Public

Data Inaccuracies in the BM

Call for Input response summary
04/02/2026

NESO
National Energy System Operator

Contents

Summary

Following the Data Inaccuracies in the Balancing Mechanism call for input that concluded on the 19th November 2025, this document summarises the comments and feedback from participants.

The call for input was issued to help NESO collect and understand the wider industry views on the data inaccuracies that currently exist within the Balancing Mechanism. For the avoidance of doubt, all Market Participants participating in the Balancing Mechanism are required to comply with their related Grid Code/BSC/REMIT obligations regarding the accuracy of these data submissions.

The insights gained from this call for input will be used to help to form part of NESO's analysis on the data accuracy issues raised and complete a prioritisation list based on system impacts, operational impacts, market impacts and consumer cost impacts.

Before initiating any monitoring processes, NESO will complete its analysis on each individual data inaccuracy item and share its findings with the wider industry. NESO expects to publish this data ahead of financial year 2026/27. This will be followed up with a consultation process to gather industry wide views and an engagement process to establish the most appropriate enduring process to address the inaccuracies. This may include NESO led processes, industry code modification pathways, and/ or referrals to regulatory or code bodies, recognising that a single blanket approach may not be suitable for all issues identified. It is anticipated that any consultations will commence between May 2026 and August 2026.

If you have any comments regarding this summary document or would like to provide additional feedback, please contact the NESO Market Monitoring team directly by emailing MarketReporting@neso.energy.

About the respondents of the call for input

A total of 8 responses were received, using the online template and directly via email. The main categories of respondents were generators, demand technologies, storage technologies, wholesale traders and virtual lead parties.

50% of the responses received were marked as confidential and at the request of the participant, these responses have been excluded from the published feedback.

87.5% of the respondents currently participate in the Balancing Mechanism.

Summary of the responses

Question No	Theme	Commentary
2	Data inaccuracies identified in Table 1	87.5% of respondents agree. 75% of respondents included additional commentary.
3	Additional concerns regarding data accuracy	62.% of respondents included additional concerns.
4	Factors that may improve data accuracy in the BM	62.% of respondents included factors to consider.
5	Largest data inaccuracies	25% of respondents included commentary on where they believe the largest inaccuracies exist.
6	Impact of the data inaccuracies	37.5% of respondents expressed their views on the impact of the data inaccuracies highlighted.
7	Mitigate these data inaccuracies	75% of respondents included suggestions they believe may mitigate some of these inaccuracies.
8	How these inaccuracies may affect operations	25% of respondents shared their views.
9	Specific case studies that illustrate data inaccuracies	12.5% of respondents shared examples.

Key feedback themes

Feedback themes relating to question 2.

"Do you agree with the data inaccuracies identified in Table 1?"

- *NESO should issue analysis on each inaccuracy sharing the frequency, materiality and impacts of these inaccuracies.*
- *There is existing framework under Grid Code, REMIT and Ofgem guidance that establish data requirements.*
- *Interactions between other NESO initiatives like Route to Market, CCP, RNP and BM constraints reform should be considered.*

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- NESO will complete its analysis on each individual data inaccuracy and others identified through the call for input. As these data sets become available, they will be uploaded to the webpage.
- Following the issuance of the supporting analysis, NESO will review current Grid Code, REMIT obligations and any existing Ofgem guidance. If any actions are necessary for a monitoring process, a consultation will be initiated.
- NESO will consider the overlap of any other ongoing initiatives when reviewing these data inaccuracies.

Feedback themes relating to question 3.

"Beyond the inaccuracies identified in Table 1, do you have further concerns regarding the accuracy of data submitted to NESO and published to the wider market?

- *NESO could provide clearer guidance for onboarding and testing.*
- *Use of MIL/MEL to reflect intended output, deviating from the FPN.*
- *FPN discrepancies exist amongst Interconnector FPNs and nominations.*
- *Parameters for some units do not exist on Elexon.*

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- NESO will review the current guidance that exists for onboarding and commissioning and identify any additional guidance requirements as part of its analysis.
- The Grid Code specifies that the FPN should reflect the intended operation of a BMU. Whilst there are technical reasons a unit may need to adjust their MIL/MEL after gate closure to reflect their actual availability, these parameters should not substitute the FPN. As part of our evaluation of FPN accuracy across other fuel sources, instances like this will be identified.
- New parameter data is scheduled to be published under GC0166.

