Public

NESO Operational Transparency Forum

4 March 2026

Welcome to the Operational Transparency Forum!

You are in listen-only mode with your camera turned off.

Live Captioning Available. To enable live captions in Microsoft Teams:

- Click on the 3 dots icon / 'More'
- Click 'Turn on live captions'

NESO
National Energy System Operator

Key Points

Slido code #OTF

- **Ask Questions and give feedback:** Use **Sli.do event code #OTF.**
- **Submit early:** Ask questions early to give our experts time to answer.
- **No Edits:** Don't edit questions after submission; submit a new question, if needed.
- **Identify Yourself:** Provide your name or organization. Anonymous questions won't be answered live**.** If you have reasons to remain anonymous to the wider forum, please use the advance question or email options below.
- **Report Concerns:** Report concerns to the Market Monitoring team at **marketreporting@neso.energy.**
- **Question Order:** Questions are answered in upvoted order. Some may be taken away or answered later.
- **Sli.do Open:** Sli.do remains open **until 12:00** for maximum question opportunities. After that please use the advance questions or email options below.
- **Q&A:** All questions are recorded & published. Unanswered questions will be included in the next slide pack.
- **Ask questions anytime** whether for inclusion in the forum or individual response through our Advance Questions form or at: box.nc.customer@neso.energy.
- **Stay Updated:** Visit our webpage at: https://www.neso.energy/what-we-do/systems-operations/operational-transparency-forum for updates and previous OTF material.

Note: To access previous OTF webinars from Slido, click on the three lines to the left of forum title.

Deep dive sessions

Today

Slido code #OTF

Future

18th March:

Future of Registration for the Balancing Mechanism

25th March:

February Balancing Costs

If you have questions/suggestions of areas to cover during above presentations or ideas for deep dives or focus topics you would like us to consider, please send them to us at: box.nc.customer@neso.energy

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Reformed National Pricing: Call for Input and Expressions of Interest for Industry Expert Panel

Slido code #OTF

Key Dates

- Call for Input on Balancing, Settlement and Dispatch (launched 11th Feb) closes on **Tuesday 14th April 2026 at 5pm**
- Industry Expert Panel: expression of interest closes 6th March 2026

How can I respond?

- Links to both response forms are available on the NESO RNP page, with a PDF version of the questions available to download
- Supplementary evidence can be uploaded within your responses for the CFI, we prefer this to be in a PDF format where possible

I have a question I want to ask about the Call for Input

- We will be hosting a technical questions webinar **11am-12.30pm on 17th March 2026**
- Questions can be asked during the session, alternatively you can submit questions in advance using our Slido- **#RNPCFI**
- Any other questions can be sent to box.market.strategy@neso.energy

All information can be found at www.neso.energy/industry-information/reformed-national-pricing
Or by scanning this QR code

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Slow Reserve update

Slido code #OTF

- Ahead of SR service go-live on 31 March 2026 join us later today **4 March at 2:00 pm** for our final **Slow Reserve webinar** prior to go-live of the service. The Slow Reserve team will cover NESO requirement setting, a brief overview of the technical requirements, onboarding and what to expect in the days prior to the first auction.

- We have published an updated **Slow Reserve transition plan** with further detail and guidance on the SR procurement volumes, go-live readiness plan and timings.

- We have also now published the formal **Linking Notice** which provides the full details of the linked windows applicable from service go-live and details of the positive and negative **Slow Reserve Requirement Forecast**.

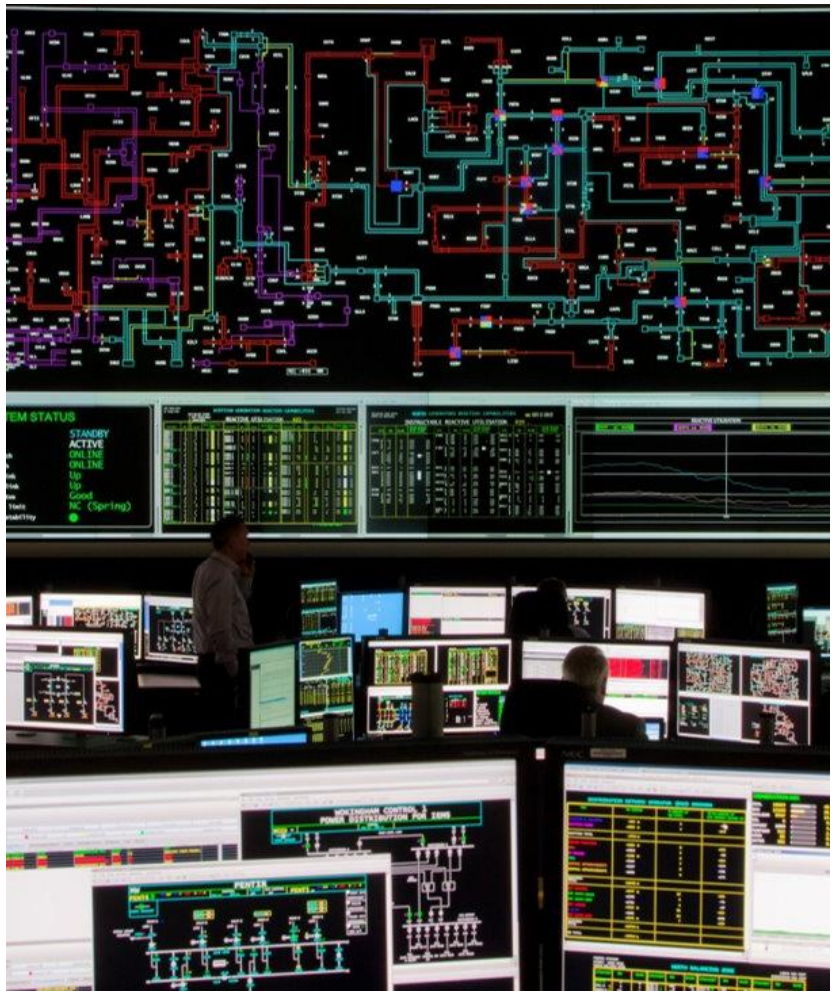
- Mock Auctions are ongoing until 16 March; access the auction environment here: **https://mock-auction.eac.neso.production.n-side.com/marketparticipant**

- Lastly, we will be holding our second drop-in session for questions around mock auctions, onboarding and the service in general on **12 March at 10:30 am:**

    - **Drop-in session 2 - 10:30 - 12 March**

Demand for Constraints (DfC) update

Slido code #OTF



- As part of the Constraints Collaboration Project (CCP), we have progressed on the detailed design of Demand for Constraints (DfC) service to incentivise new, flexible demand capacity in constrained areas.
- **On Thursday, 5th of March from 1:00-2:30 pm**, we will be running a Demand for Constraints (DfC) technical design webinar.
- The webinar will cover:
  - An update on the high-level design of Demand for Constraints (DfC)
  - A detailed overview of the Technical and Dispatch Design of the service
  - An update on upcoming external engagement with industry, including the Request for Information (RFI).

To register, please complete the form here, or contact box.market.dev@neso.energy

Fast Reserve update

Slido code #OTF

We can confirm that the Optional Fast Reserve (OFR) service will cease operation at 23:00 on **Friday 17 April 2026**. The OFR service has now been replaced by Quick Reserve (QR), and although OFR had originally been scheduled to end in December 2025, NESO chose to maintain the service for an extended period to support the full embedding of the QR service across both BM and non-BM providers.

We would like to take this opportunity to thank all providers who have contributed to this valued service since its inception over a decade ago.

If you have any questions, please reach out to us commercial.operation@neso.energy

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Webinar: Dispatch Transparency

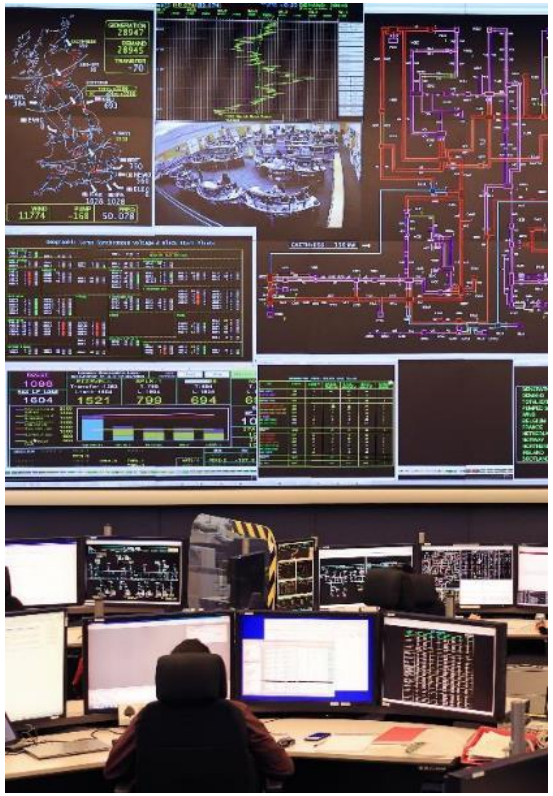
Slido code #OTF

Please join us for an update from our Dispatch Transparency Programme.

Friday 6 March 2026 10:00 to 11:00am

Skips Behind Constraints

Register



Feedback on proposed methodology to measure Skips behind Thermal Constraints including data publication.

There will be opportunities to ask questions. If possible, please send your questions in advance to box.SkipRates@neso.energy.

The content will be published afterwards on our Skip Rates webpage.

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Short-term Reactive Power Market

Webinar

- NESO is pleased to confirm that we have a webinar on **Tuesday 10 March at 15:00 - 16:00** to share with industry the outcome of our work to assess the efficacy of implementing a short-term reactive power market.
- It will include the opportunity for questions and answers, with all materials being published on the website afterwards.
- The webinar invite can be found here, or scan the QR code below.

Joint European Stakeholder Group Survey

- The Joint European Stakeholder Group (JESG) covers the development and implementation of retained aspects of European Network Codes (ENCs), Trade and Cooperation Agreement (TCA) activity, Cross border activity and other areas of relevant GB and EU energy policy.
- NESO has launched a JESG participation survey to ensure JESG continues to deliver value by maintaining NESO's customer focus.
- We would welcome responses from any stakeholders who have ever been to JESG whether that be for one meeting or as a regular attendee.
- We are have extended the closing date of the survey from the 3rd of March to the **17th of March** to allow more time for Stakeholders to respond.
- The Survey can be found here.

Slido code #OTF

JESG Participation Survey

EAC Auction Results Archiving Notice

Slido code #OTF

Due to the large file size of the EAC Sell Orders dataset, the NESO Response-Reserve Sell Orders FY2023-FY2024 (Archive) dataset will be restructured into monthly files on **Tuesday, 3 March**. This will make the data easier to download and use.

Please note

- This change applies only to the NESO Response-Reserve Sell Orders FY2023–FY2024 (Archive) dataset. The other three archived datasets will remain unchanged.
- Live datasets (NESO Response-Reserve Results Summary, NESO Response-Reserve Buy Orders, NESO Response-Reserve Sell Orders, NESO Response-Reserve Results By Unit) will remain unchanged.
- Auction data for financial year 2025 will be archived in April 2026. Further details will be shared in March 2026.

NESO National Energy System Operator

Help us build a better NESO website

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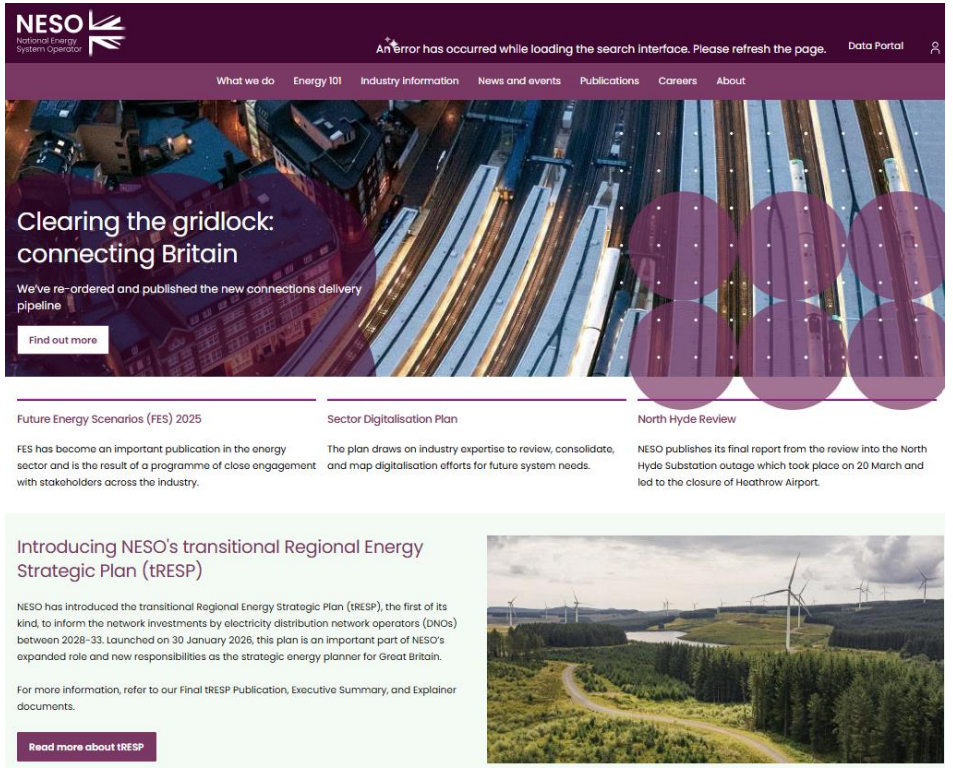
We're rebuilding the NESO website from the ground up — and we'd love your input.

