

Public

# Static Response November 2025 Consultation

Proposed changes to the Static Firm  
Frequency Response (FFR) Terms  
and Conditions

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20 November 2025

### **Static Firm Frequency Response Terms and Conditions**

Dear Industry and Colleagues,

In accordance with Commission Regulation (EU) 2017/2195 of 23 November 2017 as converted into assimilated EU law and amended (EBR), National Energy System Operator (NESO) is proposing to update its terms and conditions relating to balancing with respect to its Static Firm Frequency Response (FFR) product.

The proposed updates have been applied to the Static FFR Response Service Terms and Procurement Rules.

NESO is committed to driving changes to its balancing services markets that create opportunities for flexibility providers and realise consumer value. Over the last 18 months, through the *Flexibility Markets Strategy – Call for input* and the *Demand Side Flexibility Routes to Market Review* NESO has taken forward work to understand the barriers for flexibility and how changes can be made to widen participation whilst still delivering an effective service. We consider that the changes to the FFR product we are proposing today will encourage greater participation in our markets and realise consumer value through improved performance management.

In accordance with EBR, NESO is now consulting on these updates to those terms and conditions. The consultation will be undertaken from 20 November 2025 to 19 December 2025 17:00.

Please respond by 19 December 2025 17:00 using the proforma available on our website and submitting answers using the following MS Forms link: [Static Firm Frequency Response Consultation Proforma – Fill in form](#)

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Annexed to this document is a table showing how we believe the updated terms and conditions (and corresponding parts of the GB codes) map across to the terms and conditions related to balancing described by Article 18 of EBR.

If you have any questions regarding this proposal, please contact us at [box.futureofbalancingservices@neso.energy](mailto:box.futureofbalancingservices@neso.energy)

Yours sincerely,

Jonathan Wisdom

Head of Market Change Delivery

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## EBR Article 18 Consultation

Article 18 of Commission Regulation (EU) 2017/2195 of 23 November 2017 as converted into assimilated EU law and amended (EBR) requires Transmission System Operators (TSOs) to develop terms and conditions for balancing service providers and sets out the requirements for terms and conditions for both balancing service providers and balance responsible parties. We publish a mapping document to show how we believe our contract terms, notably Service Terms and Procurement Rules but also other documentation such as the Grid Code, map across to these requirements.

These terms and conditions are required by EBR to be approved by the regulatory authority after industry consultation, and the GB balancing terms and conditions as currently approved by OFGEM include contract terms related to Static Firm Frequency Response (FFR).

EBR provides a process for TSOs to propose amendments to approved terms and conditions, which is similarly subject to approval by the regulatory authority after industry consultation. Accordingly, we are now proposing to consult on amendments to our Static FFR contract terms, and this document begins our formal industry consultation. In accordance with EBR, we are required to consult for not less than 28 days and must consider the views of stakeholders prior to submission of our proposals to OFGEM for approval. We are required to provide sound justification for including (or excluding) consultation feedback alongside our submission.

## Introduction

Static FFR is a non-dynamic frequency response service which is triggered at a defined frequency deviation of 49.7 Hz. This works alongside our other response services to control system frequency and keep it within our licence obligations of 50Hz plus or minus 1%. Providers are expected to provide the response within 30 seconds and sustain until 30 minutes following the point at which the frequency trigger was reached.

The Static FFR Service Terms and Static FFR Procurement Rules make up the terms and conditions for this service<sup>1</sup>.

Over the past year we have engaged extensively with service providers through regular webinars on key reforms, as well as 121 meetings and a pre-consultation webinar. All the feedback and insight received to date has been considered and input into the following proposals.

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<sup>1</sup> Available at: <https://www.neso.energy/industry-information/balancing-services/frequency-response-services/static-firm-frequency-response-sffr#Document-library>

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In this consultation, we are setting out our proposed changes to these terms and conditions and providing a further opportunity for stakeholder feedback. We will take this feedback into account before submitting our final proposals to OFGEM for regulatory approval.

In this introduction we set out the consultation process and implementation timelines. In 'Summary of changes' we set out at a high level all the proposed changes. Then, we provide more detail on each change and set out specifically which terms and conditions are to be changed.

