

Response Reform July

Webinar Q&A

Question	Answer
30 Minutes	
Given the direction of travel of NESO to move SPs to 15 min duration, would you not rather ALSO go to 15 min procurement windows? Or are the 2 issues unlinked?	Shorter settlement periods are one of the items that are being considered under the Reformed National Pricing (RNP) programme. We expect the changes to response to occur in advance of wider RNP changes, and should shorter settlements be brought in, we would assess whether further changes to response procurement bring benefit.
Have NESO published the data and workings behind the £9m annual saving? If yes, where can it be accessed. If not, will this be published?	The detailed analysis can be found here: Response Market Schedule Review ENA Innovation Portal
Could you share a URL link for the feedback form?	Please complete the feedback from by 04/09/2026 Feedback on 30 minute DX Options – Fill out form
Tiered Performance Regime	
Are the purpose of the breach penalties to recover your perceived costs (of a breach), or is there an element whereby you need/wish to penalise the breacher?	The purpose of the performance regime is to incentivise abidance to the rules set out in the Dynamic Response Service Terms & Procurement Rules. We still see a huge number of breaches across the checks that are currently in place, showing us that this alone is not enough incentive to deliver the required behaviour. Therefore, it is necessary to introduce the Tiered Performance Regime.

How do these new options under tier 1 remedy this outcome? And when will this be consulted before the end of year A18 consultation?	Ofgem agreed with the policy intent and the objectives of the regime and stated it could: - Improve security of supply - Improve compliance - Improve market behaviour However, Ofgem felt stakeholders had not been given enough information to properly assess the final proposal and the accompanying guidance document. We will reconsult and share the additional guidance with industry at the time of consultation to ensure feedback can be provided on this content as well as the Terms and Conditions. Please note the changes we are considering in this webinar are to address the changes that would be required to move to 30-minute procurement blocks of Dynamic Response, not to address any issues flagged by Ofgem in the previous consultation.
When will the tiered performance regime be implemented for EFA block D*?	We do not have a definitive implementation timeline yet and will be dependent on when we reconsult, but we will share details of the implementation timelines either before or during the consultation process.
Would the proposed week-long suspensions be for the unit or provider?	The suspension would be for the unit. This is because there could be isolated cases or operational factors contributing to the breach by the unit, which may not be generalised to all units by the provider.

K factor	
Given that k-factor assessment has many errors from the settlements team in their application (resulting in prolonged queries and perceived noncompliance), Wouldn't a data sharing performance API enable better visibility to providers of their specific non-compliance?	Please note that K-factor calculations are out of scope of the Tiered Performance Regime. NESO are developing a dashboard where providers will be able to access more up to date information and data on the units performance against the Tiered Performance Regime & background submission data requirements. This dashboard will not display K-factor data as it is out of scope for the Tiered Performance Regime, but we will keep this under review for future iterations.
Would very highly recommend K-factor performance baked into this dashboard. Would also recommend data ingestion capability for providers particularly where a flag can be assigned to an availability penalty.	We will take this suggestion away to the relevant teams. This is not something that will likely be in place for the first iteration of the dashboard, but we welcome feedback for future iterations.
Continuous Transition Periods (CTP)	
Are NESO going to propose an alternative to the rejected continuous transition periods any time soon? That is a much more significant change to implement for providers and is a requirement to allow for 30 min procurement. Penalty regimes is less significant.	The change to the Continuous Transition Periods was not rejected- rather NESO chose not to submit the consulted terms to Ofgem on the basis that during the consultation alternative designs were suggested. We have decided to take the time to update the service design before reconsulting. In short, we will be keeping linear ramping, but we will be moving CTPs so they begin at the start of the contracted period. More information on the updated design can be found here .

	We were made aware during the original consultation that this change will take providers a significant time to implement, and we will ensure this is factored into the plan and will share details when we reconsult.
Alignment of Response and Reserve	
Are there areas of alignment between Reserve and Response that have been identified following latest consultation/RFI's? If so would love to hear	We have a team across the Response and Reserve teams who are assessing how we can better align the services. We are hoping for some quick wins on better aligned Service Terms and Procurement Rules this year while assessing the services more broadly. If you have any feedback on specific areas of alignment that would improve providers experience, please let us know.
Consultation Updates	
Can you provide a guidance document and updated service terms on what will and will not be implemented in early 2027? E.g. unclear if gaming checks are removed or not.	Thank you for the feedback. We will look to produce a clear guidance document that includes further details of the changes that will be going live early 2027. For the avoidance of doubt, the gaming checks were included in the rejected Tiered Performance Regime submission and so will not form part of the changes going live in early 2027.
MFR Engagement	
What is the current timeline for industry engagement on MFR replacement?	The engagement on MFR reform is ongoing, we have closed the Request for Information and will be conducting 121s with interested parties to continue to gain insights from industry.

	Reach out to laura.burdis@neso.energy if you would like a 121 with the team to discuss.
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