, learn and innovate.



Build Trust

We build trust when we listen to and understand the needs of our colleagues and customers, are transparent with our actions and deliver on our commitments.

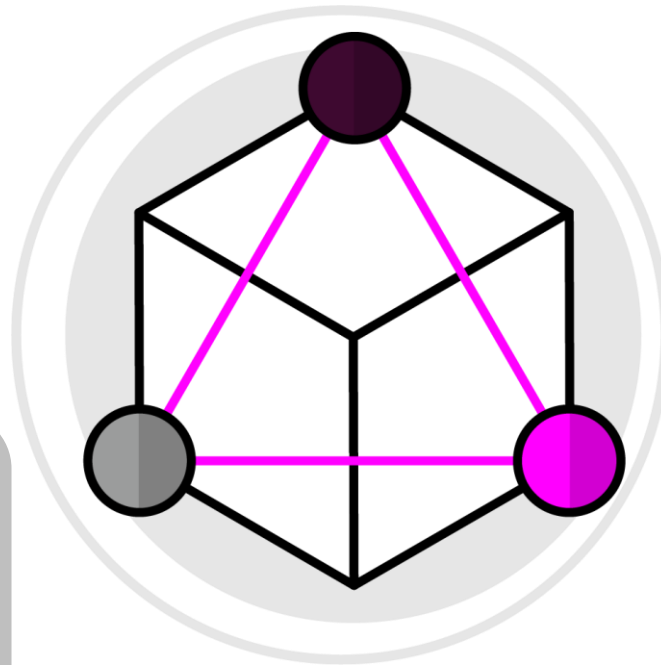


Create Belonging

We perform at our best when we can be our true selves, embrace diversity and are truly inclusive.

Markets at NESO

We **aim** to design market arrangements that facilitate **security of supply at the lowest sustainable cost** for consumers **while enabling the transition to net zero.**



We are working to deliver **competitive, coordinated and coherent** energy markets that result in the most **cost-efficient energy system** and give us the tools and services to **operate in a low-carbon energy landscape.**

We drive **reforms across electricity and gas markets** and **collaborate across the industry** to shape markets of tomorrow.

We need your expertise

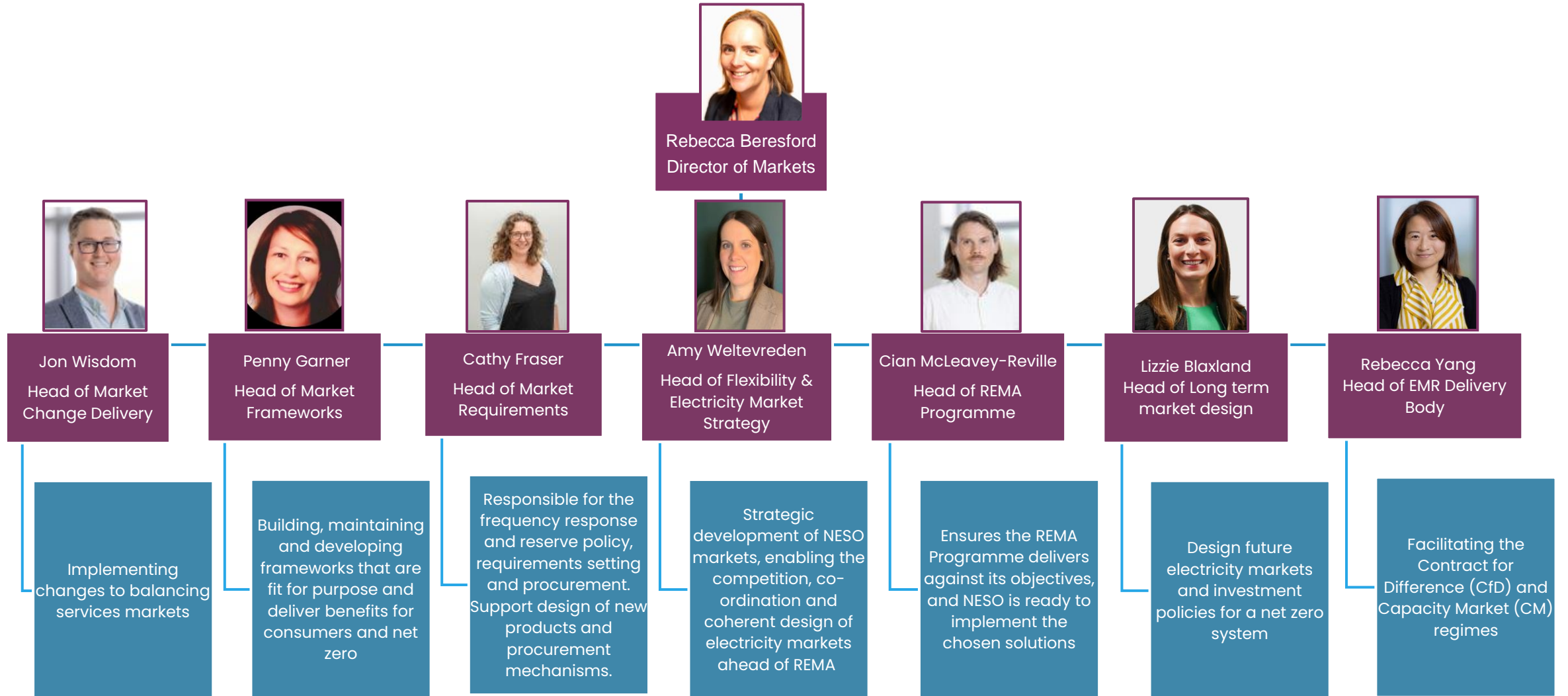
We are working to deliver **competitive, coordinated and coherent** energy markets that result in the most **cost-efficient energy system** and give us the tools and services to **operate in a low-carbon energy landscape**. To do this, we:

Anticipate the whole energy system's future **requirements**

Collaborate internally & externally to implement market, services, and product changes that facilitate the transition to a **secure, affordable, low-carbon energy system in line with policy**

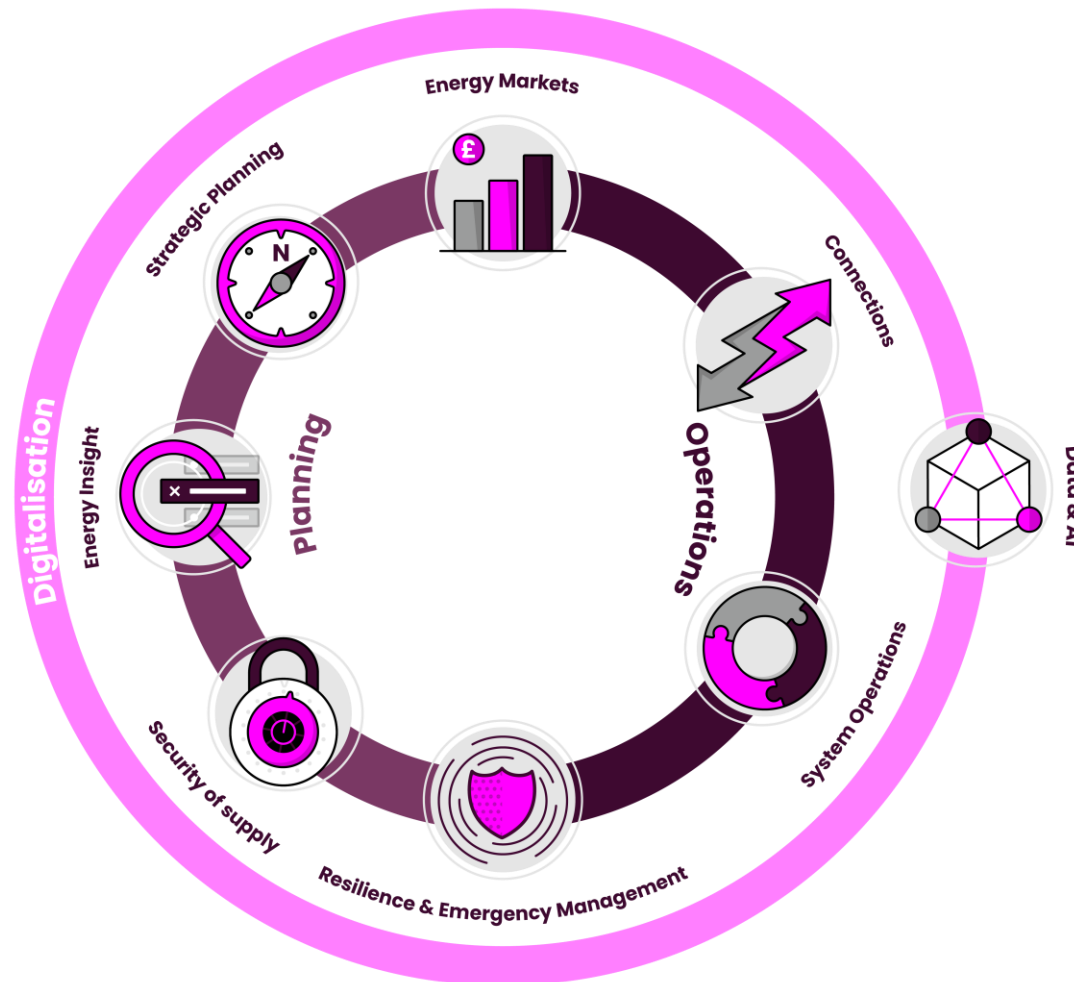
Ensure industry codes, regulations and **frameworks** are future-proofed and provide a pathway for customers to drive change

