

Public

Ref: FOI/25/067

National Energy System Operator

Faraday House

Gallows Hill

Warwick

CV34 6DA

InformationRights@neso.energy

www.neso.energy

29 July 2025

Dear requester

Request for Information

Thank you for your request for information which we received on 30 June 2025. Your request has been considered under the Environmental Information Regulations 2004 (EIR). This is because we have determined that information relating to the Long Duration Energy Storage (LDES) cap and floor mechanism relates to a measure that could affect the environment and therefore meets the definition of 'environmental information' provided at Regulation 2(1)(c) of the EIR.

Request

You asked us for:

1. *Any formal or informal advice given to Ofgem or DESNZ relating to the Long Duration Energy Storage (LDES) cap and floor support mechanism.*
2. *Any assessment (including internal or unpublished assessments) of the impact on battery energy storage systems (BESS) arising out of the LDES cap and floor support mechanism.*
3. *Any information (for example contained in internal papers or emails) relating to consideration of the LCP Delta Report available [here](#) and provided to NESO under cover of an [Open Letter of April 2025](#).*

Our response

We confirm that we hold information in scope of your request.

1. **Any formal or informal advice given to Ofgem or DESNZ relating to the Long Duration Energy Storage (LDES) cap and floor support mechanism.**

NESO responded to a request for advice from DESNZ. We responded and published our advice:.

[Long Duration Energy Storage Advice: Annex 1 Cover Letter](#)

[Long Duration Energy Storage Response to DESNZ Request: Q1 and Q2](#)

[Long Duration Energy Storage Response to DESNZ Request for Advice: Q3 \(Part 1\)](#)

The context is explained in the cover letter in the first of the three links.

NESO contributed to the consultation process and responded to Ofgem queries. All questions and answers are published on the Ofgem portal. NESO also wrote the draft methodology document. Consultation documents and our final advice are all published:

<https://www.ofgem.gov.uk/consultation/consultation-long-duration-electricity-storage-project-assessment> and

[Consultation on NESO Assessment Methodology for LDES.pdf](#)

We have considered whether NESO's comments on draft documents could be considered to be NESO's informal advice to Ofgem and have concluded that these may be considered to fall within the scope of your request. Previous draft versions which NESO commented on are exempt from disclosure under the EIR exception at Regulation 12(4)(d). This allows for a public authority to refuse to disclose information where the request relates to material which is still in the course of completion, to unfinished document(s) or to incomplete data. The ICO's guidance on this exception does confirm that "a draft version of a document is still an unfinished document, even if the final version of the document has been published."

All exceptions within the EIR are subject to a public interest test. We are mindful of the EIR's presumption in favour of disclosure, and that the disclosure of information may inform public debate and understanding. We recognise that there is a general public interest in transparency and that there is a public interest in information about the recommendations NESO, and formerly NG ESO, make for Great Britain's electricity network. NESO does not believe, however, that there is a public interest in releasing draft and unfinished documents which may lead to confusion of versions and public misinformation. The final version has been published, providing the complete document. We have concluded that the public interest lies in maintaining the exception at Regulation 12(4)(d) and are withholding these draft and unfinished documents.

2. Any assessment (including internal or unpublished assessments) of the impact on battery energy storage systems (BESS) arising out of the LDES cap and floor support mechanism.

NESO did not conduct a formal assessment which would fall within the scope of your request, but the potential impact is captured within the Cost-Benefit Analysis methodology through the producer welfare component.

Some internal communications and discussions include views that may be seen as informal "assessments" by members of staff, but these are for discussion purposes and do not represent

final or formal assessments by NESO. These internal communications are withheld under the EIR exception at Regulation 12(4)(e) which is explained below.

3. Any information (for example contained in internal papers or emails) relating to consideration of the LCP Delta Report available here and provided to NESO under cover of an Open Letter of April 2025.

NESO holds some information that falls within the scope of this question. However, these records are internal communications, and we are therefore withholding this information under the exception at Regulation 12(4)(e) of the Environmental Information Regulations (EIR) which is explained below.

EIR Exception – Regulation 12(4)(e)

As the ICO guidance states, “The underlying rationale behind the exception is that public authorities should have the necessary space to think in private.”

The communications in question are purely internal to NESO employees and do not include staff at DESNZ, Ofgem, other public bodies, or other third-party organisations.

The exception covers all internal communications, regardless of their content or sensitivity, however, we are required to consider the public interest in disclosing the information.

We are mindful that Regulation 12(2) of the EIR provides that we should apply a presumption in favour of disclosure. NESO acknowledges that there will always be some public interest in disclosure, to promote:

- the transparency and accountability of public authorities;
- greater public awareness and understanding of environmental matters;
- the free exchange of views; and
- more effective public participation in environmental decision-making.

We are also mindful of the public interest in measures relating to the energy market, clean power and energy costs at the current time.

There is also, however, a public interest in ensuring that public authorities are able to protect internal deliberation and a private thinking space. We do not believe that it is in the public interest to disclose individual comments and discussion between colleagues, which in some cases represents very initial thinking. Our position is also that disclosure would inhibit the open, honest and complete expression of views and opinions by our staff thereby limiting the ideas and challenge that is provided by staff with different skill sets, perspectives and expertise. Any inhibition of the internal exchange of views will impair the quality of NESO’s future decision making by limiting the confidence of staff to articulate their opinions through email communication and contribution to recorded meetings, limiting challenge and debate that is essential to NESO’s role in the GB energy sector. It is essential for NESO to ensure that all staff are willing and able to contribute to internal discussion and debate.

NESO's values include accelerating progress, building trust and being curious. NESO's success lies in staff being able to discuss, debate and challenge ideas, and ensuring that a range of opinions and considerations are heard. The curiosity of our staff and the willingness to ask questions of each other and challenge ideas, supports our purpose and vision. It is important that the full range of expertise, ideas, and perspectives are shared internally.

Having weighed the competing public interest arguments, we believe that the public interest is satisfied by the published documents and that the public interest lies in withholding internal communications and protecting NESO's internal thinking space.

This concludes our response to your request.

Advice and assistance

For further information, please see the Ofgem website: [Long duration electricity storage | Ofgem](#).

Next steps

If you are dissatisfied with our handling of your request, you can ask us to review our response. If you want us to carry out a review, please let us know within 40 working days and quote the reference number at the top of this letter. You can find our procedure here: [Freedom of Information and Environmental Information Regulations | National Energy System Operator](#). The ICO's website also provides guidance on the internal review process: [What to do if you are dissatisfied with the response | ICO](#).

If you are still dissatisfied after our internal review, you can complain to the Information Commissioner's Office (ICO). You should make complaints to the ICO within six weeks of receiving the outcome of an internal review. The easiest way to lodge a complaint is through their website: www.ico.org.uk/foicomplaints. Alternatively, they can be contacted at: Wycliffe House, Water Lane, Wilmslow, SK9 5AF.

Thank you for your interest in the work of the National Energy System Operator (NESO).

Regards,

The Information Rights Team, National Energy System Operator (NESO)