Do you use our website neso.energy?
Can you spare 30 minutes for a short call with our team?

What to expect

- No preparation needed
- A relaxed conversation about:
  - how you currently use our website neso.energy
  - what you need from the site
  - what works well — and what doesn't



If you're happy to take part, please share your details with david.price@neso.energy

Your feedback will directly shape the new NESO website.

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Future Event Summary

Slido code #OTF

Event	Date & Time	Link
Slow Reserve webinar	04 Mar (14:00-15:00)	Register here
Demand for Constraints (DfC) Technical Design webinar	05 Mar (13:00-14:30)	Register here
Webinar: Dispatch Transparency	06 Mar (10:00-11:00)	Register here
RNP - Industry Expert Panel: expression of interest closes	06 Mar	Response Form
Short-term Reactive Power Market webinar	10 Mar (15:00-16:00)	Register here
Slow Reserve drop-in session 2	12 Mar (10:30-11:30)	Register here
SORT Upload	17 Mar	
RNP Balancing, Settlement and Dispatch Q&A webinar	17 Mar (11:00-12:30)	Register here
Network Access Planning (NAP) OC2 Forum	24 Mar (09:00-17:00)	Register here
Balancing Programme March 2026 Webinar	26 Mar (11:00-12:30)	Register here
Slow Reserve service go-live and end of the STOR service	31 Mar	
RNP - Call for Input on Balancing, Settlement and Dispatch closes	14 Apr (17:00)	Response Form
Operational Fast Reserve service ceases operation	17 Apr (23:00)	

Check out the NESO Events Calendar for more...

NESO National Energy System Operator

Demand | Last week demand out-turn

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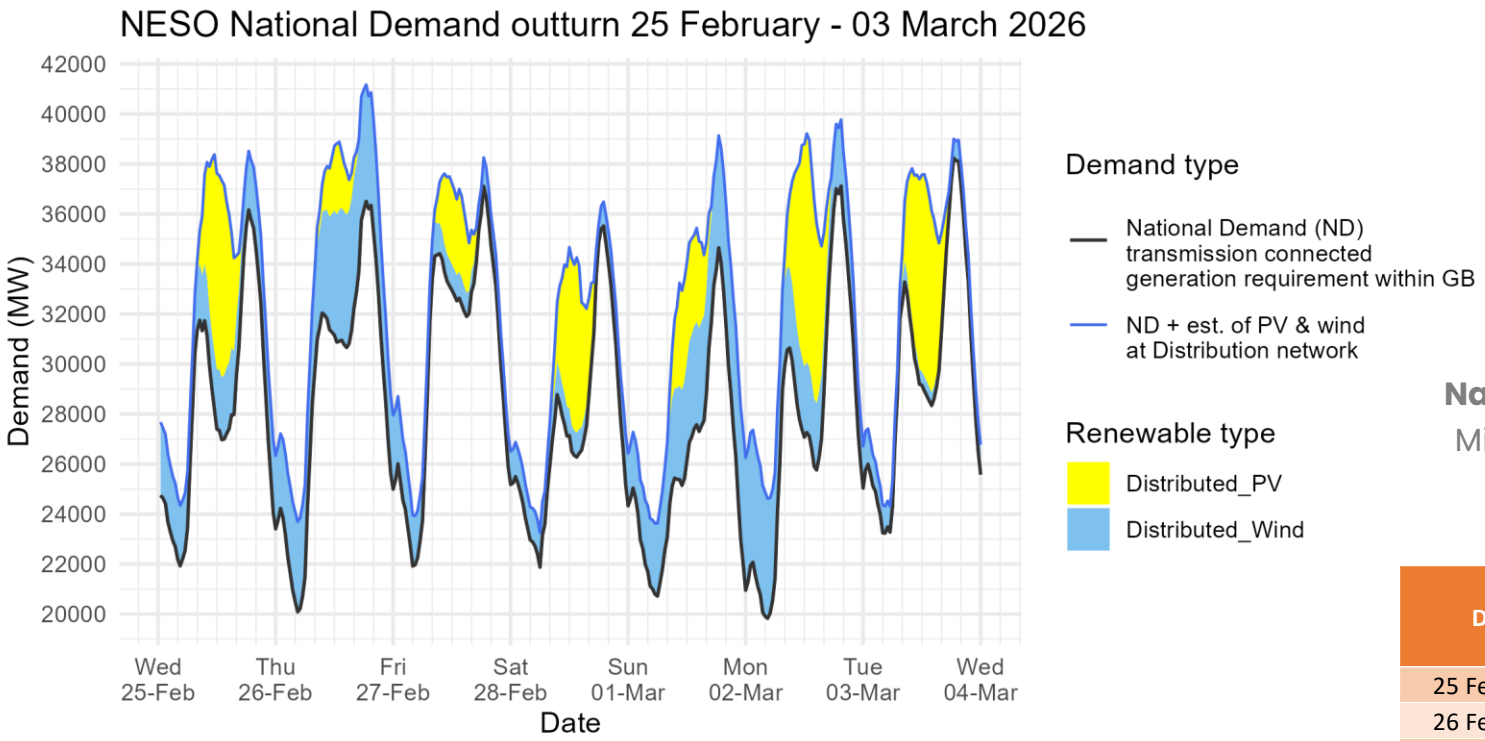


The black line (National Demand ND) is the measure of portion of total GB customer demand that is supplied by the transmission network.

ND values do not include export on interconnectors or pumping or station load

Blue line serves as a proxy for total GB customer demand. It includes demand supplied by the distributed wind and solar sources, but it does not include demand supplied by non-weather driven sources at the distributed network for which NESO has no real time data.

Historic out-turn data can be found on the NESO Data Portal in the following data sets: Historic Demand Data & Demand Data Update

Distributed generation

Peak values by day

Date	OUTTURN	
	Daily Max Dist. PV (GW)	Daily Max Dist. Wind (GW)
25 Feb 2026	7.9	2.9
26 Feb 2026	2.8	5.3
27 Feb 2026	3.3	2.8
28 Feb 2026	7.0	2.1
01 Mar 2026	4.1	5.3
02 Mar 2026	9.1	5.3
03 Mar 2026	8.1	1.6

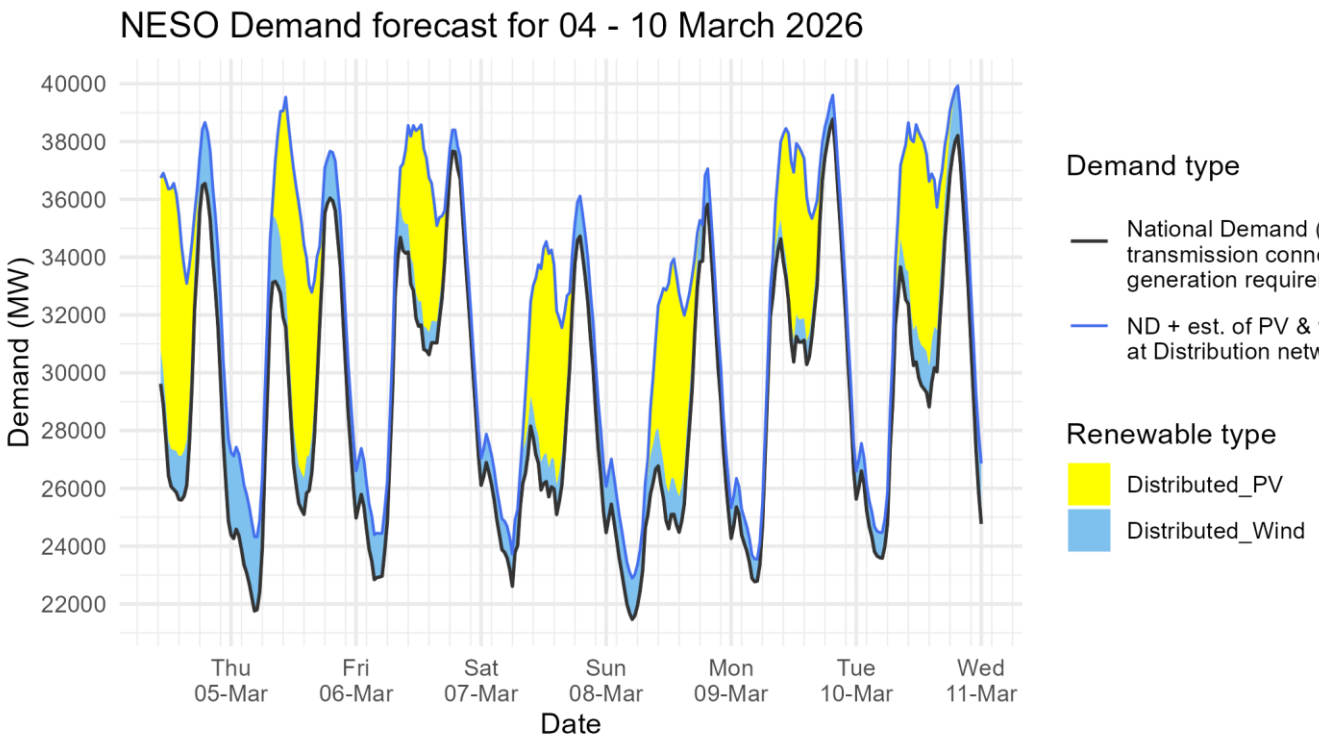
National Demand

Minimum & Peak Demands

Date	Forecasting Point	FORECAST (Wed 25 Feb)		OUTTURN	
		National Demand (GW)	Dist. wind (GW)	National Demand (GW)	Dist. wind (GW)
25 Feb 2026	Evening Peak	36.6	2.7	36.2	2.4
26 Feb 2026	Overnight Min	21.0	3.4	20.1	3.6
26 Feb 2026	Evening Peak	35.4	4.5	36.5	4.7
27 Feb 2026	Overnight Min	21.7	2.8	21.9	2.0
27 Feb 2026	Evening Peak	36.8	1.7	37.1	1.1
28 Feb 2026	Overnight Min	22.9	1.1	21.9	1.4
28 Feb 2026	Evening Peak	34.6	2.0	35.5	1.0
01 Mar 2026	Overnight Min	19.3	4.1	20.7	2.9
01 Mar 2026	Evening Peak	34.1	3.8	34.7	4.5
02 Mar 2026	Overnight Min	21.2	2.9	19.8	4.8
02 Mar 2026	Evening Peak	39.2	1.1	37.1	2.7
03 Mar 2026	Overnight Min	24.2	0.8	23.2	1.1
03 Mar 2026	Evening Peak	39.4	1.2	38.2	0.7

Demand | Week Ahead

Slido code #OTF



National Demand
Minimum Demands

		FORECAST (Wed 04 Mar)		
Date	Forecasting Point	National Demand (GW)	Dist. wind (GW)	Dist. PV (GW)
04 Mar 2026	Daytime Min	25.6	1.5	7.3
05 Mar 2026	Overnight Min	21.8	2.6	0.0
05 Mar 2026	Daytime Min	25.1	1.3	8.1
06 Mar 2026	Overnight Min	22.8	1.6	0.0
06 Mar 2026	Daytime Min	30.6	0.8	5.3
07 Mar 2026	Overnight Min	22.6	1.1	0.0
07 Mar 2026	Daytime Min	25.1	1.0	6.0
08 Mar 2026	Overnight Min	21.5	1.4	0.0
08 Mar 2026	Daytime Min	24.5	1.2	7.0
09 Mar 2026	Overnight Min	22.8	0.8	0.0
09 Mar 2026	Daytime Min	30.3	0.8	5.0
10 Mar 2026	Overnight Min	23.6	0.9	0.0
10 Mar 2026	Daytime Min	28.8	1.4	6.4