Markets Leadership Organisation Chart



Collaborative Synergies

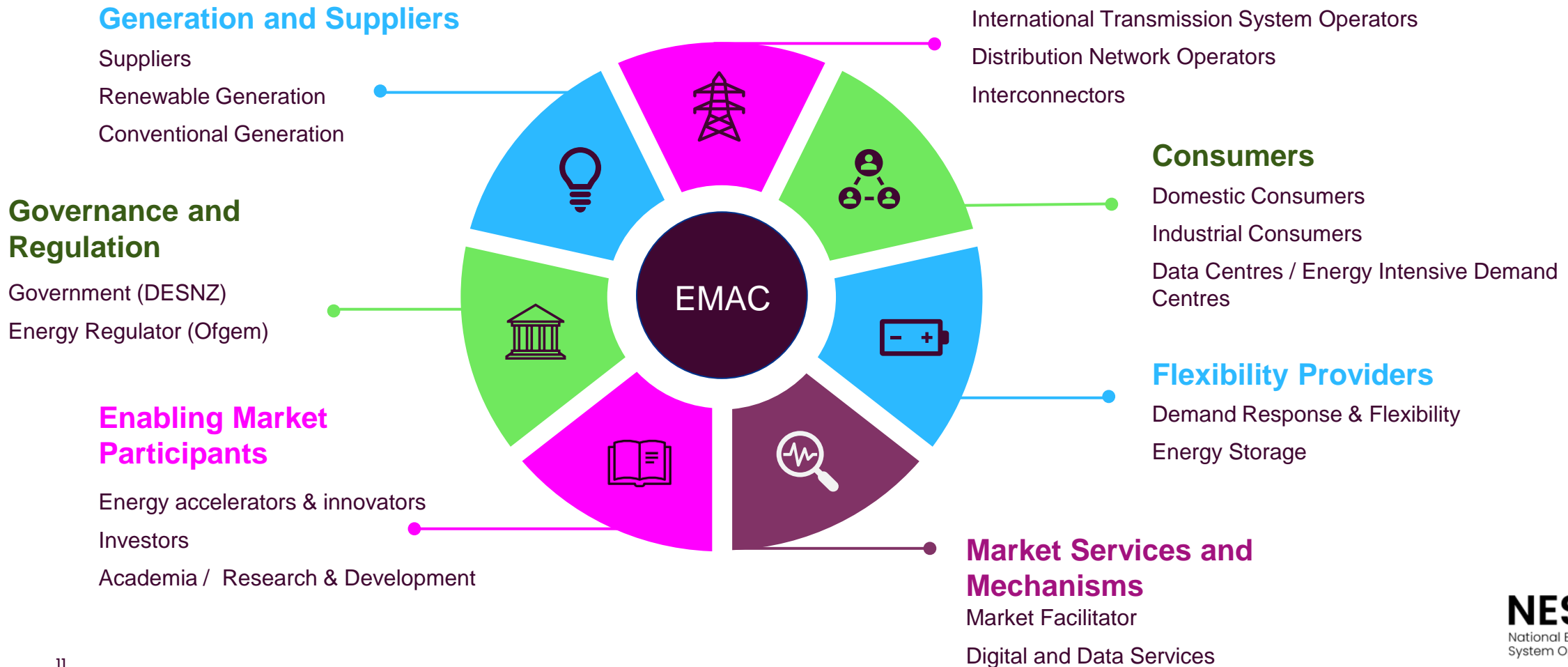
The Markets teams work closely with other NESO Teams to benefit from their insights.



EMAC Members Roundtable

Please introduce yourself – your name, role, and current area of focus

- What are your expectations for the Council?
- What you hope to gain or contribute?



Markets Roadmap

Becky Hart

Agenda



Overview



Summary of key
messages



What next for
the report?