Feedback themes relating to question 4.

"What do you believe are the factors, if any, that may prevent the submission of more accurate data for the items listed in Table 1 or any other inaccuracies you have identified?"

- *Supporting analysis from NESO would be needed to understand the scale of the issues first, then followed by an engagement process.*
- *Timing of data and forecast updates that may impact system conditions.*
- *Thermal assets may require more than two elbow points to accurately represent steam pressure and temperature for ramp rates.*
- *Insufficient transparency around actions taken, specifically understanding of certain reason codes.*
- *Not utilising the information imbalance charge to incentivise generators to deliver their FPNs.*
- *Improving the NESO onboarding process to clarify roles and responsibilities.*

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- As the analysis for each data inaccuracy becomes available, NESO will issue this to industry for their views. All analysis will be followed with an appropriate engagement process before any monitoring process is developed.
- Changes to the way that ramp rates can be submitted would require a Grid Code modification proposal.
- NESOs dispatch transparency workstream aims to support understanding of reasons actions are taken and bring consistency to dispatch approach.
- Use of the information inaccuracy parameter within settlements will be considered as part of the FPN accuracy work and would need delivery via a BSC change if taken forwards.
- NESO has issued guidance on data during commissioning processes and will publish a guidance document on dynamic parameters to support understanding of new market participants.

Feedback themes relating to question 5.

"Where do you think the largest data inaccuracies exist?"

- *Supporting analysis detailing the data inaccuracies would be required to answer this question fully.*

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- Following our earlier responses, NESO will publish the data sets as they become available.

Feedback themes relating to question 6.

"What do you believe the impact of these data inaccuracies is?"

- *Inefficient BM and wholesale market dispatch, leading to uncertainty in the market, increased balancing costs and system risks.*
- *Inconsistent MZT and MNZT parameters with FPNs impacts competition as it reduces certainty in market conditions.*

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- It is recognised by the dispatch transparency work that there are periods in which units are not used in cost order, this may contribute to or reduce overall costs as balancing is not limited to an individual settlement period in isolation.
- Under the Grid Code, generators must ensure that their dynamic parameters "reasonably reflect the true current operating characteristics of the BM Unit". Ofgem open letter issued on the 29th September 2020 sets out the expectations for generators when submitting their dynamic parameters: Ofgem Open Letter.

Feedback themes relating to question 7.

"What solutions do you think would mitigate the issues caused by these data inaccuracies?"

- *Clearer guidance and transparency from NESO.*
- *Changes like GC0166 and recent improvement to reserve and response service terms should improve asset availability in the BM.*
- *Alternative enforcement actions for Grid Code breaches before the issuance of a Limited Operational Notification (LON).*
- *Targeted approach by NESO to those not adhering to existing commercial and operational framework.*

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- NESO acknowledges that there are a number of changes that are ongoing relating to data submissions by market participants. Whilst considering any monitoring processes or additional guidance required, the interaction between these ongoing initiatives will be considered.
- Any new monitoring processes or guidance documents will be consulted on with industry before it is finalised.
- It is recognised that addressing all issues consulted on may not involve the same solution.

Feedback themes relating to question 8.

"How do current practices in data reporting affect your operations?"

- *The market data collected informs the decision-making process for participation in the BM. Difficulty building an accurate view of the market conditions, leading to operational inefficiencies.*
- *Commercial incentives exist for generators to submit accurate data.*

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- NESO recognises the importance of accurate data to all users of the BM,
- While commercial incentives exist for submitting accurate data, initial evidence suggests that this is not likely to be sufficient at its present level. Consideration of BSC changes such as information imbalance charges proposed in the consultation process may increase this incentive.

Responses to question 9 were marked as confidential where examples or case studies were shared.