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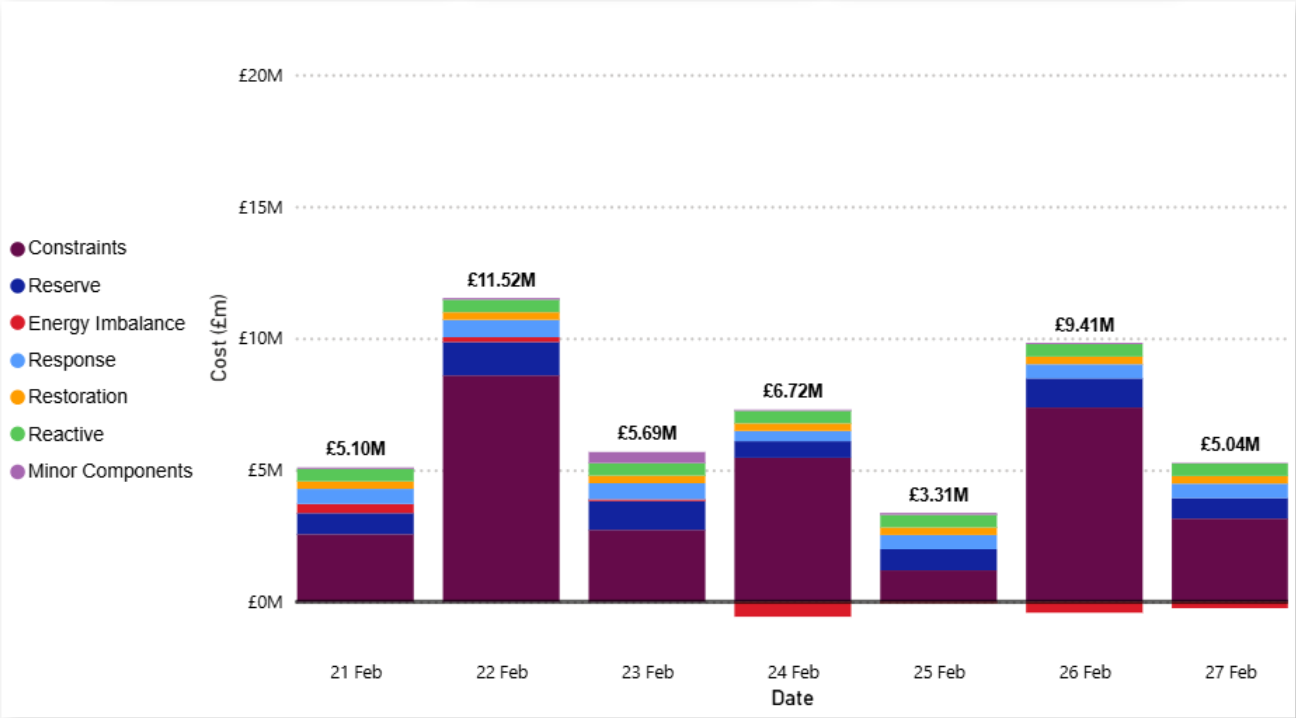
NESO Actions | Category Cost Breakdown

Slido code #OTF

Date

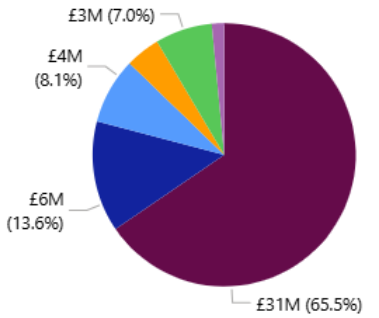
21/02/2026 27/02/2026

Weekly Total Costs (£)	Last Week Total Costs (£)	Past 30-Day Average Costs (£)
46.8M	50.2M	7.6M



Date	Total Costs
21 February 2026	£5,099,372
22 February 2026	£11,524,784
23 February 2026	£5,685,884
24 February 2026	£6,720,185
25 February 2026	£3,314,537
26 February 2026	£9,412,246
27 February 2026	£5,035,871
Total	**£46,792,879**

Weekly Cost (£) and Share (%)



For more info on constraint costs, and the steps NESO is taking with industry partners to address them, please see our Balancing Costs website.

We will be providing an update on NESO's activities to manage constraints following publication of DESNZ' Reformed National Pricing Delivery Plan.

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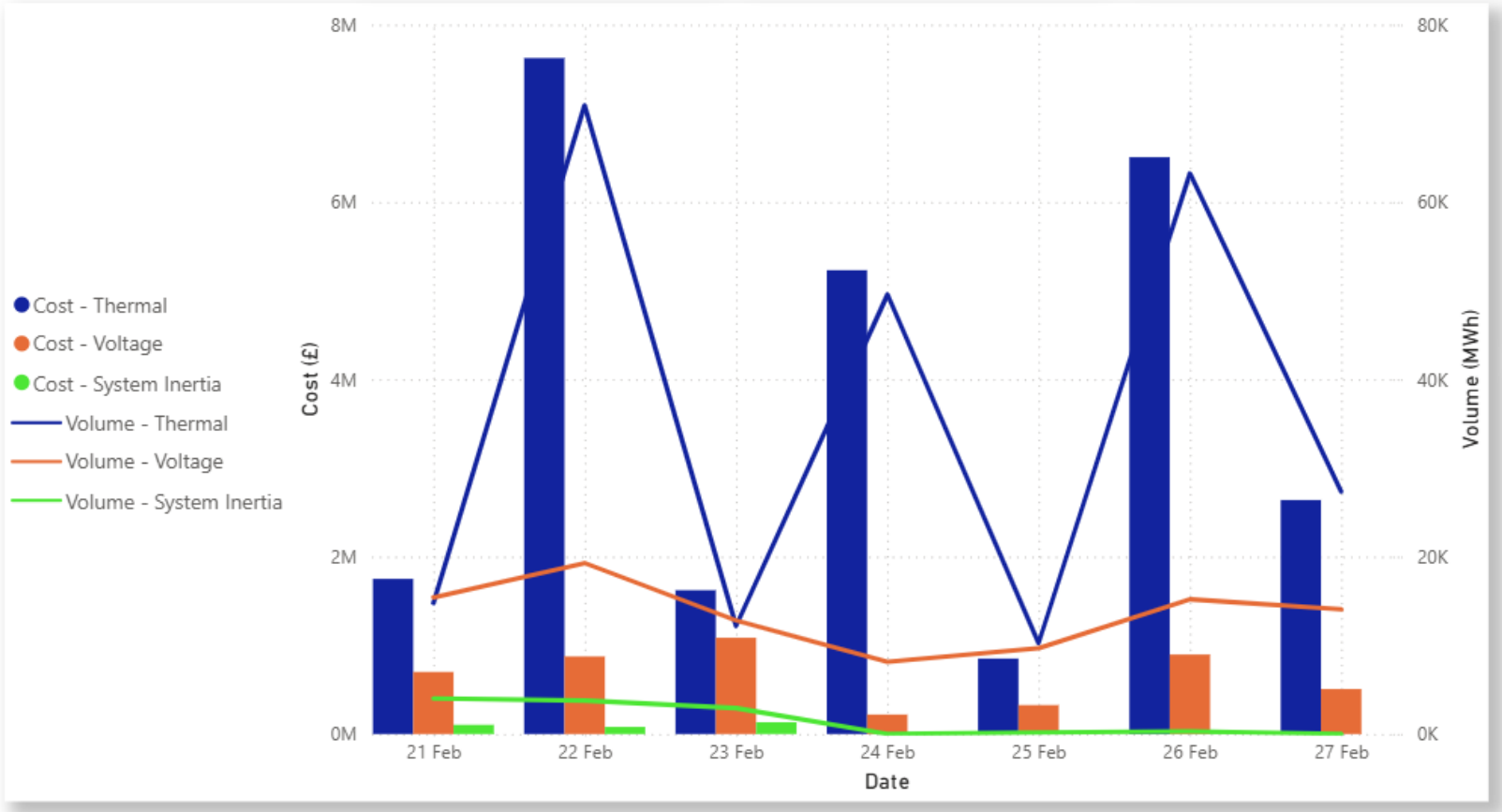
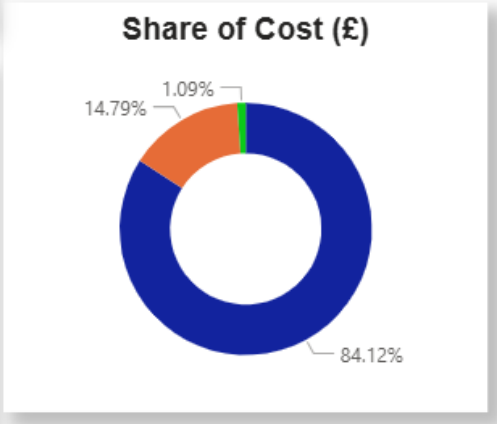
NESO Actions | Constraint Cost Breakdown

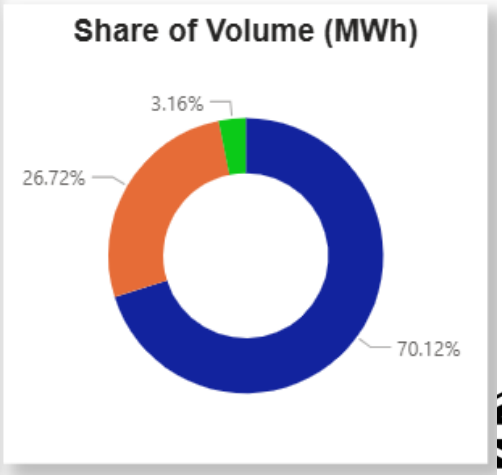
Slido code #OTF

Date
21/02/2026 27/02/2026

Thermal Constraints		Voltage Constraints		System Inertia	
Costs (£)	Vol (MWh)	Costs (£)	Vol (MWh)	Costs (£)	Vol (MWh)
26.22M	248.21K	4.61M	94.57K	340.90K	11.20K



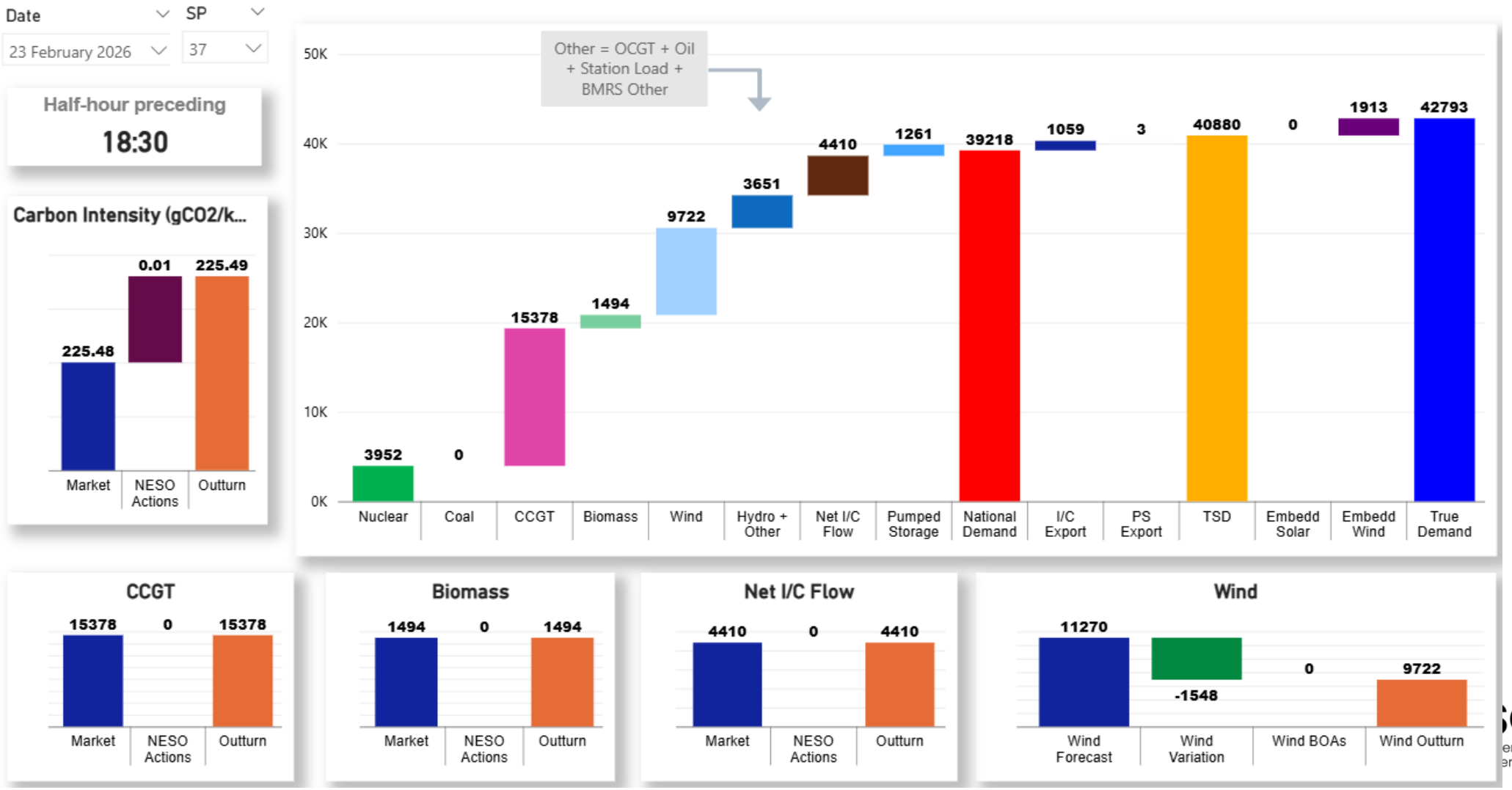




Note: Thermal Constraint volume is reported as an absolute figure.

