

Public

Dispatch Transparency Forum

Q&A Document

Serial Number	Question	Answer
1.	While interconnector actions are excluded from skip rates, are NESO looking into solutions that will reduce costs created by the timings of interconnector reversals? We have seen extreme prices taken on interconnectors in recent weeks which appeared to be higher than alternative domestic actions.	Any trading activities taken on interconnectors are done against the view of prices at the time to manage the given operational condition. Trading will be done to manage both national and local operational conditions.
2.	What proportion of frequency response is provided under MFR. why is NESO using MFR? Surely costs and emissions are much lower with frequency response from BESS (DA/DC/DR)?	<p>On an average day we can outvote up to 4GW of dynamic response – compared to around 300MW of MFR.</p> <p>MFR can be provided by several fuel types including Wind, so the emissions point is covered here.</p> <p>We are exploring moving some procurement of the dynamic response products into real time (Instructible dynamic response) to give the Control Room greater options for faster responding reserve.</p>
3	Why have skip rates improvement for batteries stagnated/very minimal improvement in 2025, and what do you think besides GC0166 will lead to big improvement?	<p>During the Q&A session at the forum, we demoed the dashboard on our website which shows that the battery specific skip rate has decreased from 47% in January 2025 to 42% in December 2025.</p> <p>Better insights into skip rates from RCA (Root Cause Analysis) will allow us to identify areas for improvement.</p> <p>We expect GC0166 will drive better utilisation of batteries resulting from better visibility and allowing us to schedule them better. We are yet to fully understand the expected impact on skip rates.</p>
4	What portion of BM actions are System vs Energy? How does NESO know if the despatch of System Actions (Flagged) involves or do not involve any skips?	<p>This data is all reported in the MBSS report which is available half way down this webpage.</p> <p>We presented our proposed methodology to measure skips for system actions taken to manage thermal constraints which we will look to implement in the coming months.</p>
5	Why isn't stage 6 (MFR volume position) excluded as a system action?	Actions taken to position a unit to deliver MFR are energy flagged actions, so they do not naturally get excluded by the exclusion in stage



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		2 or 3. This exclusion was an addition to address the limitations raised by LCP Delta when they developed the methodology. It therefore felt appropriate to add it to the end of the exclusion process rather than adding it into the middle.
6.	In a broad sense, what are the legal restrictions that prevent publication of spin gen, spin pump data set?	These contracts are legacy bilateral agreements which contain a clause preventing us from publishing the data.
7.	Are you able to provide a cost of skips to Market Participants?	This question was asked before the breakout sessions. One of the breakout sessions covered "materiality" or cost of skips. The headline figure is energy skips cost £2.9m per month.
8.	Tech limitations hypothesis: High Mnzt example is not a skip by NESO definition of skips? Are the teams coordinated?	Units with MNZT \geq 31 minutes are excluded from the skip rate methodology, at Stage 5. The hypothesis in the slides refers to 'BMUs with a high MNZT have a higher chance of being skipped.' In this context, 'high' is within the range 0 to 31 minutes.
9.	What zones are used in the control room? Are these solely related to transmission constraints or are these other zones as well?	The zones that are referred to are groupings of BMUs. These are done to manage workload and to fit with our current Dispatch Algorithm. There are a number of zones covering geographical areas and generation type – North, South, Wind, Battery and Pumped Storage. The zones are set such that a BMU will appear in only one zone. These do not align with constraint zones.
10.	OBP hypotheses: oBP overwrites some tech parameters BMUs are compelled to submit. Why do they need to be submitted, especially if they then cause skips? Tech parameters needs a review?	Interesting – can you provide some examples of this so we can further discuss with the OBP team please?
11.	Skip hypotheses: maintaining headroom for optionality as a possible source of skips could be significant – can the priority of this be raised?	We have a hypothesis looking at headroom which is included in the next sprint. We will share the outcome of this and other hypotheses at future events
12.	DSR Op-Model (System Ops): "... the cementation of forecasting capabilities outside of the control room... Making sure this work is	The DSR and FCS programmes are working hand-in-hand. The DSR Operating Model will introduce the processes, tools, and forecasting



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	delivered by a single owner..." However, the new ENCC Capabilities ("Market insight analysis") talks about forecasts back in the control room? How does this align?	capabilities needed within the control room to drive operational efficiency. In parallel, the Future Control Strategy (FCS) will focus on the people side—embedding the cultural, behavioural, and integrated process changes required to transform how the control room operates
13.	Is it fair to say that with the increasing wind (harder to balance and forecast) and interconnectors coming online in the next few years that annual balancing costs will be increasing significantly to 2035?	Point towards the Balancing Cost report that was published – 2025 Annual Balancing Costs Report
14.	Transmission constraints are the biggest "cost" in system operation. What opportunities are there in the Future Control room to reduce constraints? Is this being actively considered? I don't recall anything in the presentations to date.	We are undertaking a range of activities looking at managing constraints through our constraint collaboration project. This includes constraint pathfinders and the Demand for constraints product.
15.	If Skip rate methodology excludes system tagged actions – is there any measure of if BM actions for thermal constraints are being taken in economic merit order?	This question was asked before the breakout sessions. One of the breakout sessions covered our proposed methodology to calculate skips behind constraints. This work will generate an additional metric which will measure whether actions to manage thermal constraints have been taken in merit order.
16.	How is the impact of each hypothesis assessed? What's NESO's definition of 'weak impact' and 'strong impact'?	<p>We use 3 statistical measures to understand whether there is a correlation between the given hypothesis and skip rate & volume. We also check whether a hypothesis is suitable for predictive modelling.</p> <p>Additional detail provided post event: Correlation analysis for each hypothesis was done using Spearman, Pearson, and Granger causality testing. Predictive modelling (regression and gradient boosted trees) was used to cross-check predictive power with lags in single and multivariate setting. Relationships with positive or negative correlation coefficients</p>