### Consultation process and how to respond

In this document, we describe and explain the changes we are making. We have also published clean and tracked changed versions of the Static FFR Service Terms and Static FFR Procurement Rules which include the proposed changes described in this consultation. Respondents should review these revised terms alongside this document.

This consultation will be open until 19 December 2025 17:00.

- [Static FFR Service Terms \(tracked changes\)](#)
- [Static FFR Procurement Rules \(tracked changes\)](#)

We include questions in this document, though we have separately published a pro-forma which includes all questions and space to draft a written response. We ask respondents to submit their responses through Microsoft Forms to help us collate and compare responses efficiently and effectively. Due to the risk of human error, NESO cannot guarantee that any feedback submitted through alternative channels will be considered.

- [Static Firm Frequency Response Consultation Proforma – Fill in form](#)

Once the consultation is closed, we will consider all responses. We will then, in approximately 8 weeks, submit to OFGEM our final proposals for changes to the Service Terms and Procurement Rules that reflect considerations of all responses. OFGEM will have two calendar months to approve or reject our proposals.

Should you have questions about the consultation process or wish to discuss any of the proposals in more detail, please contact us at:

[box.futureofbalancingservices@neso.energy](mailto:box.futureofbalancingservices@neso.energy)

### Implementation

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OFGEM could approve our changes as soon as May 2026, and we intend to publish new Service Terms and Procurement Rules as soon as all relevant process and systems changes are implemented. We will do this as soon as feasibly possible following OFGEM decision, and we expect this to be in summer 2026. These documents would become the prevailing terms and conditions, published on our website.

### Dynamic Response Consultation

In parallel to this consultation, we are running a separate Article 18 consultation on the Dynamic Response Service Terms and Procurement Rules. More information on the proposed changes and how to respond to that consultation can be found [here](#). **Please note that any feedback on the proposed changes to the Dynamic Response terms and conditions should be submitted through that consultation.**

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## Summary of changes

For each proposal, we are asking respondents to set out whether they agree or not – and to provide rationale – and whether they have any other comments on the proposal and proposed wording.

A high-level summary of each change is provided here for convenience:

1. Decrease the minimum unit size to 0.1 MW
2. Changes to the bidding parameters
3. Changes to the Percentage Performance Measure (PPM)
4. Clarity around data required from providers
5. Submission of local frequency in performance data
6. Unit suspension & De-registration
7. Reduce the trigger level
8. Updated reference to stacking guidance
9. Contracted delivery time clarification
10. Housekeeping changes

We provide more details in the following sections.

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## 1. Decrease the minimum unit size to 0.1 MW

**We propose to reduce the minimum unit size to 0.1 MW.**

### What is the proposed change?

The current minimum unit size requirement for Static FFR is 1 MW, with aggregation allowed at a national level for providers to achieve this. We propose to lower the minimum requirement from 1 MW to 0.1 MW.

### Why are we proposing this change?

NESO's *Flexibility Markets Strategy – Call for input* documented a number of barriers to market participation for smaller, aggregated or non-dedicated assets. We understand that the current requirements of 1 MW serve as a key blocker for participants entering Static FFR particularly for flexible demand side flexibility assets. Reducing the minimum unit size to 0.1 MW was therefore prioritised in the *Demand Side Flexibility Routes to Market Review*. Through this change we aim to lower costs by delivering markets with increased access and competition.

### Revised Service Terms & Procurement Rules Text

We propose the following changes to bring this change into effect:

#### Service Terms

- Updates to paragraph 5.4

#### Procurement Rules

- Updates to paragraph 6.2

### Questions

- Do you agree with the proposed change to reduce the minimum unit size to 0.1 MW? Please explain your rationale.
- Do you have any further comments or questions on the proposal or proposed wording?

## 2. Changes to the bidding parameters

**We propose to decrease the minimum bid size to 0.1 MW and introduce a maximum bid size of 100 MW.**

### What is the proposed change?

The current minimum bid size requirement for Static FFR is 1 MW. We propose to lower the minimum bid size requirement from 1 MW to 0.1 MW. This change will also unlock the

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possibility to bid in non-integer values. We are also proposing to introduce a maximum bid size of 100 MW.