Overview

Objectives of the Markets Roadmap

To give our stakeholders confidence that we are making the right market reform and design decisions.

To provide a clear and transparent view of market reforms in a co-ordinated, coherent way which is accessible.

To share strategic direction for NESO markets and how we are working to enable Clean Power 2030 and sector decarbonisation.

Summary of key messages in 2025

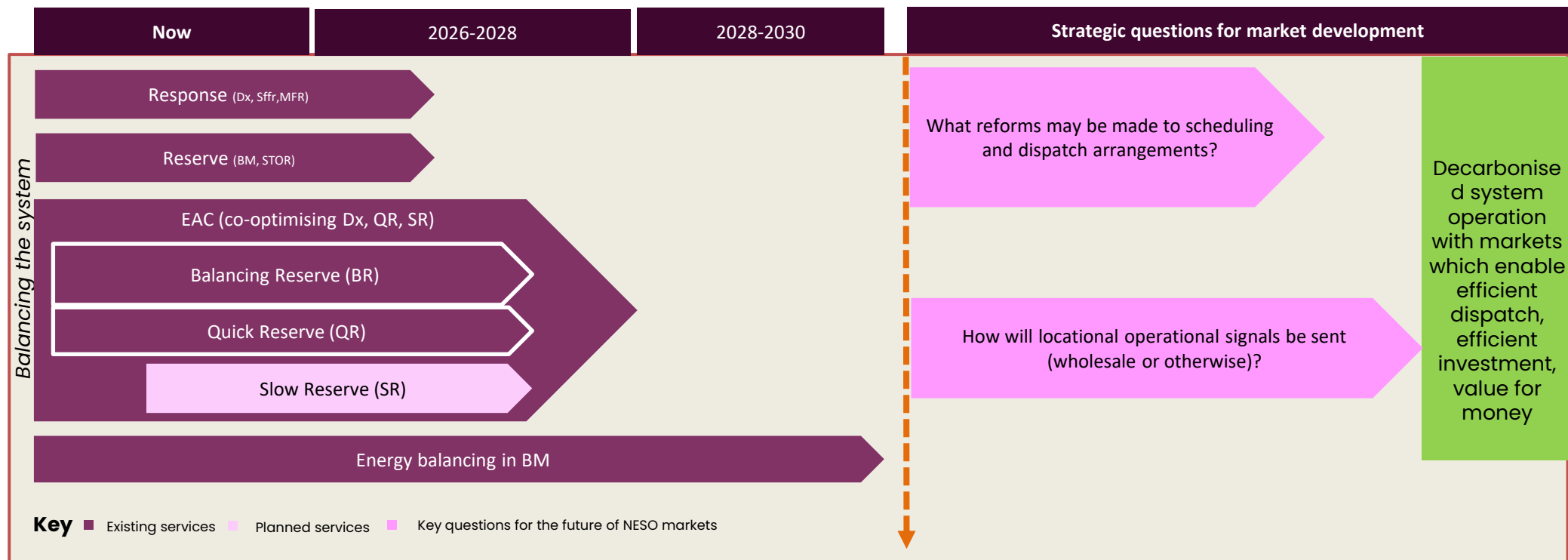
Executive Summary

- Better alignment with the Operability Strategy Report with simultaneous publication
- Report structure and purpose is broadly consistent with previous roadmap documents
- Renewed focus on the energy trilemma and the crucial role of markets
- Introduction of “Overview of System Needs” section responding to stakeholder feedback

Key messages from 2025 report:



Balancing the System – forward looking view

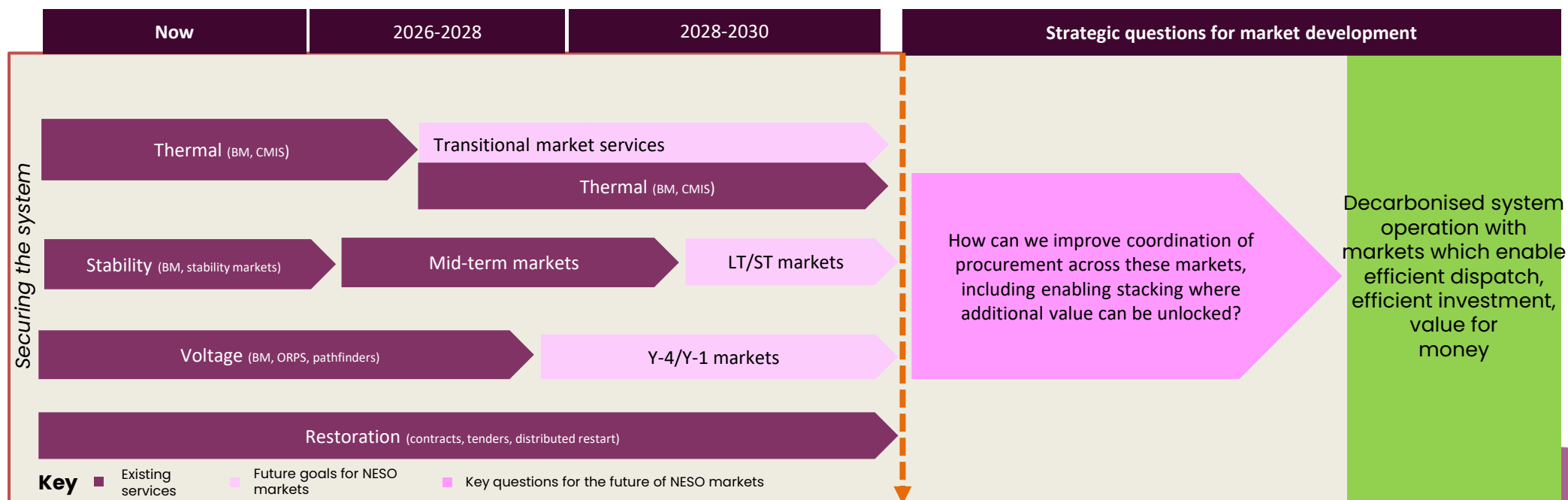


2030 Ambitions

Response and Reserve: Procurement will be co-optimised, with intraday an/or locational procurement if it beneficial to consumers

Energy Balancing: REMA will determine the long-term direction for the BM. In the meantime, we will continue to improve access and ensure level the playing field for participants.

Securing the System – forward looking view



2030 Ambitions

Thermal: A range of market mechanisms to access all types of flexibility assets behind and in front of constraints

Stability: Three stability markets (Y-4, Y-1 and day ahead) providing availability payments to reserve capacity.

Voltage: A variety of means to send investment and dispatch signals for reactive power, including reactive power markets

Restoration: Increased number of restoration service providers, including distributed energy resources procured through competitive service tenders

What next for the Markets Roadmap?

Key questions:

How should the Markets Roadmap evolve now that we're NESO?

How can we improve the Markets Roadmap to make it more useful to market participants?

What means of communication should NESO be using when it comes to communicating about our Markets? Is a long report still relevant?