NESO Actions | Peak Demand – Settlement Period (SP) spend ~£-8.5k Monday 23rd February

Slido code #OTF

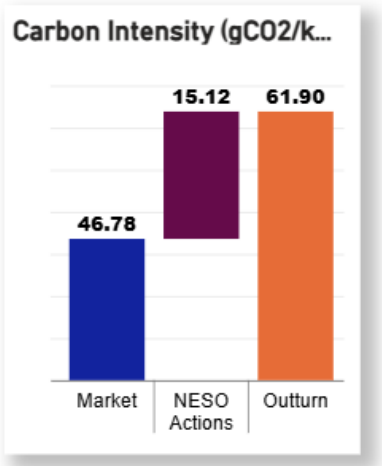


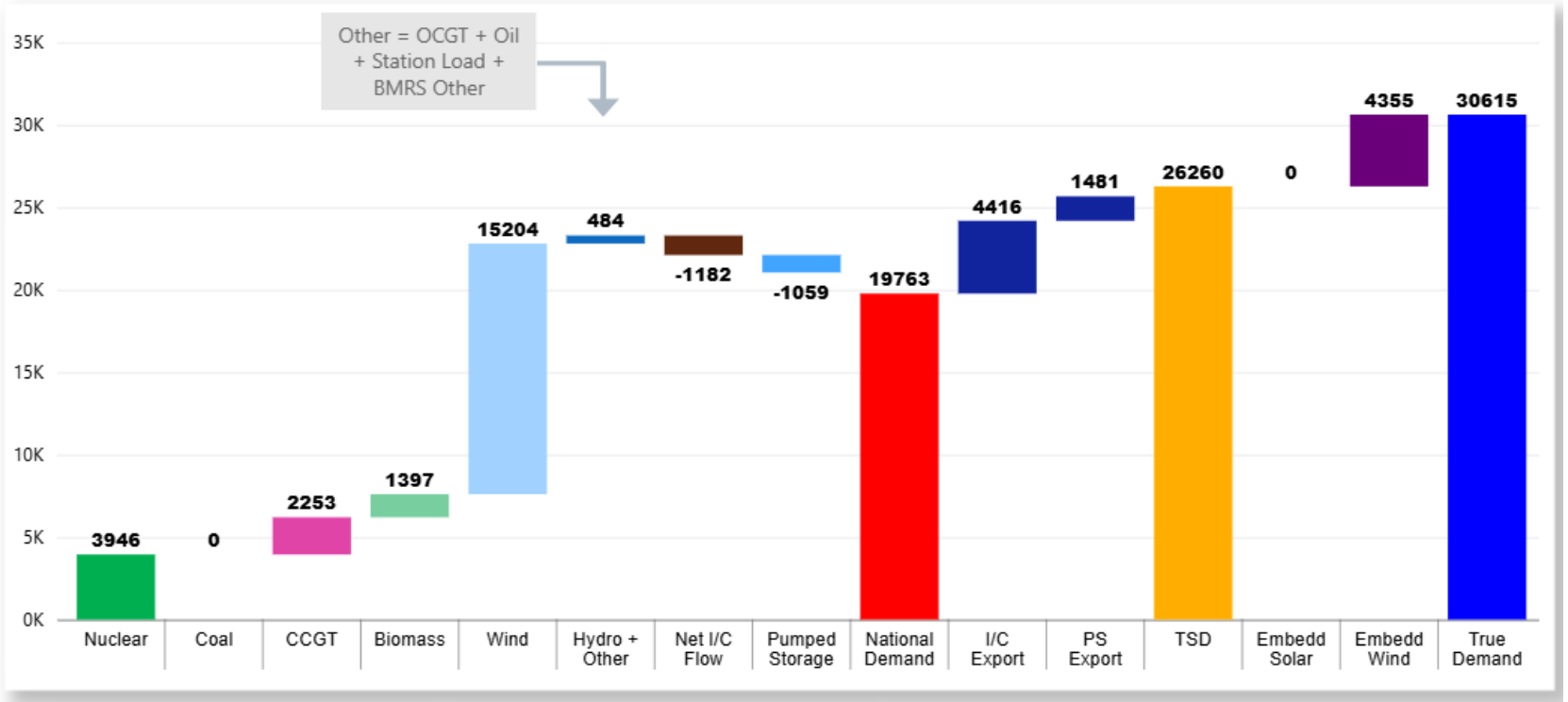
NESO Actions | Minimum Demand – SP spend ~£210k Monday 23rd February

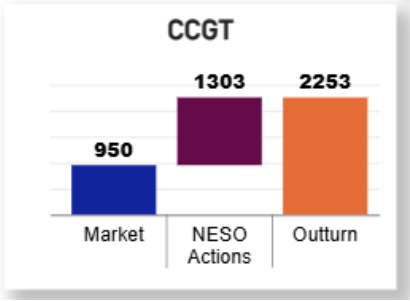
Slido code #OTF

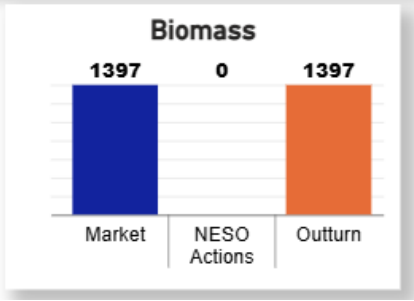
Date: 23 February 2026 | SP: 9

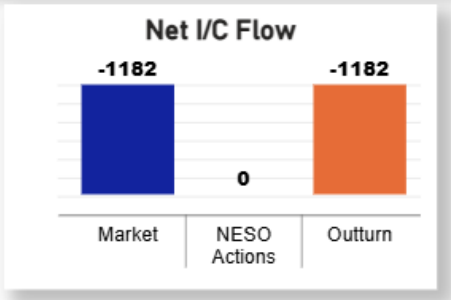
Half-hour preceding: 04:30

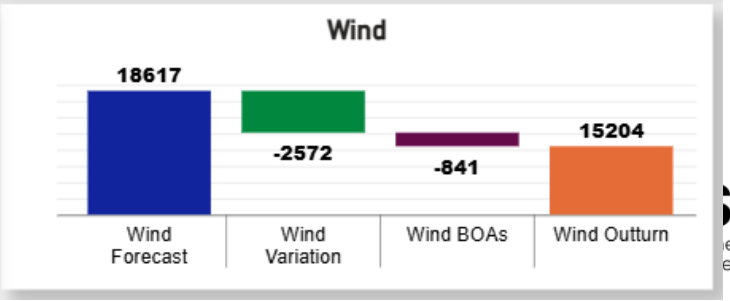










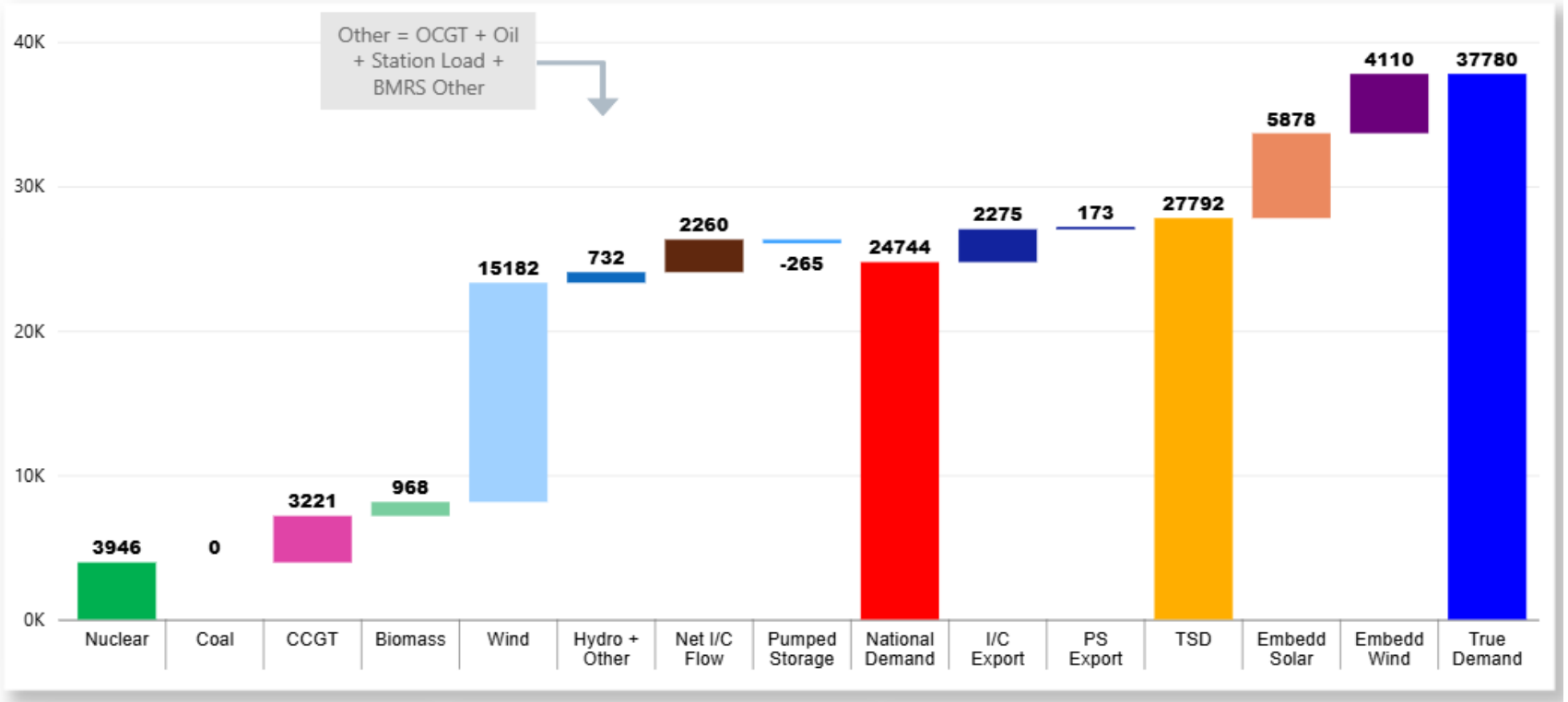


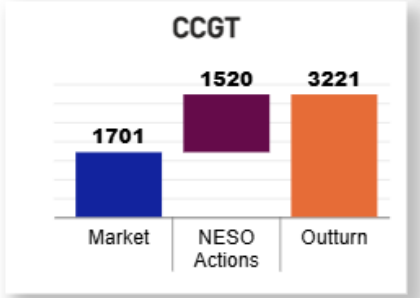
NESO Actions | Highest SP spend ~£311k
Sunday 22nd February