### Why are we proposing this change?

Lack of flexibility in bidding increments was another barrier to demand side flexibility identified in *NESO's Flexibility Markets Strategy – Call for input* and prioritised in the *Demand Side Flexibility Routes to Market Review*.

By reducing the minimum bid to 0.1 MW and permitting non-integer values we aim to enable participants to offer bids that more accurately reflect the actual capacity of their units, boosting overall capacity in the market. By ensuring that the optimal volume of balancing services is procured through the lowest-cost methods, we aim to deliver maximum value for consumers. This change will be required to allow units with the proposed reduced unit size of 0.1 MW to bid in and participate in the market.

Introducing a maximum bid size of 100 MW lowers the risk of a large portion of the procured volume of Static FFR being contracted by one unit, which results in a high risk of this large portion being unavailable. This maximum limit ensures alignment with our other Response Services.

### Revised Procurement Rules Text

We propose the following changes to bring this change into effect:

#### Procurement Rules

- Updates to paragraph 8.4
- Addition of defined term 'Maximum Sell Size'

### Questions

- Do you agree with the proposed changes to the bidding parameters? Please explain your rationale.
- Do you have any further comments or questions on the proposal or proposed wording?

## 3. Changes to the Percentage Performance Measure (PPM)

**We propose changes to the PPM to more accurately reflect delivery and incentivise better service delivery.**

### What is the proposed change?

We are proposing to change the current performance percentage measure (PPM), to more accurately reflect performance and delivery of the service.

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**Table 1: Current Percentage Performance Measure**

Percentage Performance Measure	% by which Availability Payment is reduced	K (as used in Schedule 2)
≥95%	0%	1
≥60%, <95%	25%	0.75
≥10%, <60%	50%	0.5
<10%	100%	0

**Table 2: Proposed Percentage Performance Measure**

Percentage Performance Measure	% by which Availability Payment is reduced	K (as used in Schedule 2)
≥95%	0%	1
<95% – ≥75%	1%–99% (reducing linearly)	0.99 – 0.01 (reducing linearly)
<75%	100%	0

### Why are we proposing this change?

By imposing more accurate and reflective percentage performance measures and monitoring procedures, we aim to incentivise providers to deliver accurately throughout the delivery window and ensure appropriate sanction for under delivery, to maintain fit for purpose markets.

### Revised Service Terms Text

We propose the following changes to bring this change into effect:

#### Service Terms

- Updates to paragraph 15.7

### Questions

- Do you agree with the proposed change to the Percentage Performance Measure (PPM)? Please explain your rationale.
- Do you have any further comments or questions on the proposal or proposed wording?

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## 4. Clarity on data required from providers

**We are proposing to add clarity around what data we can request from providers for the purposes of performance monitoring.**

### What is the proposed change?

We propose adding clarity regarding the data we can request from providers for performance monitoring, both following a trigger and during contracted periods with no triggers.

- Following a trigger, NESO reserves the right to request a full EFA block of data. Additionally, if a trigger occurs at the end of an EFA block, NESO reserves the right to request data for the subsequent block, even if it is non-contracted.
- NESO reserves the right to request data for any contracted EFA block even if a trigger has not occurred.

### Why are we proposing this change?

Adding clarity around the data that NESO requires will continue to enhance performance monitoring capabilities. This ensures that we have the necessary data to make informed decisions to assess performance and availability effectively. This change will further drive providers to consistently meet performance standards and improve contract compliance and reliability, even in the absence of a trigger. Ensuring the service is available and delivered as expected enhances system security and value for money.

### Revised Service Terms Text

We propose the following changes to bring this change into effect:

#### Service Terms

- Updates to paragraphs 15.2 – 15.5
- Addition of paragraph 15.11
- Addition of the defined term 'Performance Data'

### Questions

- Do you agree with the proposed change to provide additional clarity on the data required from providers? Please explain your rationale.
- Do you have any further comments or questions on the proposal or proposed wording?