Break

EMAC Foundations

Purpose, Vision and
Terms of Reference

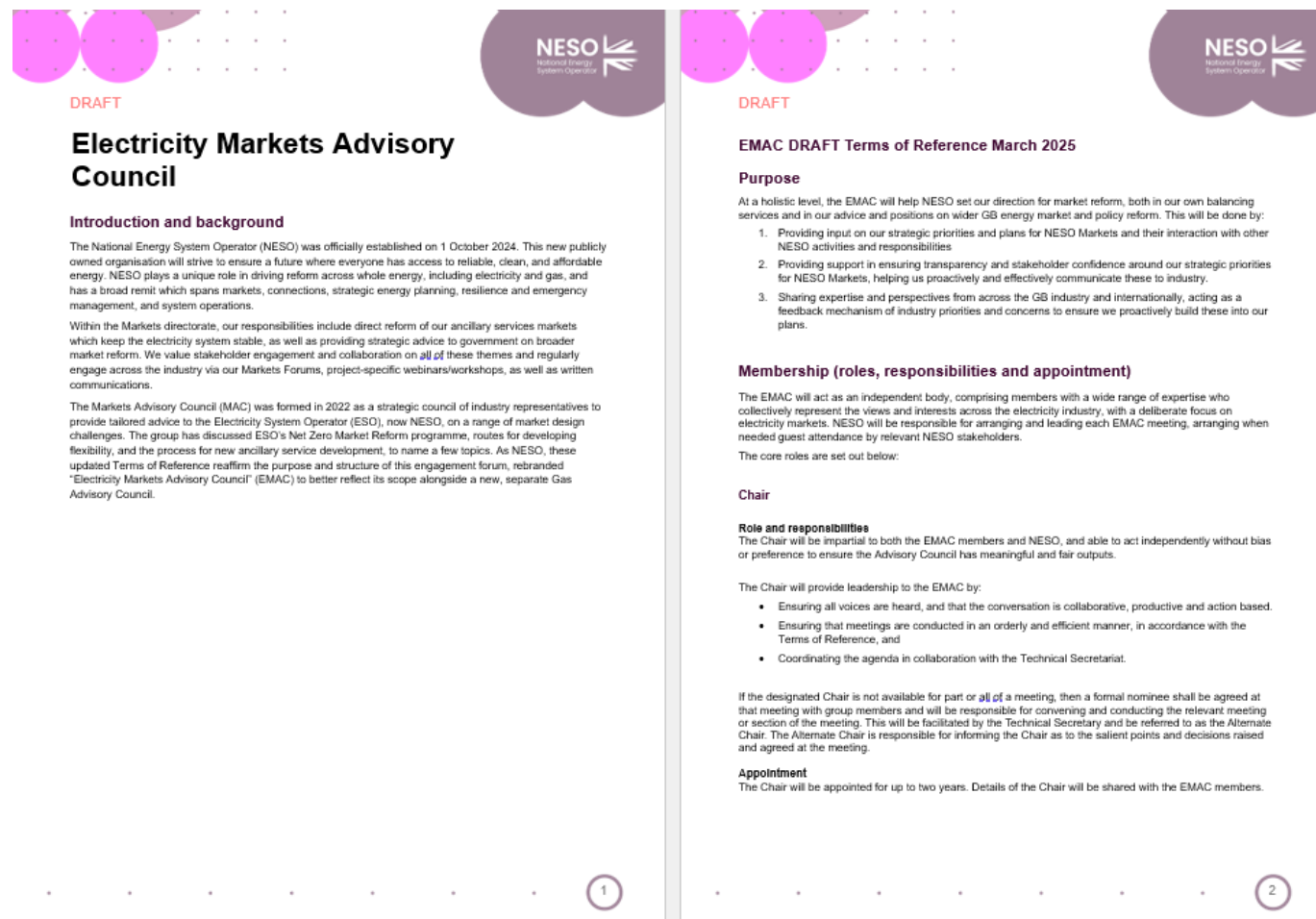
NESO Market Engagement

	Whole Energy Markets Forum	Gas Advisory Council (GAC)	Electricity Markets Advisory Council (EMAC)
Previous nomenclature	Markets Forum	Future of Gas Steering Group	Markets Advisory Council
Format	Open events to the energy industry	Invite only	Invite only
Focus area	Cross market forum reflecting the priorities of the energy industry, NESO's role, and NESO's market activities. Understanding stakeholder views on how we are designing and developing markets of today and tomorrow.	Action based advisory council exploring strategic change across different molecules to transition the gas sector.	Council providing advice to NESO on pertinent electricity market topics, such as new policy & market design and growth of flexibility.
Outputs	Information sharing and opportunity for discussions and feedback on NESO's market development and design.	Targeted recommendations in the form of research papers, recommendations for policy/legislation or code changes. Input to the Gas Future Market Plan	Group discussion (minuted) including suggestions for how NESO can effectively design, prioritise and implement change across electricity markets.

Terms of Reference

New draft Terms of Reference have been circulated in advance of the first EMAC meeting.

A final version will be made available after this meeting.



Electricity Markets Advisory Council Purpose



An advisory council to provide **input** on our strategic priorities and plans for NESO Markets and their interaction with other NESO activities and responsibilities.

It will provide support in ensuring **transparency** and stakeholder confidence around our strategic priorities for NESO Markets, helping us proactively and effectively communicate these to industry.

By sharing expertise and **perspectives** from across the GB industry and internationally, the EMAC will act as a feedback mechanism of industry priorities and concerns to ensure we proactively build these into our plans.

Roles and responsibilities

Chair

Serves as an impartial and independent leader of the EMAC, ensuring fair and meaningful outcomes.

- Leading meetings in a collaborative, inclusive, and action-oriented manner
- Ensuring orderly conduct aligned with the Terms of Reference
- Coordinating agendas with the Technical Secretariat
- Delegating to an Alternate Chair when unavailable
- The Chair is appointed for a term of up to two years

Technical secretariat

Supports the Chair in ensuring EMAC runs smoothly by:

- Organising meeting logistics and invitations
- Coordinating agendas and sharing pre-read materials
- Taking and circulating meeting minutes
- Gathering feedback on EMAC's performance
- Acting as the main point of contact between meetings

Members

Members provide expert, impartial advice representing their market sector—not individual organisations.