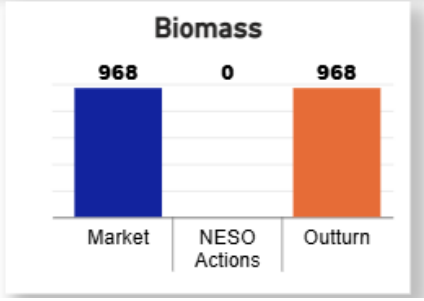
Slido code #OTF

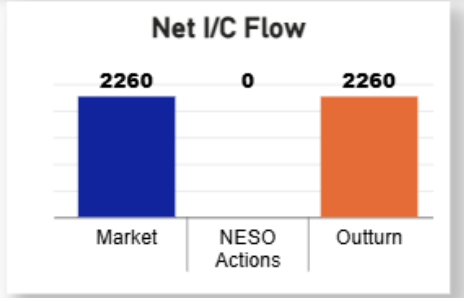
Date: 22 February 2026 | SP: 27

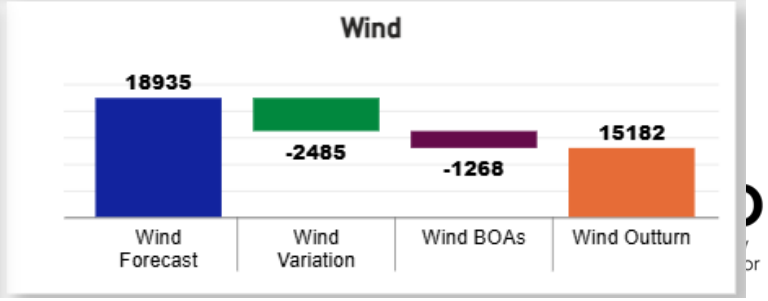
Half-hour preceding
13:30





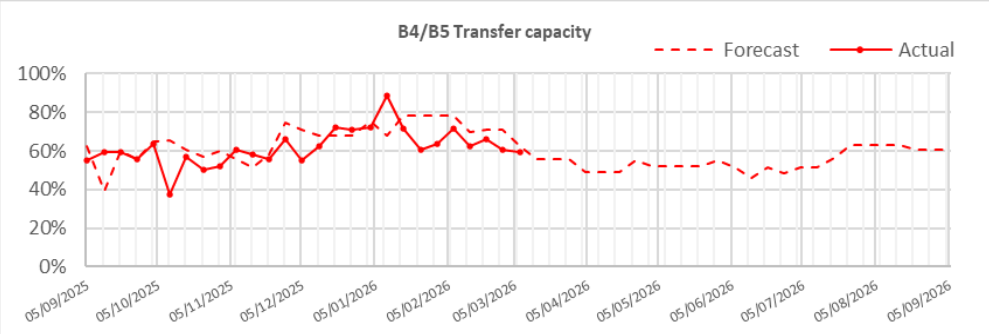


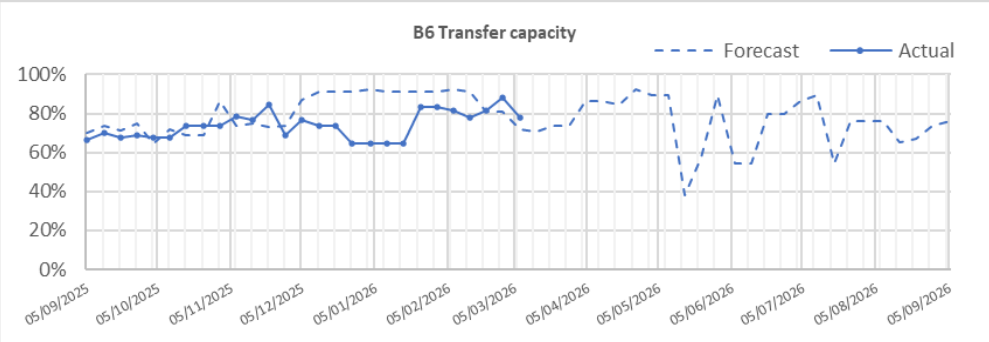


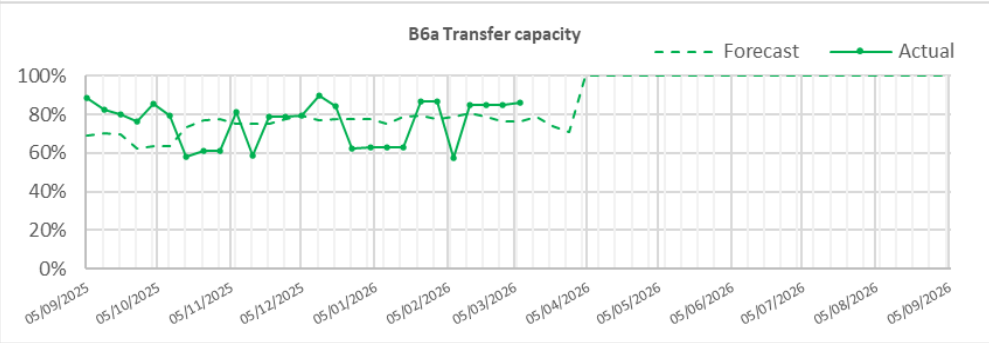


Transparency | Network Congestion

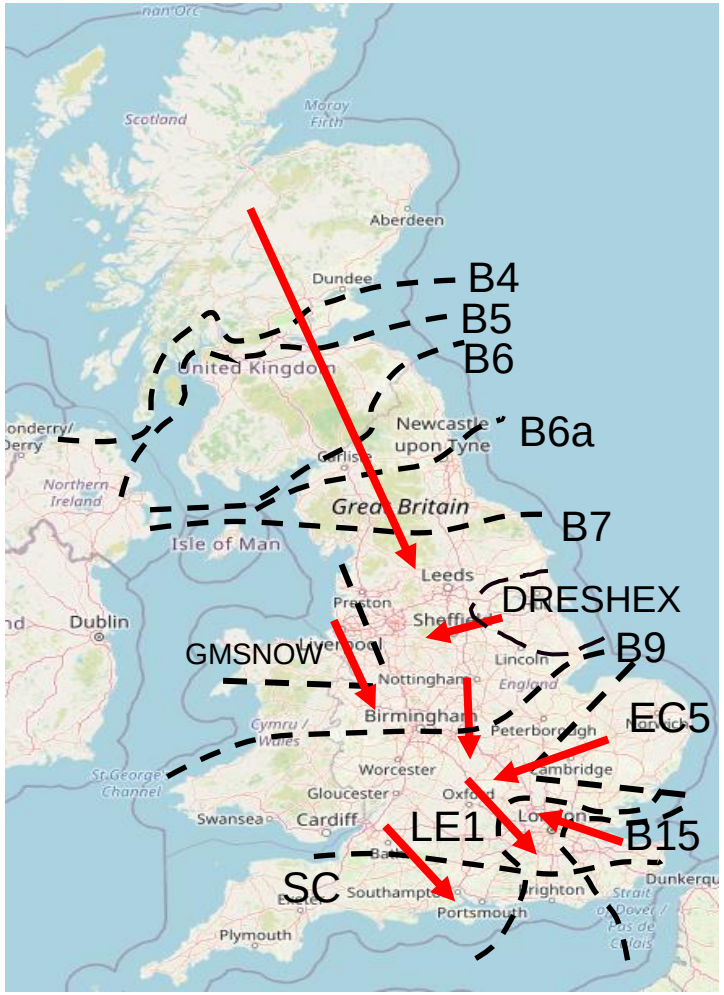
Slido code #OTF







Boundary	Max. Capacity (MW)	Current Capacity (%)
B4/B5	3400	59
B6 (SCOTEX)	6800	78
B6a	8000	86
B7 (SSHARN)	9850	84
GMSNOW	5800	29
FLOWSTH (B9)	12700	80
DRESHEX	9675	83
EC5	5000	100
LE1 (SEIMP)	8750	74
B15 (ESTEX)	7500	75
SC1	7300	100



The forecast line is updated with the 10-week ahead view, and this happens each week. So, everything up to 10 weeks ahead is the forecast from 10-week ahead view, and everything after that is the fixed long-term forecast view.

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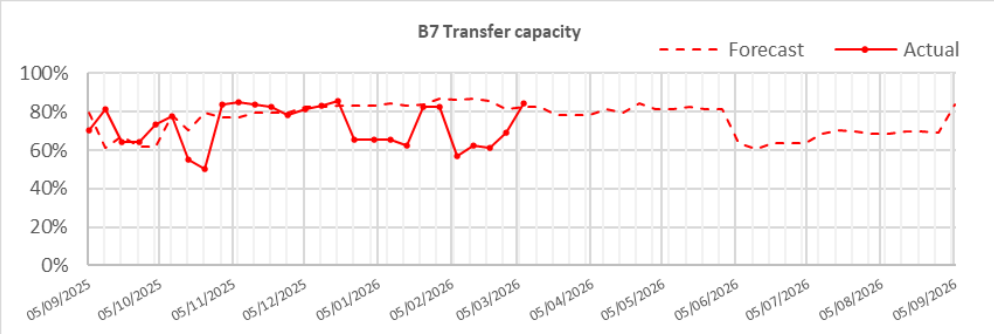
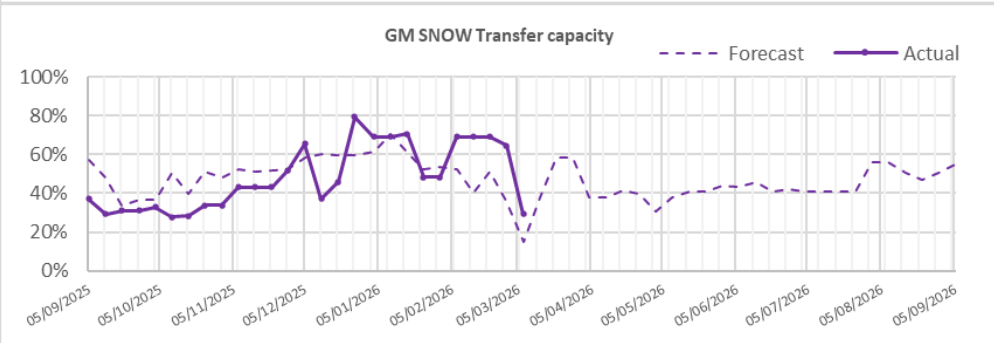
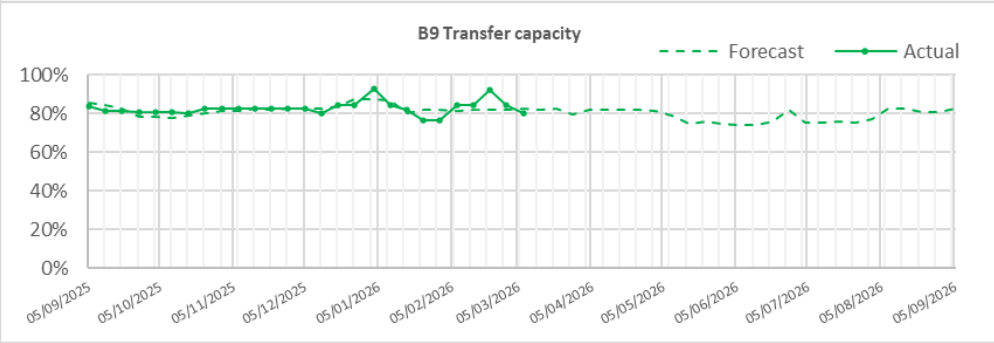
Transparency | Network Congestion

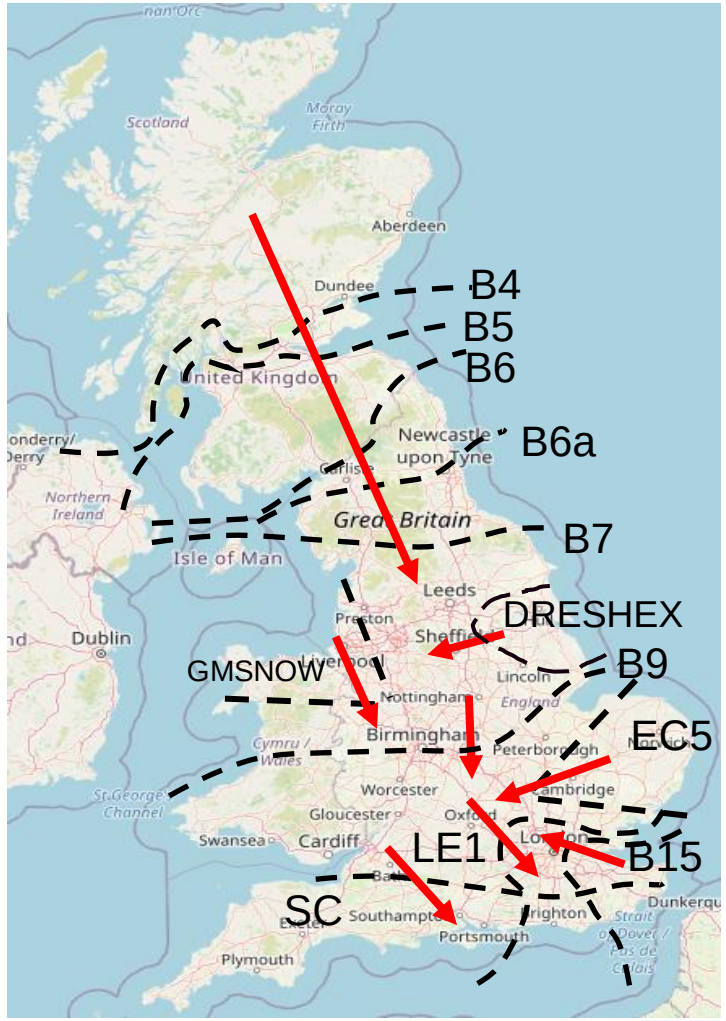
Slido code #OTF







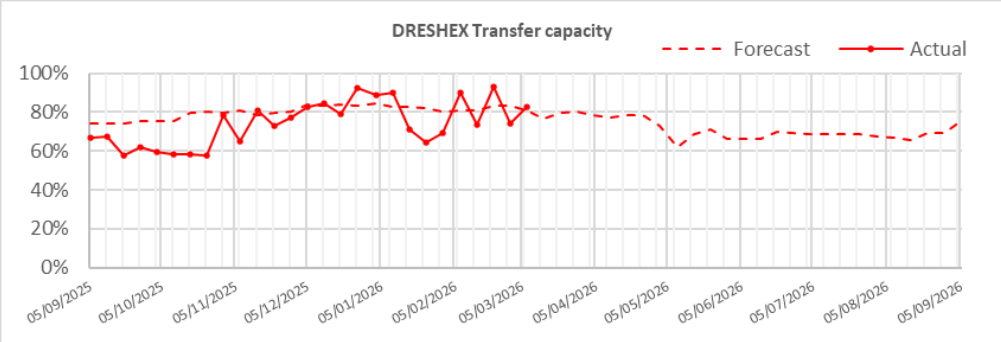
Boundary	Max. Capacity (MW)	Current Capacity (%)
B4/B5	3400	59
B6 (SCOTEX)	6800	78
B6a	8000	86
B7 (SSHARN)	9850	84
GMSNOW	5800	29
FLOWSTH (B9)	12700	80
DRESHEX	9675	83
EC5	5000	100
LE1 (SEIMP)	8750	74
B15 (ESTEX)	7500	75
SC1	7300	100

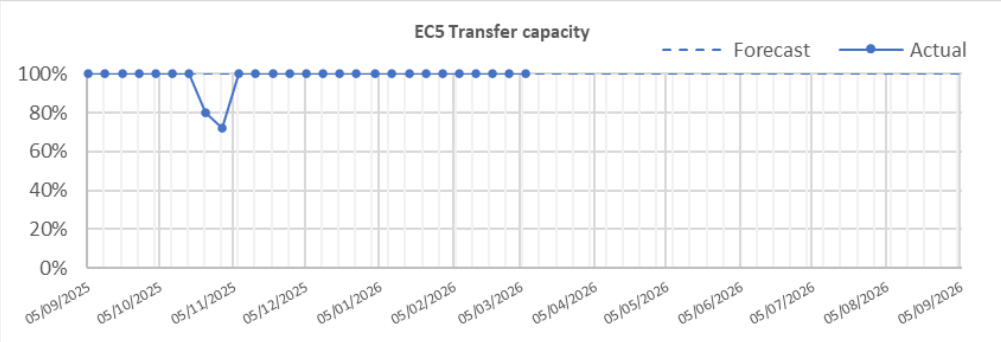


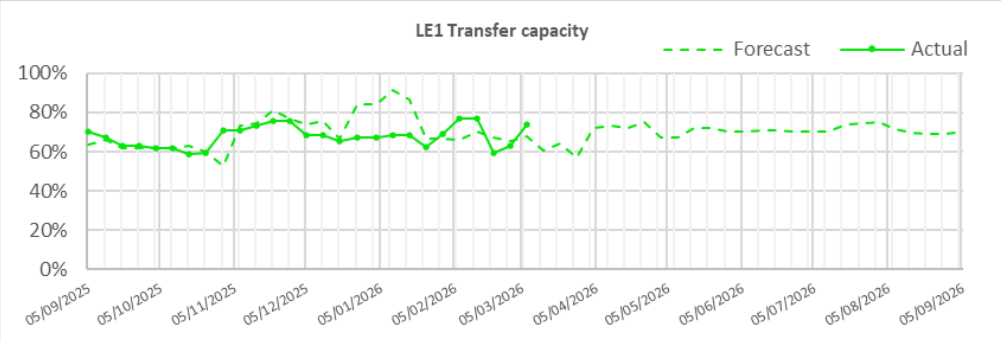
The forecast line is updated with the 10-week ahead view, and this happens each week. So, everything up to 10 weeks ahead is the forecast from 10-week ahead view, and everything after that is the fixed long-term forecast view.