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## 5. Submission of local frequency in performance data

**This change proposes to introduce the requirement for providers to submit a local frequency measurement.**

### What is the proposed change?

Currently there is no specific requirement to submit the local frequency measure in the performance data. NESO propose to add the clarification that providers are required to submit their local frequency measurement at 1Hz granularity as part of their performance data.

### Why are we proposing this change?

A local frequency measurement ensures performance is assessed against the actual trace used to trigger a response; this prevents units from potentially receiving incorrect sanctions from mismatches in frequency readings.

### Revised Service Terms Text

We propose the following changes to bring this change into effect:

#### Service Terms

- Updates to paragraph 15.9
- Addition of defined term 'Input Frequency'

### Questions

- Do you agree with the proposal to introduce the requirement for providers to submit a local frequency measurement? Please explain your rationale.
- Do you have any further comments or questions on the proposal or proposed wording?

## 6. Unit suspension & De-registration

**We propose to introduce the ability to suspend units and de-register providers from Static FFR.**

### What is the proposed change?

NESO propose introducing the ability to suspend and de-register units from the Static FFR market, where the service provider persistently or materially fails to meet any of the obligations contained in the Service Terms and Procurement Rules. Behaviour that may have a detrimental impact on system frequency in the 30 seconds following a trigger, prior to the 30-minute delivery window, through creating swings in the frequency, could

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also result in de-registration should the service provider fail to adjust this behaviour following engagement from NESO.

### Why are we proposing this change?

The ability to suspend and de-register units incentivises providers to adhere to their obligations ensuring efficient and reliable delivery of the service.

### Revised Service Terms & Procurement Rules Text

We propose the following changes to bring this change into effect:

#### Service Terms

- Addition of paragraphs 15.10 and 15.13

#### Procurement Rules

- Changes to paragraph 4.2, 5.4 & 5.5
- Addition of paragraph 4.3
- Addition of defined term 'Deregister'
- Amendments to Schedule 2

### Questions

- Do you agree with the proposed change to introduce the ability to suspend units and de-register providers from the Static FFR market? Please explain your rationale.
- Do you have any further comments or questions on the proposal or proposed wording?

## 7. Reduce the trigger level

**We propose to reduce the trigger level to 49.65Hz.**

### What is the proposed change?

The current trigger level for Static FFR is 49.70Hz. We propose to lower the trigger level in the first instance from 49.7Hz to 49.65Hz. This number will be kept under review and potentially lowered further in the future subject to system requirements and security.

### Why are we proposing this change?

System studies have shown that there is no detriment to system security through changing the trigger level from 49.7 to 49.65. By reducing the trigger level to 49.65Hz it will reduce the frequency of triggers, lower service delivery costs for providers, increase market liquidity and reduce overall costs of procuring the service.

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Gradual reduction of the trigger level, as we continuously monitor and manage system security, enables us to manage any observed risks effectively. Furthermore, we do not intend to change the trigger frequency often. This approach allows us to review the new trigger level thoroughly and make informed decisions on whether further reductions are feasible.

### Revised Procurement Rules Text

We propose the following changes to bring this change into effect:

#### Procurement Rules

Updates to defined term 'Trigger Level'

#### Questions

- Do you agree with the proposed change to reduce the trigger level? Please explain your rationale.
- Do you have any further comments or questions on the proposal or proposed wording?

## 8. Updated reference to Stacking Guidance

**We have updated the Stacking Guidance for Static FFR and have updated the terms & conditions to ensure this aligns with the prevailing guidance.**

### What is the proposed change?

We are proposing to update the current [stacking guidance document](#) for Static FFR, to ensure clear and defined rules for stacking Static FFR with the BM. As such, we have updated the Service Terms to reference this updated guidance. Furthermore, we are proposing that we have one stacking guidance document for all the response services. This document will also include guidance on stacking Dynamic Response with the BM and Stability/Inertia Network Procurement Services. Any feedback on the Dynamic Response content should be included in responses to that consultation that is running in parallel to this consultation.

