

Power Responsive Challenge Group

Terms of Reference v1.0

Version	Date	Changes
1.0	June 2026	First version

1. Purpose

The Power Responsive Challenge Group (“the Group”) is an industry forum convened by NESO’s Power Responsive programme to provide structured challenge, insight and practical discussion on the development and scaling of demand-side flexibility and consumer-led flexibility across Great Britain.

The Group exists to:

- Provide open, constructive challenge on how flexibility is evolving
- Surface real-world barriers to participation and scaling to feed into the NESO Routes to Market barrier removal work and flexibility strategy and policy team under the Enabling Demand Side Flexibility (EDSF) programme.
- Enable informed, two-way discussion and shared understanding between industry, government and regulatory stakeholders
- Provide a forum for industry to proactively raise challenges, opportunities and emerging issues affecting participation

The Group is intended to collaborate and identify issues, opportunities and areas for discussion. It is advisory in nature and does not hold decision-making authority.

2. Scope

The Group will consider topics relevant to the development and scaling of demand-side flexibility and consumer-led flexibility across Great Britain.

This may include:

- The overall direction and evolution of flexibility markets and services
- How organisations access and participate in flexibility opportunities
- Factors that enable or hinder participation and growth
- Practical experience and insight from across industry

The Group will focus on real-world participation challenges, including commercial, operational and technical barriers faced by market participants.

Discussions will remain high-level and non-commercial in nature, focusing on shared challenges, opportunities and learning rather than specific operational or procurement decisions.

Topic Setting

- Topics for discussion will be co-developed between Power Responsive, EDSF, and Group members
- Members are encouraged to actively propose topics based on emerging issues or experience
- Content is not limited to NESO-led material and may include external perspectives, case studies or proposals
- A forward look of topics may be maintained where helpful

3. Objectives

The Group will:

- **Provide constructive challenge**
 - Offer informed, experience-based challenge on how demand-side and consumer-led flexibility is developing in practice
- **Improve understanding of participation**
 - Identify where participation is unclear, complex or inefficient and highlight opportunities for improvement
- **Surface barriers to scale**
 - Highlight practical blockers preventing wider adoption of flexibility
- **Share insight and learning**
 - Create a forum for sharing experience, testing ideas and building a more consistent understanding across stakeholders

4. Membership

Composition

Membership will reflect the breadth of the flexibility ecosystem, including:

- Aggregators and flexibility service providers
- Energy suppliers
- Large energy users (industrial & commercial)
- Trade associations and representative bodies
- Technology providers
- Representatives from government and the regulator

Participation Model

- Membership is limited to one primary representative per organisation
- Organisations may nominate one alternate representative to attend in place of the primary member where required
- Alternates should be appropriately briefed to contribute effectively

Principles

- Members contribute based on experience and expertise, not formal representation
- Contributions should be constructive and solution-oriented
- A diversity of perspectives is encouraged

Membership will be reviewed periodically to maintain balance and relevance.

5. Roles and Responsibilities

Power Responsive (Convener / Chair)

- Convene and chair the Group
- Set and coordinate agendas
- Circulate materials in advance
- Capture and publish outputs

- Facilitate discussions to ensure they remain constructive, inclusive and aligned with the purpose of the Group
- Ensure discussions comply with competition law requirements and intervene where necessary to stop or redirect conversations

Group Members

- Engage actively in discussions
- Provide honest, experience-based challenge
- Proactively raise challenges, insights and ideas based on real-world experience
- Suggest topics for future sessions where relevant
- Respect confidentiality and discussion boundaries

6. Governance and Decision-Making

- The Group is **advisory only**
- No formal voting or consensus process is required
- Discussions are intended to reflect a range of views rather than a single agreed position
- **National Energy System Operator** retains responsibility for any decisions relating to market design or operations

7. What the Group is not

The Group is not intended to:

- Act as a decision-making or governance body
- Serve as a forum for individual commercial or operational issues
- Replace formal consultation or regulatory processes
- Act as a representative or lobbying group

8. Outputs

Outputs will be proportionate and may include:

Public

- Summary notes of discussions
- Key themes, insights and challenges raised
- Supporting slides or materials where appropriate

Outputs are intended to provide **transparency of themes and insights**, rather than formal recommendations or agreed positions.

Insights from the Group will inform NESO thinking and programme development, including **routes to market and barrier removal activities**, but will not constitute formal decisions.

Following each meeting:

- Summary notes and slides will be published on the Power Responsive webpage
- Outputs will be non-attributable and reflect discussion themes rather than individual positions

9. Operating Principles

- Meetings will operate under **Chatham House Rules**; comments will not be attributed to individuals or organisations
- The Group is intended to provide a **safe space for open, constructive challenge and discussion**
- Members are encouraged to actively raise challenges, insights and ideas
- Discussions will focus on **practical, real-world participation challenges**, rather than theoretical or policy-only perspectives

Meeting Etiquette

- Members are expected to engage in respectful, constructive challenge
- Different perspectives are encouraged and should be shared openly
- Participants should avoid interrupting and allow space for all voices to be heard
- Discussions should remain focused on topics relevant to the Group's purpose

10. Confidentiality

- Commercially sensitive information should not be shared

Competition Law

- Discussions must comply with all applicable **competition law requirements**
- Participants must not share commercially sensitive information, including (but not limited to) pricing, bidding strategies, costs, customer-specific information or future market behaviour
- The Group must not be used to coordinate or align commercial strategies between organisations
- The Chair will intervene to stop or redirect any discussion that may raise competition law concerns

Recording, Transcripts and Note Taking

- Meetings will be recorded by NESO solely for the purpose of producing summary notes
- Transcripts may be generated from recordings to support accurate note-taking
- Recordings and transcripts will not be shared externally and will be accessible only to the Power Responsive team for this purpose
- AI note-taking tools and bots are not permitted to join or record the meeting

Data Retention

- Recordings and transcripts will be securely stored and deleted within a defined period following the meeting (typically within 30 days), once summary notes have been finalised
- Summary notes and published materials will be retained on the Power Responsive webpage as part of the public record

11. Meetings and Format

- Meetings will typically be held quarterly, depending on readiness of substantive agenda topics
- Meetings will generally be held virtually

Format

Sessions may include:

- Focused discussion on specific topics
- Open challenge and feedback

Public

- Contributions from members or external speakers

Materials

- Agenda and any pre-reading will be shared at least one week in advance
- Materials will be proportionate and focused on enabling discussion

12. Review

These Terms of Reference will be reviewed periodically to ensure they remain relevant as demand-side and consumer-led flexibility evolves.