Transparency | Network Congestion

Slido code #OTF







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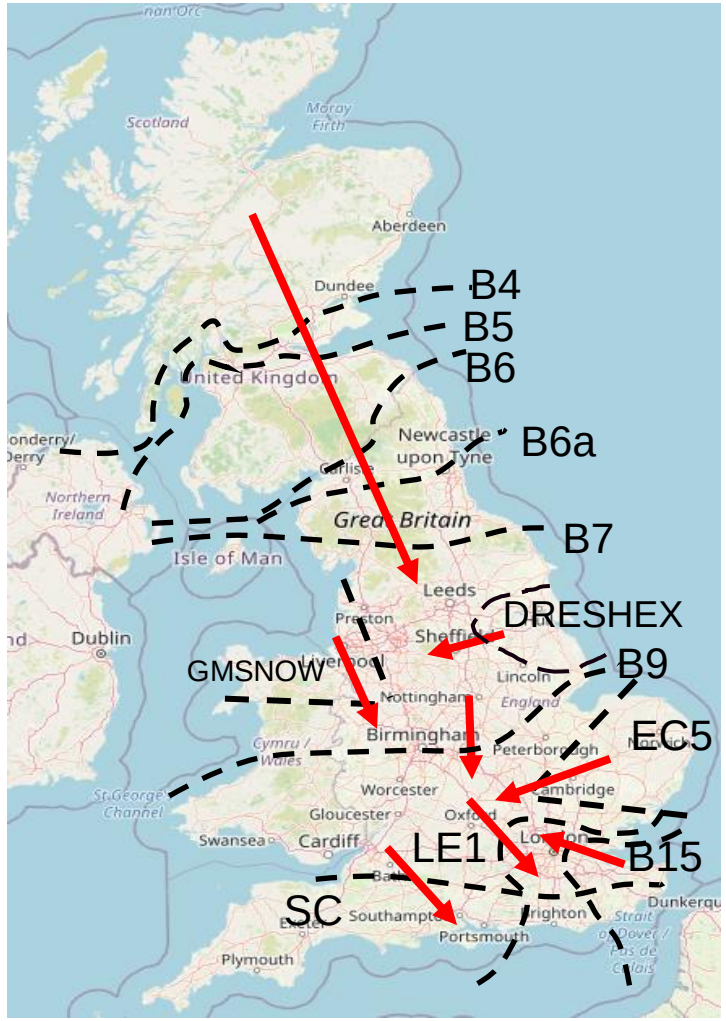

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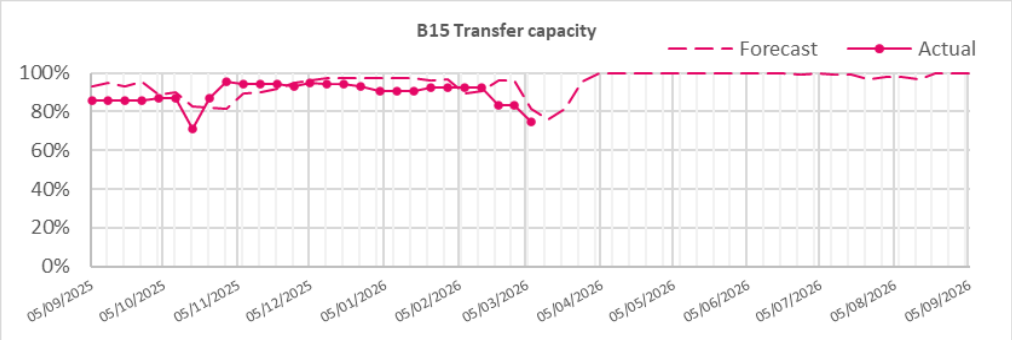
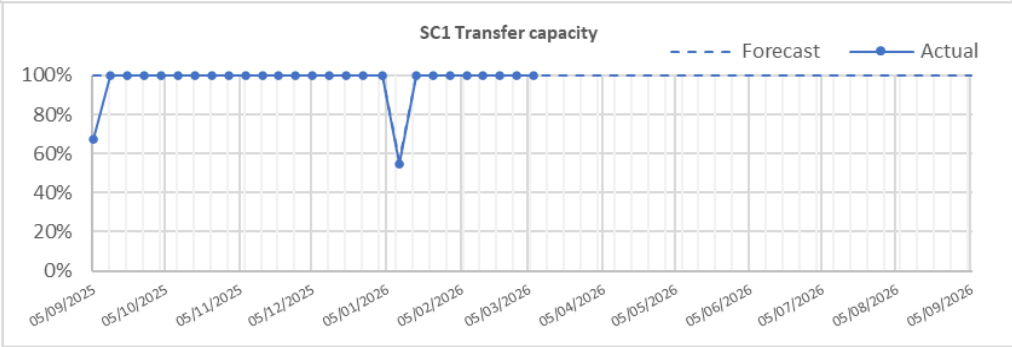
NESO National Energy System Operator

Transparency | Network Congestion

Slido code #OTF





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Day ahead flows and limits, and the 24-month constraint limit forecast are published on the ESO Data Portal: Constraints Management

(The forecast and day ahead limits may vary due to changes in the outage plan. The plan is reviewed periodically throughout the year to ensure we are optimising system conditions, whilst managing any necessary outage plan changes.

Boundary	Max. Capacity (MW)	Current Capacity (%)
B4/B5	3400	59
B6 (SCOTEX)	6800	78
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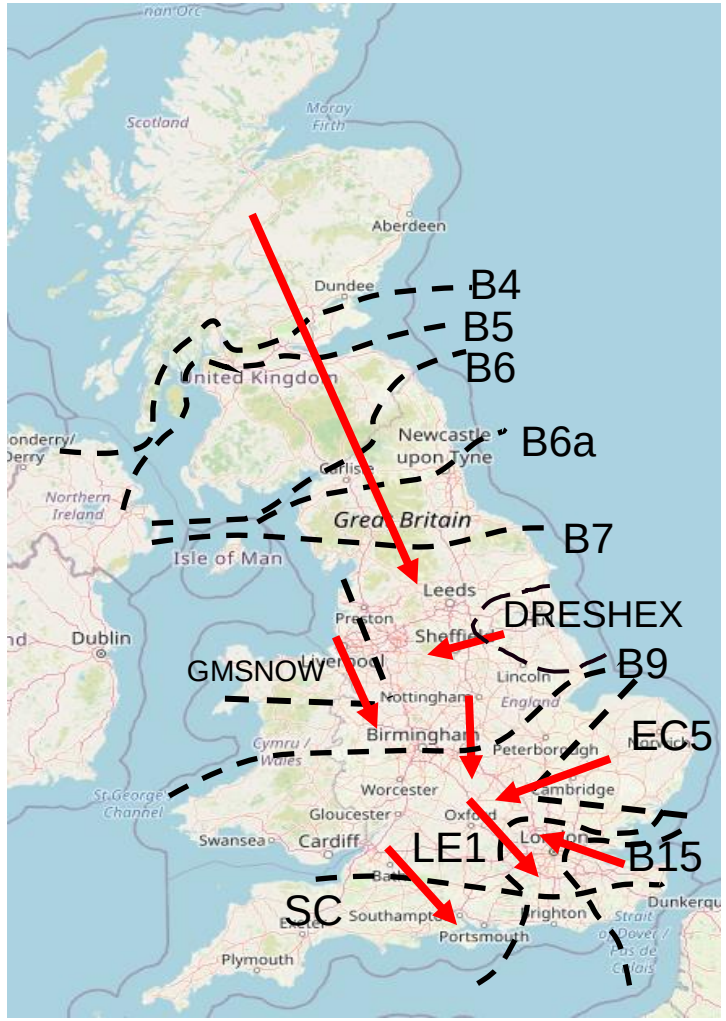


Skip Rates by Technology Type – Bids

Slido code #OTF

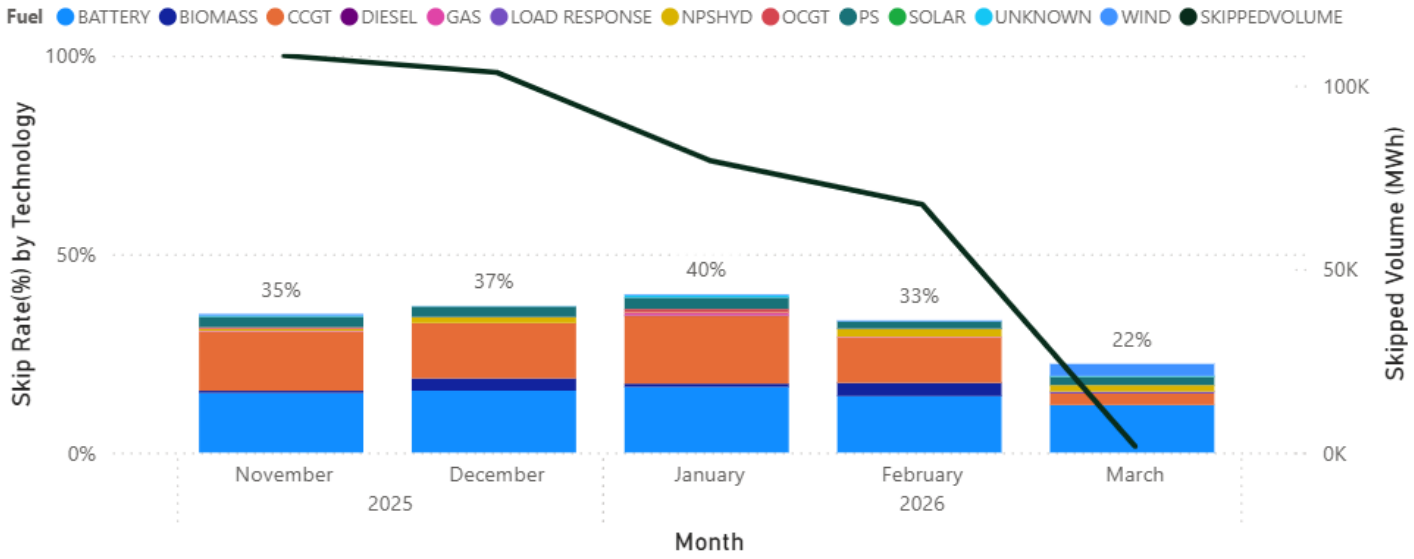
The current skip rate methodology only considers energy actions within the BM

We welcome your comments and feedback on these figures and how we present this data.