### Why are we proposing this change?

By updating the current guidance, we aim to ensure it is consolidated, clear, and easier to access. By having a single document, participants can more easily navigate the rules and requirements, leading to more efficient and effective stacking.

### Revised Service Terms Text

We propose the following changes to bring this change into effect:

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### Service Terms

- Updates to paragraph 12.6
- Update to the defined term 'Stacking Guidance'
- Addition of defined term 'Stacking'

### Questions

- Do you agree with the proposed update to the reference to stacking guidance? Please explain your rationale.
- Do you have any further comments or questions on the proposal or proposed wording?

## 9. Contracted delivery time clarification

**We propose adding a clarification that if a provider is triggered within the last 30 minutes of the EFA block, they are expected to deliver for the full-service delivery.**

### What is the proposed change?

We propose providing additional clarity in the Service Terms to ensure that if a trigger occurs at the end of an EFA block, providers must deliver the full 30-minutes service, even if this continues into a subsequent non-contracted EFA block.

### Why are we proposing this change?

This change ensures that the necessary response is delivered, as should a trigger occur at the end of an EFA block and frequency recover by the start of the subsequent EFA block, participants in the subsequent EFA block may not have been triggered.

We have added this clarification to prevent this potential gap in response and maintain system stability.

### Revised Service Terms Text

We propose the following changes to bring this change into effect:

### Service Terms

- Updates to paragraph 6.2

### Questions

- Do you agree with the proposed clarification on contracted delivery time? Please explain your rationale.
- Do you have any further comments or questions on the proposal or proposed wording?

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## 10. Housekeeping changes

In addition to the above proposals, we are making some housekeeping changes. These do not fundamentally change the terms and conditions of the service, these include:

- Re-branding the document to NESO
- Updating References to the Flexibility Services Standard Agreement
- Moved defined terms from the body of the text to the relevant schedule
- Updated applicable arbitration rules to the prevailing rules of the London International Court of Arbitration
- Removed Testing Guidance from the Procurement Rules to separate guidance
- Removed Independent Technical Expert definitions from the Procurement Rules to separate guidance
- Updated references from FFR Service Procedure Document to [Static FFR Guidance](#)
- Removed defined terms that were not used

We do not consider these changes in scope of EBR Article 18, but nonetheless we welcome stakeholder comment.

### Questions

- Do you have any further comments or questions on any of the housekeeping changes?

## Appendix 1: Mapping Document

### EBR Article 18 mapping for the Static Firm Frequency Response Terms and Conditions

Please note: The table below cross references the terms and conditions related to balancing described in article 18 of Commission Regulation (EU) 2017/2195 of 23 November 2017 (as converted into assimilated EU law, and as amended by the Electricity Network Codes and Guidelines (Markets and Trading) (Amendment) (EU Exit) Regulations 2019/532) and subsequent legislation (**“EBR Article 18”**) against the corresponding parts of the GB codes and relevant contractual provisions, with particular reference to Static FFR. This cross referencing includes the terms and conditions for balancing service providers and the terms and conditions for balance responsible parties.

Nothing in this table shall prejudice or otherwise affect the operation of the GB codes and relevant contractual provisions, and furthermore in the event of any conflict or inconsistency between this table and EBR Article 18 the latter shall prevail.

#### Table 1 – Mandatory Elements

Below is the mapping of EBR Article 18 with references to the relevant Static FFR terms and conditions.

Article	Text	Code or Document	Section
18.2	The terms and conditions pursuant to paragraph 1 shall also include the rules for suspension and restoration of market activities pursuant to Article 36 of Regulation (EU) 2017/2196 and rules for settlement in case of market suspension pursuant to Article 39 of Regulation (EU) 2017/2196 once approved in accordance with Article 4 of Regulation (EU) 2017/2196.	Grid Code	OC9.4
		BSC	G3, P1.6, P5, Q4.3.4, Q5.4, Q5A and T1.7
18.4	The terms and conditions for balancing service providers shall:	–	–