- Share insights and review materials
- Participate in meetings, working groups, and breakout sessions
- Engage their networks to reflect broader sector views

Attendance: Members should attend all meetings or nominate a suitably briefed delegate in advance.

Appointment: Terms last up to two years, with nominations coordinated by NESO.

Conduct: Members must act impartially and avoid promoting company-specific interests. Conflicts of interest should be raised with the Chair or Technical Secretariat.

Guests: May attend by invitation from the Chair for specific topics

Meeting structure

Pre-meeting

- Agendas are coordinated by the Chair and Technical Secretariat, with input welcomed from members.
- Virtual prep meetings may be held to align on priorities.
- Pre-read materials and discussion questions will be shared in advance and may be circulated beyond members' organisations to gather broader input.
- NESO may share confidential pre-market work for feedback; this must not be further shared or treated as final.

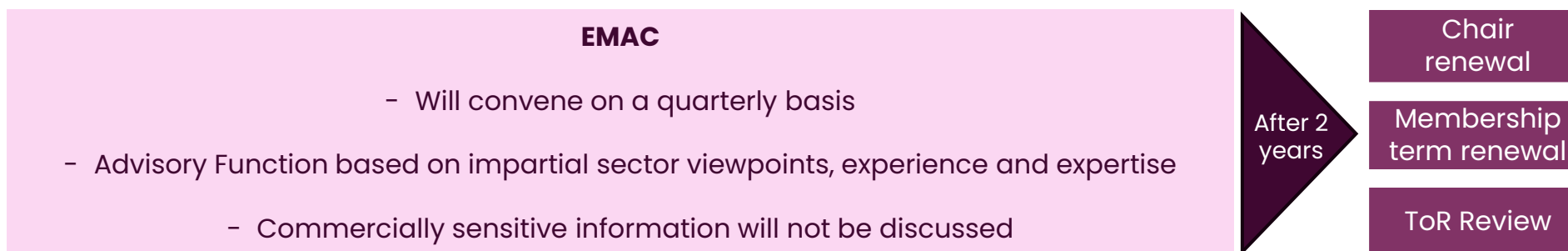
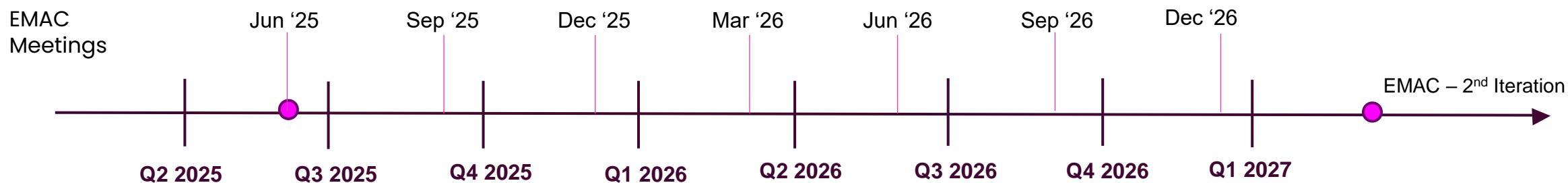
Meeting

- EMAC will meet quarterly starting June 2025. Meetings will last approximately 3 hours, with duration reviewed as needed.
- **Location:** Meetings will be held in person where possible.

Post-meeting

- Minutes and materials will be published on NESO's EMAC webpage.