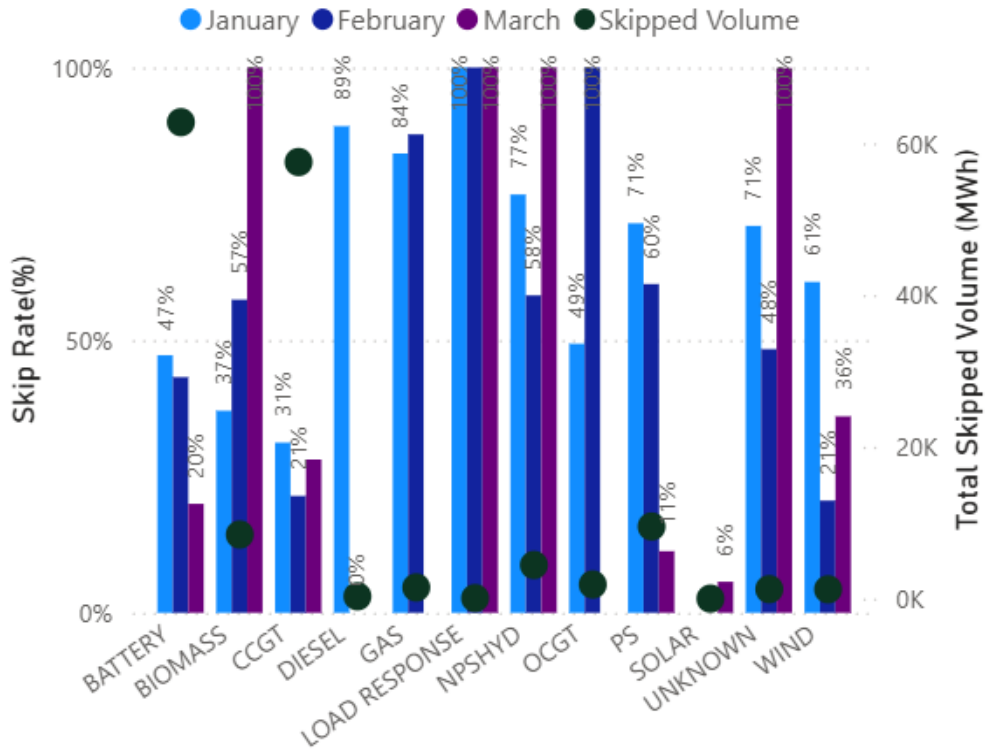
These graphs are based on stage 5 of the Post System Action definition.

Weekly Average w/e	Bids - All BM	Bids - PSA
08/02	1%	51%
15/02	7%	30%
22/02	5%	37%
01/03	7%	31%

Relative Technology Skip Rate



Technology Specific Skip Rate – last 3 months



Gas: Gas reciprocating units
NPSHYD: Non-Pumped Storage Hydro
PS: Pumped Storage

Contact us on box.SkipRates@neso.energy

Skip rate data and more info on skip rates including methodology can be found on our website.

Rerecorded deep dive can be found on our webpage: here

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Skip Rates by Technology Type – Offers

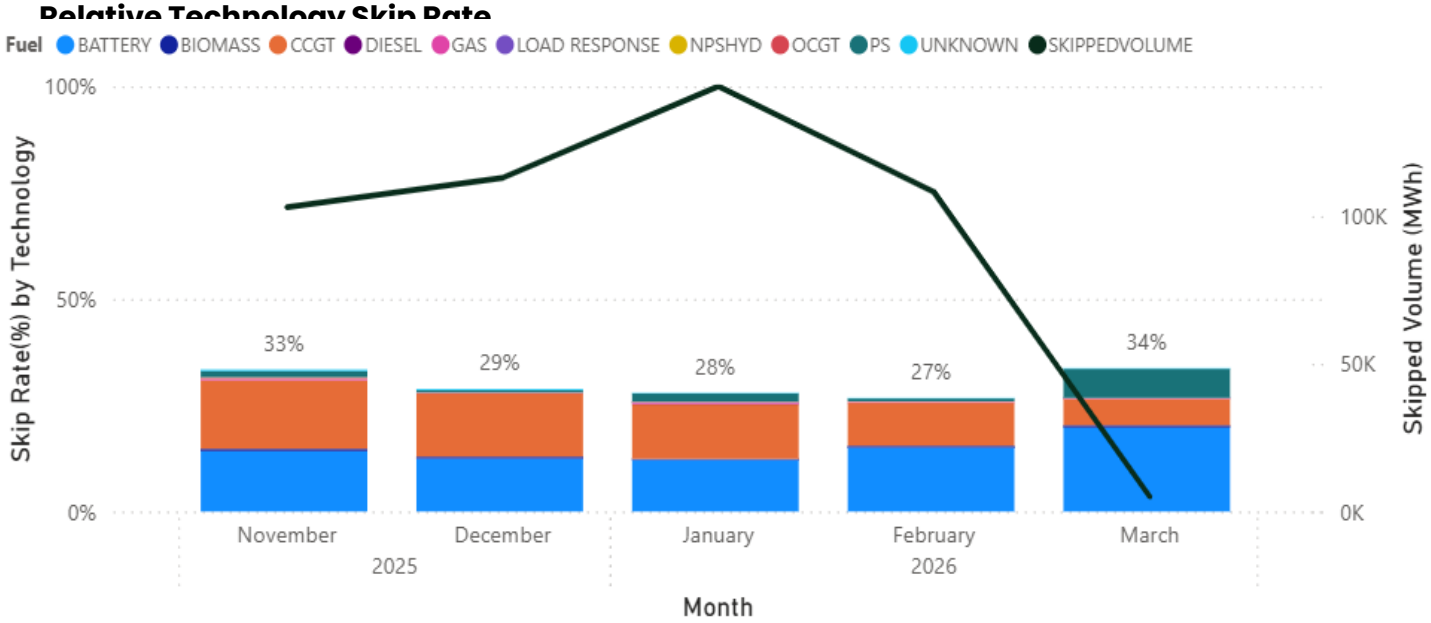
Slido code #OTF

The current skip rate methodology only considers energy actions within the BM

We welcome your comments and feedback on these figures and how we present this data.

These graphs are based on stage 5 of the Post System Action definition.

Weekly Average w/e	Offers - All BM	Offers - PSA
08/02	15%	25%
15/02	14%	29%
22/02	15%	25%
01/03	15%	33%



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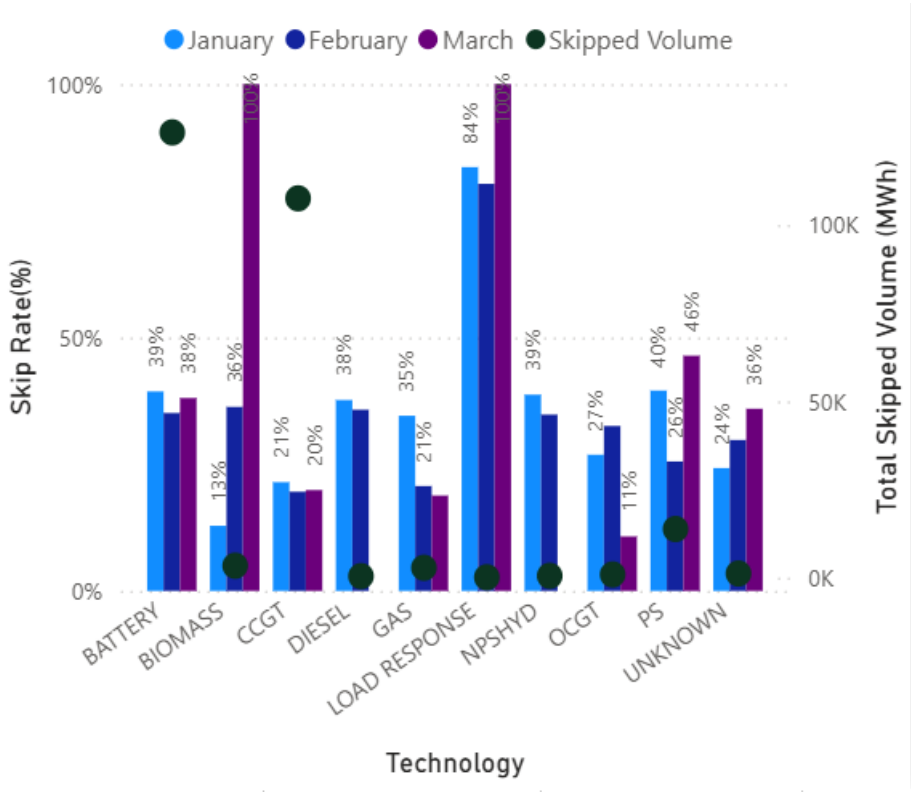

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NESO National Energy System Operator

Previously Asked Questions
– Reformed National Pricing (RNP) Deep Dive on 25/02/2026

Slido code #OTF

Q: What is the evidence base that aligning the end of intraday trading with gate closure addresses NIV chasing more effectively than expanding BM visibility (e.g., lowering BM participation thresholds), and how will you avoid harming intraday liquidity?

A: These two reforms have different objectives. In our assessment, we state the lowering the BM threshold is the most effective option at reducing NIV chasing (where the effectiveness depends on the threshold chosen and the degree of retrospectivity). Whereas aligning the market trading deadline with gate closure is intended to establish a clear separation in balancing responsibility between the market and NESO. This could reduce instances whereby energy balancing by the market after Gate Closure unintentionally leads to higher balancing volumes – and therefore higher costs to consumers – in situations where the network is heavily constrained. We accept that this could impact on intraday liquidity and increase balancing volumes under low-constraint conditions by restricting intraday trading that might otherwise have reduced BM actions. The net impact of limiting post-Gate Closure energy balancing vs reduced constraint costs will be assessed empirically through the cost-benefit analysis (CBA).

Q: Are you anticipating that Retail suppliers are likely to be required to trade their position on a per-BMU basis? Has NESO considered the cost and effort of increasing the number of positions that a retail supplier will be required to balance 84 times over (from 14 GSP groups and 5 minute ISPs)?

A: We are keen to receive views on the impact on suppliers via the Call for Input, so that this can be properly assessed through implementation assessment and CBA. A comprehensive view of the impact on suppliers from requiring that traded positions match FPNs at a unit level will be a key input for this assessment.

NIV – Net Imbalance Volume
BM – Balancing Mechanism
GSP – Grid Supply Point
ISP – Imbalance Settlement Period

NESO National Energy System Operator

Previously Asked Questions – RNP Deep Dive on 25/02/2026

Q: If NESO is seeking to lower the BM participation threshold, does it accept that it should seek to also simplify the BM registration process and lower the associated costs to becoming a BMU? These are not insignificant for smaller participants.

A: NESO will work with industry to evaluate the current registration process, and we will seek to introduce improvements and simplification wherever we can. We encourage you to share your thoughts on this through responding to the Call for Input. We will be holding a Deep Dive on 18th March on the BM Registration process where we will aim to cover this question.

Q: All the analysis so far seems to be focussed on balancing costs. How will you capture whole-of-system costs, wholesale liquidity, cost of capital and investability in UK, etc? I'm looking for a modelling answer on your approach, not "we'll consider somehow in the CBA" please.

A: All impact analysis will be conducted through the CBA and Impact Assessment process. We encourage industry participants to provide feedback through the Call for Input, in order to understand properly the different variables that affect elements such as the wholesale market price formation and liquidity, cost of capital, etc. We will conduct detailed modelling to assess all relevant impacts on the market. There will be continued engagement throughout the CBA process to iteratively develop and refine the methodology, test assumptions, and we also encourage you to apply to our Expert Panel.

Q: Does NESO have anyone in the team who has actually done wholesale/non-physical trading? How will it ensure it knows enough about how prices are formed wholesale to accurately model things? The call-for-input doesn't tease this out, nor provide sufficient expertise.

A: NESO has expertise across relevant fields in the market and in system operation. However, we recognise that industry has extended knowledge in their current operations and much deeper expertise in the operation of the wholesale market and trading. This is why we invite you to answer the Call for Input and participate in the Expert Panel to shape the reforms.

Previously Asked Questions – RNP Deep Dive on 25/02/2026

Slido code #OTF

Q: FPN gives NESO 1-hour's notice of BMU despatch. .: why does whether the vol FPN is contracted matter? A BMU may wish to generate more than mkt contracted if spot price is < view of cashout or no liquidity in spot. If NESO think the FPN is to exacerbate a constraint NESO can flag to OfGem

A: Under a system with low constraints, then this type of behavior can be welfare-enhancing by reducing the volume of energy actions NESO needs to take in the BM. However, under a congested grid, then this could, unintentionally, increase the volume of balancing actions by exacerbating a transmission constraint. For example, if the BMU generates more when behind a constraint. This type of behavior is not necessarily gaming of constraints, and instead just responding rationally to signals provided by the national wholesale price and imbalance price, so would not be captured by existing market rules.

Q: What is driving your working assumption for 5 min SP? Previous CBA conducted by Ofgem found shorter settlement periods would be too costly for consumers.

A: We are considering how a shorter settlement period (SP) can provide a more granular temporal signal to market participants, and will need to consider how the cost of implementation compares to the expected benefits. As part of the CBA, previous assessments of shorter SPs will be considered in the methodology. In principle, a 5-minute SP is the most enduring solution, as it is the most efficient from an operational perspective, and mitigates the risk of having to shorten the SP again in the future and incur further implementation costs. However, there is a trade-off between greater efficiency and the cost and complexity of implementing a 5-minute SP which will be assessed through the CBA to, e.g, identify whether the costs of a 5-minute SP are non-linear relative to a 15-minute SP.

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Previously Asked Questions – RNP Deep Dive on 25/02/2026

Q: Are you concerned about visibility of traded positions, or are you concerned about FPNs not matching outturn (for any reason, trading or otherwise)? The latter seems like the actual issue, and much easier to solve

A: These are separate concerns, but have some overlap. There are two points to consider (i) whether the FPN is accurate, i.e. does the FPN match actual output, and (ii) whether that FPN relates to what is contracted.