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Article	Text	Code or Document	Section
<b>18.4.a</b>	Define reasonable and justified requirements for the provisions of balancing services;	Static FFR Procurement Rules	<b>Static FFR Procurement Rules</b> 4 – Registration of Registered Static FFR Participants 5 – Pre-qualification of Eligible Assets 12 – Formation of Static FFR Contracts
		Static FFR Service Terms	<b>Static FFR Service Terms</b> 5 – Service Availability 12 – Provision of Other Services
		BSC	A, H3, H4.2, H4.7, H4.8, H5.5, H6, H10, J3.3, J3.6, J3.7 and J3.8
		CUSC	4.1.3
<b>18.4.b</b>	allow the aggregation of demand facilities, energy storage facilities and power generating facilities in a scheduling area to offer balancing services subject to conditions referred to in paragraph 5 (c);	Grid Code	BC1, BC2, BC3 & BC4
		BSC	K3.3, K8, S6.2, S6.3 and S11, S12, S13 and S14
		Grid Code	DRSC 4.2, BC1.4
<b>18.4.b</b>		Static FFR Procurement Rules	<b>Static FFR Procurement Rules</b> 4 – Registration of Registered Static FFR Participants 5 – Pre-qualification of Eligible Assets 6 – Allocation of Eligible Assets to Static FFR Units Schedule 2 – Registration and Pre-Qualification Procedure

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Article	Text	Code or Document	Section
<b>18.4.c</b>	allow demand facility owners, third parties and owners of power generating facilities from conventional and renewable energy sources as well as owners of energy storage units to become balancing service providers;	BSC	K3.2, K3.3, K8
		Static FFR Procurement Rules	<b>Static FFR Procurement Rules</b> 4 – Registration of Registered Static FFR Participants 5 – Pre-qualification of Eligible Assets 6 – Allocation of Eligible Assets to Static FFR Units Schedule 2 – Registration and Pre-Qualification Procedure
<b>18.4.d</b>	require that each balancing energy bid from a balancing service provider is assigned to one or more balance responsible parties to enable the calculation of an imbalance adjustment pursuant to Article 49.	BSC	T4, Q7.2, Q6.4
<b>18.5</b>	The terms and conditions for balancing service providers shall contain:	–	–
<b>18.5.a</b>	the rules for the qualification process to become a balancing service provider pursuant to Article 16;	Static FFR Procurement Rules	<b>Static FFR Procurement Rules</b> 4 – Registration of Registered Static FFR Participants 5 – Pre-qualification of Eligible Assets Schedule 2 – Registration and Pre-Qualification Procedure
		Grid Code	BC5, BC4.4.2
		CUSC	4.1
		BSC	J3.3, J3.6, J3.7, J3.8, K3.2, K3.3 and K8

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Article	Text	Code or Document	Section
<b>18.5.b</b>	the rules, requirements and timescales for the procurement and transfer of balancing capacity pursuant to Articles 32 and 34;	Static FFR Procurement Rules  Static FFR Service Terms	<b>Static FFR Procurement Rules</b> 7 – Buy Orders 8 – Sell Orders 9 – Market Clearing Rules 12 – Formation of Static FFR Contracts  <b>Static FFR Service Terms</b> 20 – Transfer of Static FFR Contracts
<b>18.5.c</b>	the rules and conditions for the aggregation of demand facilities, energy storage facilities and power generating facilities in a scheduling area to become a balancing service provider;	Static FFR Procurement Rules	<b>Static FFR Procurement Rules</b> 4 – Registration of Registered Static FFR Participants 5 – Pre-qualification of Eligible Assets 6 – Allocation of Eligible Assets to Static FFR Units Schedule 2 – Registration and Pre-Qualification Procedure
		BSC	K3.3 and K8
		Grid Code	BC1.4 and BC1.A.10
<b>18.5.d</b>	the requirements on data and information to be delivered to the connecting TSO and, where relevant, to the reserve connecting DSO during the prequalification process and operation of the balancing market;	Static FFR Procurement Rules  Static FFR Service Terms	<b>Static FFR Procurement Rules</b> 4 – Registration of Registered Static FFR Participants 5 – Pre-qualification of Eligible Assets 8 – Sell Orders 13 – Confidentiality Schedule 2 – Registration and pre-qualification Procedure  <b>Static FFR Service Terms</b> 5 – Service Availability 6 – Service Delivery 15 – Monitoring 18 – Records and Audits