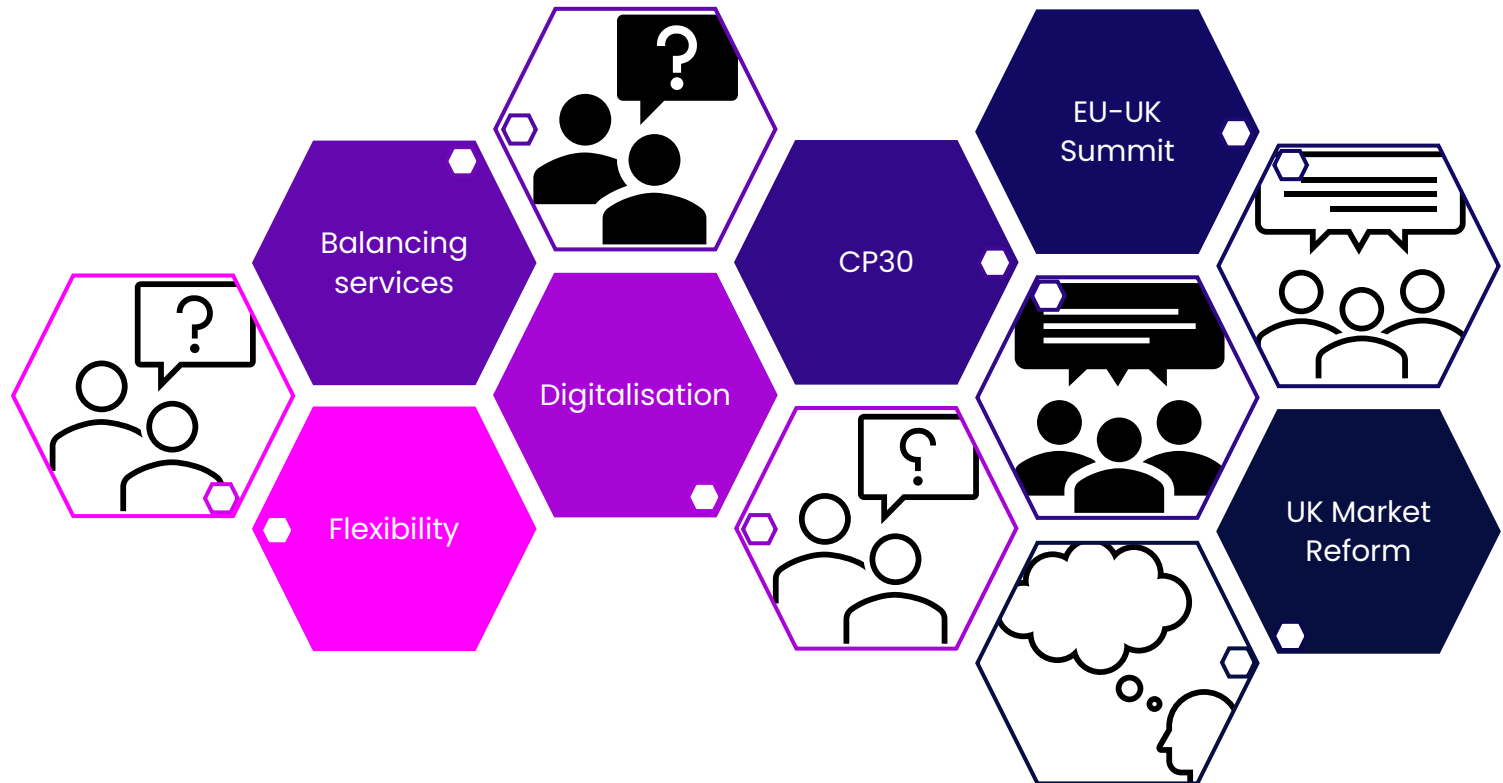
EMAC Cadence and Look Ahead



Future Topics

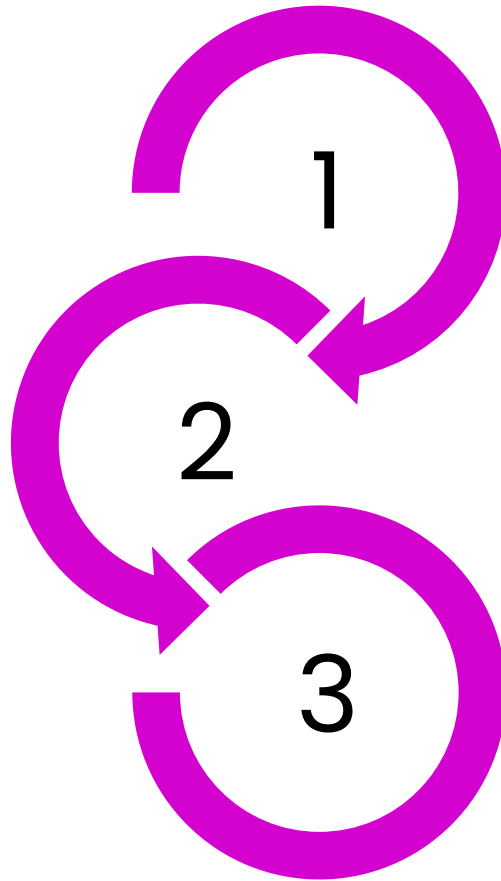
Question for discussion

- What topics would benefit from being discussed at the EMAC?
- Where do you see the biggest opportunities for impact?
- What emerging risks or challenges should the Council be proactively addressing?



Wrap up and close

Next Steps



Confirm and circulate final Terms of Reference

Send placeholders for sessions up to the end of the year

Collate feedback on topics for future discussion and prepare yearly plan

Thank you