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		in range 0–0.3 are classified as weak, from 0.3 to 0.7 as moderate and above 0.7 as strong. This is a work in progress and these approaches/definitions may change as the project progresses.
17	Technology used in control- how much is it a mindset thing to get used to the opportunities?	There has been a big change in the generation portfolio over the last 20 years. The control room tools, processes and staff have adapted to these changes and the new challenges they bring.
18.	How can industry feedback into Dispatch Related tool?	The OBP programme hold regular industry sessions for information sharing and feedback. These allow industry participants to feedback into the Dispatch tools.
19.	Can there be more transparency around the level of reserve that NESO are holding throughout the day and how these changes? NESO are frequently taking large volumes with longer notice periods (such as interconnection) with the reason being that the reserve was required early in the morning	<p>We publish our system operating plans with levels of reserve held at different cardinal points</p> <p>Balancing reserve, quick reserve and slow reserve volumes procured are shared post auction results so you can see how this volume is procured</p> <p>What level of transparency/timescales would you be after and what would this give you?</p>
20.	What's the latest on CP2030 programme and targets? Is the word on the street true that its no longer achievable and can you say more about this please as it is what is driving much of this renewables integration/ System stability and balancing services needed etc?	<p>Clean Power 2030 is a government target and therefore progress towards it and its achievability are a matter for them, not for NESO. In November 2024, we produced advice on how clean power by 2030 could be achieved but many of the policy enablers and actions described within that advice are policy decisions for government.”</p> <p>If more information is needed on NESO actions relating to CP30 implementation, please have a look at CP30 implementation plan: PowerPoint Presentation.</p>
21.	Does NESO plan to formalise DSF as a distinct Fuel Type within the BM registration process? I've seen the new category however it exists as	During the Q&A session at the forum, we demoed the dashboard on our website which shows PSA skip rate for DSF units. This is currently



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	<p>an additional layer on some battery and load response units. DSF is not reflected in the PSA Skip Rate by Technology data table nor in the Skip Rates dashboard.</p>	<p>in a separate tab but we are working to include it in the Technology Specific tab of the dashboard.</p> <p>We also publish a separate dataset that shows skip rates for DSF units. DSF is not a technology type but a subset of other technology types (e.g. batteries or load response). However, a flag is being added into SMP (Single Markets Platform) which will highlight these units.</p>
<p>22.</p>	<p>I non-bmu acceptance volumes included in skips? I.e. non-BM volume accepted in Fast Reserve via PAS and also LCM, DFS</p>	<p>The skip rate methodology only includes actions taken in the Balancing Mechanism (BM).</p> <p>Ancillary services are procured competitively through auctions or tenders. We currently have no plans to include volumes procured outside the BM in the skip rate methodology.</p>
<p>23.</p>	<p>Could we have a brief run through of the various skip rate datasets on the data portal? Is the historical skip rate data available using both the Stage 5 and Stage 6 methodology? Can you share any comparative analysis of these? Thanks</p>	<p>During the Q&A session at the forum, we demoed the dashboard on our website which shows both stage 5 and stage 6 skip rate data.</p> <p>We hosted a webinar on this dashboard in August 2025 – slides and recording are available on our website.</p> <p>We also ran a session at our forum in May 2025 on how to interpret the underlying datasets. <u>Slides</u> and <u>recording</u> are available on our website.</p>
<p>24.</p>	<p>Regarding GC0166, given PNs reserve MDO/ MDB has NESO considered how to ensure that market participants aren't withdrawing or introducing PNs at relatively short notice to affect perceptions of scarcity in the system?</p>	<p>This is a behaviour that should not happen and if this is something that is observed then it can be referred to market monitoring for investigation.</p>
<p>25.</p>	<p>Will Non-bmu acceptance volumes, currently categorised as BSAD, be included in skips in future? I.e. non-BM volume accepted in Fast Reserve via PAS & volume accepted as LCM, DFS ect. (also please confirm non-bm QR accepted volume is included in BM & skips?)</p>	<p>The skip rate methodology only includes actions taken in the Balancing Mechanism (BM).</p> <p>We currently have no plans to include volume procured outside the BM in the skip rate methodology.</p>



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		Ancillary services are procured competitively through auctions or tenders and data is publicly available.
26.	It was often mentioned today that BESS are not accepted because reserve volumes may be needed later, and that is an acceptable reason for skip. The reason for ancillary reserve services (QR/BR/SR) is to guarantee availability. Larger volumes of reserve products needed, instead of skipping batteries?	<p>This is not treated as an acceptable skip in the methodology and would still be appearing with the inclusion of Stage 6 in skip rates.</p> <p>We continue to review our reserve products and usage in real time through our ongoing review of market services and will also review as part of the dispatch review process.</p>
27.	What have been the main reasons for the skip rates trending down during 2025?	A combination of factors. OBP rollout and updates have given the control room better tools and visibility. We have also deployed skip rate specific tools which monitor the skip rate in close to real time and provide a forward-looking view of which units should be instructed to minimise skips.
28	Materiality: Low impact for batteries with 3 cycles – what was the impact with 1-2 cycles?	Capping batteries at 1 or 2 cycles per day reduced the cost of skips by approx. 25% or 10% respectively.
29	Materiality: Is it worth splitting analysis of skips and costs to just bid side & just offer side? Is it symmetric?	Separate cost of skips for bids and offers can be seen in the LCP assurance report here . For January–September the average monthly cost of bid skips was £1.46m and offer skips was £1.49m.