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Article	Text	Code or Document	Section
		BSC	O
		Grid Code	DRC, BC5 BC1.4
		CUSC	4.1.3.14 and 4.1.3.19
<b>18.5.e</b>	the rules and conditions for the assignment of each balancing energy bid from a balancing service provider to one or more balance responsible parties pursuant to paragraph 4 (d);	BSC	T4
		Static FFR Procurement Rules	<b>Static FFR Procurement Rules</b> 12 – Formation of Static FFR Contracts
		Static FFR Service Terms	<b>Static FFR Service Terms</b> 19 – Assignment 20 – Transfer of Static FFR Contracts
<b>18.5.f</b>	the requirements on data and information to be delivered to the connecting TSO and, where relevant, to the reserve connecting DSO to evaluate the provisions of balancing services pursuant to Article 154(1), Article 154(8), Article 158(1)(e), Article 158(4)(b), Article 161(1)(f) and Article 161(4)(b) of Regulation (EU) 2017/1485;	Static FFR Service Terms	<b>Static FFR Service Terms</b> 5 – Service Availability 6 – Service Delivery 15 – Monitoring 18 – Records and Audits
		Grid Code	BC1.4, BC1.A.10,
		CUSC	4.1.3.19
<b>18.5.g</b>	the definition of a location for each balancing product taking into account paragraph 5 (c);	Grid Code	BC1.4
<b>18.5.h</b>	the rules for the determination of the volume of balancing energy to be settled with the balancing service provider pursuant to Article 45;	BSC	T3
<b>18.5.i</b>	the rules for the settlement of balancing service providers defined pursuant to Chapters 2 and 5 of Title V;	Static FFR Service Terms	<b>Static FFR Service Terms</b> 5 – Service Availability 6 – Service Delivery 7 – Availability Payments

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Article	Text	Code or Document	Section
			8 – Payment Procedure Schedule 3 – Availability Payments Schedule 4 – Payment Provisions
		BSC	T1.14, T3 and U
		CUSC	4.1.3.9 and 4.1.3.9A
<b>18.5. j</b>	a maximum period for the finalisation of the settlement of balancing energy with a balancing service provider in accordance with Article 45, for any given imbalance settlement period;	Static FFR Service Terms	<b>Static FFR Service Terms</b> 7 – Availability Payments 8 – Payment Procedure Schedule 3 – Availability Payments Schedule 4 – Payment Provisions
		BSC	U2.2
		CUSC	4.3.2.6
<b>18.5. k</b>	the consequences in case of non-compliance with the terms and conditions applicable to balancing service providers.	Static FFR Procurement Rules  Static FFR Service Terms	<b>Static FFR Procurement Rules</b> 4 – Registration of Registered Static FFR Participants 5 – Prequalification of Eligible Assets Schedule 2 – Registration and Pre-Qualification Procedure  <b>Static FFR Service Terms</b> 5 – Service Availability 6 – Service Delivery 12 – Provision of Other Services

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Article	Text	Code or Document	Section
			14 – Termination of Static FFR Contracts 15 – Monitoring
		BSC	H3, Z7 and A5.2
		CUSC	4.1.3.9, 4.1.3.9A and 4.1.3.14
<b>18.6</b>	The terms and conditions for balance responsible parties shall contain:	–	–
<b>18.6. a</b>	the definition of balance responsibility for each connection in a way that avoids any gaps or overlaps in the balance responsibility of different market participants providing services to that connection;	BSC	K1.2, P3 and T4.5
<b>18.6. b</b>	the requirements for becoming a balance responsible party;	BSC	A, H3, H4.2, H4.7, H4.8, H5.5, H6, H10, J3.3, J3.6, J3.7, J3.8, K2, K3.3 and K8
<b>18.6.c</b>	the requirement that all balance responsible parties shall be financially responsible for their imbalances, and that the imbalances shall be settled with the connecting TSO;	BSC	N2, N6, N8, N12, and T4,
<b>18.6. d</b>	the requirements on data and information to be delivered to the connecting TSO to calculate the imbalances;	BSC	O, Q3, Q5.3, Q5.6, Q6.2, Q6.3, Q6.4
		Grid Code	BC1.4.2,3,4, BC1 Appendix 1 BC2.5.1,
<b>18.6. e</b>	the rules for balance responsible parties to change their schedules prior to and after the intraday energy gate closure time pursuant to paragraph 4 of Article 17;	BSC	P2
		Grid Code	BC1.4.3,4,