For point (i) our work on "FPN accuracy" is focused on the issues of FPNs not matching outturn. Through this, NESO worked with industry and published a Guidance Note on 'Good Industry Practice' on FPN accuracy, particularly for wind BMUs, which has led to significant improvements. Recently, we launched a Call for Input on data inaccuracies in the BM (which includes FPN accuracy). We are now undertaking analysis to quantify the scale of data inaccuracy issues, which we will share with the market when complete.

This work underpins point (ii) and the RNP reforms, notably requiring FPNs to match traded position (which includes an option to only provide visibility of traded positions). This aims to remove the risk that NESO takes actions based on FPNs, which do not reflect the overall traded position of the market, increasing the volume of balancing actions required and costs. This needs to be balanced against the potential negative impacts on market operation and liquidity, which could, in turn, increase the volume of energy actions NESO needs to take. However, as network constraints become the dominant driver of balancing actions, improved energy balancing alone may not yield more efficient outcomes if it does not align with the physical capabilities of the system.

Previously Asked Questions – RNP Deep Dive on 25/02/2026

Q: Within the call-for-input, NESO says that non-physical traders might still be able to arbitrage DA-intraday. But what about providing liquidity in intraday vs imbalance, which appears to be entirely eliminated?

A: We want to ensure non-physical traders (NPTs) can continue to participate effectively in the market. In the Call for Input we set out our initial view of how market parties might be impacted, where we state that we would expect NPTs to continue to arbitrage between the price of the day-ahead market and the imbalance price. However, there are a number of design choices and trade-offs to consider, so we strongly encourage you to share your views on how your operations will be impacted and apply to join our expert panel.

Q: Do you agree that even if traded positions are required to match FPNs, non-BMUs can still NIV-chase through physical deviation, so this doesn't actually prevent NIV chasing? How will NESO avoid unintentionally harming NPT participation and intraday liquidity while addressing the real drivers?

A: That is correct, however combined with lowering the BM Threshold we expect that a significant portion of the market will be required to follow their traded position in real time and as such sufficiently mitigate the challenges we see from NIV-chasing today. We recognise the trade-off you have identified and are keen to work with industry to develop the reforms to mitigate wider market impacts and ensure they deliver the intended outcome and consumer benefits.

Previously Asked Questions – RNP Deep Dive on 25/02/2026

Slido code #OTF

Q: You said that we will have input into the CBA methodologies. But you also said that you're setting up the CBA before the call for input is complete. Doesn't this mean you're not really giving industry good faith input into methodologies?

A: CBA development will consider all the inputs from the Call for Input responses.

Q: Is Co-optimisation of balancing and reserve products considered as one of the options in the Dispatch reforms?

A: One of the options we are exploring under Dispatch reform is co-optimisation of energy and ancillary services, i.e. the simultaneous clearing of both energy and ancillary services markets - removing the need for market participants to choose what markets to participate in ex-ante. This could produce a more efficient allocation of resources across all markets and support efficient price formation.

We currently only co-optimise the procurement of our day-ahead response and reserve products through the Enduring Auction Capability (EAC).

Previously Asked Questions

Slido code #OTF

Q: (11/02/26) On boundary capacity and constraints. Can NESO look to provide greater clarity on the ground truth regards maximum boundary transfer capacity. In many cases you can get 3 different answers depending if you look at OTF tables, ETYS chart data and ETYS stated boundary limit in the text.

A: Maximum boundary capability is a variable thing. Changes in network conditions produce differences in boundary capability. As an electrically interconnected network, different generation and demand patterns produce different power flows across the network and depending on those patterns, different capability values can be produced. Throughout a year's network operation, the circuits will have differing seasonal ratings due to temperature variation and different network circuit outages for maintenance, repair or construction.

Different boundary capabilities can therefore be shown for different purposes and to reflect different conditions. The OTF boundary capability will represent near real time operational network conditions, while what it shown in ETYS is against the SQSS planning requirements, or a long-term forecast of boundary capability to represent operational expectations. The long-term forecast of boundary capability will have some generalised assumptions on network conditions as specific details cannot be known accurately when looking many years ahead.

Q: (18/02/26) Note the change in SORT upload date, but key issue is parties cannot get BEGAs to join the BM. When is NESO going to make market entry easier?

A: Currently, Connections Reform is being prioritised and existing/connected customers applications to enter BEGAs are not being processed at this stage. Things should get easier for everyone when Reform concludes. We are working to achieve this asap.

NESO National Energy System Operator

Previously Asked Questions

Slido code #OTF

Q: (18/02/26) We were told OBP meant we would have dynamic BM uploads for new BMUs. When is that going to happen?

A: Decommissioning of BM legacy systems is currently planned for the end of 2027, at which point dynamic BM uploads for new BMUs will be possible, once a new meta data method is agreed. We will confirm whether this timeline remains appropriate with it dependent on changes to the broader balancing programme roadmap. We will keep Industry updated on progress to enable dynamic BM uploads following further discovery work in the scheduling space in Summer 2026.

Q: (25/02/26) With reference to the recent Stability Y-1 results, can NESO explain why they have under procured against their target of 15GVAs?

Q: (25/02/26) Why was the volume procured in Mid Term Stability less than half of the original target, were any Pathfinder 1 contracts extended to 26/27?

Q: (25/02/26) In the interests of transparency, can you confirm which, if any, 25/26 mid term stab contracts have been rolled over to 26/27?

A: 7.3GAs was awarded in the latest stability Y-1 process, up from 5.0GVAs previously. We will confirm the reason as soon as possible.

The current 25/26 delivery year runs until 30 September 2026, and as confirmed by the respective published tender results files for Y-1 Round 2, none of the Mid-Term Stability 25/26 contracts have been rolled over into the 26/27 delivery year.

NESO National Energy System Operator

Previously Asked Questions

Slido code #OTF

Q: (25/02/26) Slow Reserve: 1800MW procurement for N-SR forecast. For N-BR the price is always set to £0, can we expect the same for N-SR with £0 prices or is the negative service expected to procure volume.

A: Our procurement strategy for the Slow Reserve service is the same as our other services, where we will use the service to meet the system requirements at least overall cost when compared to alternative options. For negative Balancing Reserve and Slow reserve alike, there is a continuous requirement for negative reserve, however meeting this requirement does not always incur cost due to the self despatch position of flexible units in the Balancing Mechanism. There are times when there will not be sufficient flexibility provided in the BM and where we can forecast these periods, and if NBR or NSR can satisfy the requirement then we will look to procure via those services and value them based on the cost of alternative actions.

Q: (25/02/26) Can you say more about how you think the ' locational element' might develop or is this being left to Ofgem and DES, my take is that there is currently an existing element of local pricing, at DNO, but people don't really consider it, NESO has local elements too it at the moment from time to time?

A: Please could you provide further context on this so that we can provide an appropriate answer – box.nc.customer@neso.energy.

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Previously Asked Questions

Slido code #OTF

Advance Q: (17/02/26) Hello, From the skip rate forum slides (https://www.neso.energy/document/376551/download), it looks as though the FSoE model being introduced under GC0166 won't be ready for GC0166's expected roll out in Jun-26, hence the usage of pseudo MILs/MELs outlined in the document. Could I confirm this is correct and, if so, when NESO is expecting the FSoE model to be complete and onboarded to OBP so it can be used for scheduling instead of pseudo MILs/MELs?

A: The National Dispatch Optimiser (NDO) will use FSOE and has a planned date of June 2026. NESO is still building scheduling tools which will also use FSOE but are planned for summer 2027. MDO/MDB will be used in scheduling timescales in the meantime.

Advance Q: (25/02/26) Please could you pass this question on to your connections team? There is a problem where someone wants to modify their connection agreement to manage connection securities, or to obtain a BEGA for an already connecting power station. These issues don't impact the allocation of connection resource, but are getting blocked in your connection portal -- is the a way round this ?

A: This question has been forwarded to the Connections team for a direct response.

You can submit your queries or complaints to the Connections team as follows:

• Through your Connections Portal account: https://www.neso.energy/industry-information/connections/connections-portal

• Via email to: box.connectionsreform@neso.energy

For more information go to: https://www.neso.energy/industry-information/connections-reform/contacting-us-about-connections-reform.

FSoE – Future State of Energy
MIL – Minimum Import Level
MEL – Maximum Export Level
MDO/MDB – Maximum Deliverable Offer / Bid

NESO National Energy System Operator

Previously Asked Questions

Advance Q: (26/02/26) Thanks for the response to our question:

Advance Q: (18/02/26) The Grid Code defined term is “Phase Jump Angle”. NESO now seem to be using “Phase Angle Jump” - https://www.neso.energy/document/376661/download. Assuming these have the same meaning will NESO rename all terms to match the defined term in the Grid Code and re-issue all documents accordingly.

A: This is an error and needs to be corrected to Phase Jump Angle. We currently have in session an Expert Group looking at Grid Forming whose aim is to recommend updates to the Grid Code in advance of a formal Grid Code modification. The Expert Group is specifically looking at a number of definitions including Phase Jump Angle and through this work and the subsequent Grid Code change we can look to ensure consistent terms are applied.

Will NESO therefore reissue all documents and update website immediately – before the 13 March 2026, to ensure that “Phase Angle Jump" is deleted and “Phase Jump Angle” is used instead?

A: Unfortunately, we will not be in a position to update the document before the 13th March. However we can confirm that the “Phase Jump Angle” as defined in the Grid Code and “Phase Angle Jump” used in the document are the same thing and should be read accordingly. Hopefully this should provide some clarity.

NESO OTF Q&A Guidelines

Slido code #OTF

- **Anonymous Questions:** We won't answer questions from unidentified parties live. If you need to stay anonymous, use the advance question or email options.
- **Challenge Concerns:** The OTF isn't the place to challenge actions of individual parties (except NESO). Report such concerns to the Market Monitoring team at: mailto:box.nc.customer@neso.energy.
- **Question Order:** We'll answer questions in the order they are upvoted. If we can't answer a question right away, we'll take it away or address it later.
- **Slido Availability:** Slido will stay open until 12:00, even if the call ends earlier, to give you more time to ask questions.
- **Q&A:** All questions asked through Slido will be recorded and published with answers in the Operational Transparency Forum Q&A on our webpage: https://www.neso.energy/what-we-do/systems-operations/operational-transparency-forum
- **Takeaway Questions:** These will be included in the next OTF pack. We might ask you to email us to clarify details
- **Out of Scope Questions:** These will be forwarded to the right NESO expert or team for a direct response. We might ask you to email us to ensure we have the correct contact details. For more information about the OTF's purpose and scope, check the appendix of this slide pack.

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slido

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Audience Q&AS

ⓘ Start presenting to display the audience questions on this slide.

Send us your feedback..

Slido code #OTF

Using the poll in Sli.do after the event.

If you have any questions after the event, please contact the following email address: **box.nc.customer@neso.energy.**

NESO
National Energy System Operator

Appendix

Slido code #OTF

Purpose and scope of the NESO Operational Transparency Forum

Purpose: The Operational Transparency Forum runs once a week to provide updated information on and insight into the operational challenges faced by the control room in the recent past (1-2 weeks) and short-term future (1-2 weeks). The OTF will also signpost other NESO events, provide deep dives into focus topics, and allow industry to ask questions.

Scope

The OTF covers:

- Regular updates, deep dives, and focus topics
- NESO's operational strategies and challenges
- Data published by NESO
- Data and processes from other parties (e.g., BMRS by Elexon, consultations by Elexon, Ofgem, DESNZ)
- Industry questions (answers live or taken away for answering later)

Out of Scope

The OTF does not cover:

- Data owned by other parties
- Specific actions and decisions of the NESO Control Room
- Activities and operations of individual market participants
- NESO's policy and strategic decisions
- Formal consultations (e.g., Code Changes, Business Planning, Market Development)

NESO National Energy System Operator

Skip Rates – 'In Merit' datasets

We recognise that these datasets aren't as intuitive as they could be – specifically the column headings. Please be reassured that we are looking at ways to improve this - we will update the documentation to include this information and will also discuss the datasets in more detail at the webinar on 27th February.

We will use 'accepted' and 'instructed' differently in this context, even though they are normally the same.

These datasets show the units that should have been instructed if decisions were solely based on price, rather than all units that were instructed. Therefore this dataset does not match the total accepted volume datasets in Elexon.

In Merit Volume = Accepted Volume + Skipped Volume

In Merit Volume
- This is the recreated in merit stack showing the lowest cost units that were available to meet the requirement, where the requirement is based on the volume of units that were actually instructed
- Therefore this is the volume that should have been accepted if decisions were solely based on price
- The sum of this column is the total instructed volume in the 5 minute period (subject to the relevant exclusions)

Accepted Volume
- This is the volume that was accepted in merit, as a subset of the 'In Merit Volume' column – i.e. how much volume was accepted in merit
- The sum of this column will be less than the sum of the 'In Merit Volume' column, unless there is no skipped volume
- Note: this column does not list all instructed units

Skipped Volume
- This is the volume that was skipped, as a subset of the 'In Merit Volume' column – i.e. of the volume that we should have instructed, how much was skipped

It's possible that the list of units increases, decreases, or stays the same between stages, but the total 'In Merit Volume' will always remain the same (or no volume is excluded) or decrease (due to exclusions).