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Article	Text	Code or Document	Section
<b>18.6.f</b>	the rules for the settlement of balance responsible parties defined pursuant to Chapter 4 of Title V;	BSC	T4, U2
<b>18.6.g</b>	the delineation of an imbalance area pursuant to Article 54(2) and an imbalance price area;	-	<i>GB constitutes one imbalance area and imbalance price area and they are equal to the synchronous area</i>
<b>18.6.h</b>	a maximum period for the finalisation of the settlement of imbalances with balance responsible parties for any given imbalance settlement period pursuant to Article 54;	BSC	U2.2
<b>18.6.i</b>	the consequences in case of non-compliance with the terms and conditions applicable to balance responsible parties;	BSC	H3,Z7 and A5.2
<b>18.6.j</b>	an obligation for balance responsible parties to submit to the connecting TSO any modifications of the position;	BSC	P2
<b>18.6.k</b>	the settlement rules pursuant to Articles 52, 53, 54 and 55;	BSC	T4, U2
<b>18.6.l</b>	where existing, the provisions for the exclusion of imbalances from the imbalance settlement when they are associated with the introduction of ramping restrictions for the alleviation of deterministic frequency deviations pursuant to Article 137(4) of Regulation (EU) 2017/1485.	Deterministic frequency deviation is a continental European concept and is not a characteristic of the GB system. Therefore, this requirement does not apply to GB.	N/A

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**Table 2 - Non- Mandatory elements**

Article	Text	Comment
<b>18.7. a</b>	–	Sub-paragraph 18.7.a was repealed pursuant to paragraph 18(6)(a) of Schedule 2 of the Electricity Network Codes and Guidelines (Markets and Trading) (Amendment) (EU Exit) Regulations 2019/532.
<b>18.7. b</b>	where justified, a requirement for balancing service providers to offer the unused generation capacity or other balancing resources through balancing energy bids in the balancing markets after day ahead market gate closure time, without prejudice to the possibility of balancing service providers to change their balancing energy bids prior to the balancing energy gate closure time due to trading within intraday market;	NESO does not expect to require this from Balancing Service Providers, except where balancing capacity or energy has been contracted. Although in the BM defaulting rules apply if data is not updated, there is no legal requirement for parties to offer unused generation capacity or any other balancing resource.
<b>18.7.c</b>	–	Sub-paragraph 18.7.c was repealed pursuant to paragraph 18(6)(c) of Schedule 2 of the Electricity Network Codes and Guidelines (Markets and Trading) (Amendment) (EU Exit) Regulations 2019/532.
<b>18.7. d</b>	specific requirements with regard to the position of balance responsible parties submitted after the day-ahead market timeframe to ensure that the sum of their internal and external commercial trade schedules equals the sum of the physical generation and consumption schedules, taking into account electrical losses compensation, where relevant;	NESO does not expect to require this from Balancing Service Providers. No BSC party is required to contract to match its Final Physical Notifications (FPNs).
<b>18.7. e</b>	an exemption to publish information on offered prices of balancing energy or balancing capacity bids due to market abuse concerns pursuant to Article 12(4)	NESO does not expect to require this exemption. Such data is published on Insights Real-Time Information Service (IRIS).

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<b>18.7. f</b>	an exemption to predetermine the price of the balancing energy bids from a balancing capacity contract pursuant to Article 16(6)	–
<b>18.7. g</b>	an application for the use of dual pricing for all imbalances containing the information set out in Article 52(2)(d)(i) and (ii).	NESO does not expect to apply for the use of dual pricing for all imbalances. A single imbalance price was adopted by the GB market in November 2015.