

Public

NESO Operational Transparency Forum

19 August 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'

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.

Focus Topics

Today

- 19th August
 - Balancing Costs: July costs

Slido code #OTF

Future

- 26th August
 - No OTF (run fortnightly over summer break)
- 02 September
 - 300th OTF celebration and fun facts about it



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



Operational Review & Whistleblower investigation

External Whistleblowing investigation

- Following whistleblower allegations regarding operational decision-making and record-keeping within NESO, an independent external investigation has been launched led by Eversheds Sutherland International which will report to an independent panel
 - Full details of the terms of reference for this investigation are published on NESO's website which you can find here: <https://www.neso.energy/news/terms-reference-now-published>

Post-event regulatory review:

- Ofgem has used its regulatory powers to formally commission NESO to deliver a separate post-event review of the incidents of system stress during extreme heat across the week commencing 22 June.
 - The Terms of Reference for this review have been published on the Ofgem website: <https://www.ofgem.gov.uk/transparency-document/regulatory-review-operation-and-management-electricity-system-during-june-heat-event>
- The Focus Topic on margins during the week commencing 22 June will be delayed until this Ofgem commissioned review concludes

EMNs issues last week on 11th and 12th August

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We used our routine tool of issuing an Electricity Margin Notice (EMN) for 12th August evening's peak.

This means we were asking market participants to make any additional generation capacity they might have available.

The notice was issued as a precautionary measure to the market due to the solar eclipse and there was no risk to customer electricity supplies.

The notice was cancelled before real time.

Reserve Services – Settlements Update

Tender File Issue

Status: **Resolved**

Impact

- Slow Reserve data missing from the accepted tender files
- Affected period: 20 May to 28 June

Resolution

- Correction implemented: 1 July
- Provider adjustments issued: 24 July

IBOD Failures

Status: **Fix Pending**

Impact

- Bid-offer stacking reviewed in STAR, found that only 3 of 5 bid-offer pairs are being considered
- Resulted in incorrect failures and provider queries

Resolution

- Root cause identified
- System fix scheduled for next week

Next Steps

- Re-run April to June 2026 for all of Reserve
- Create adjustments for impacted providers

Slido code #OTF

Minimal Payments (May)

Status: **Under Investigation**

Impact

No or minimal payments across:

- 15 May
- 26–30 May
- Impacts BR, QR and SR

Current Activity

- STAR investigation ongoing

Next Steps

- Implement fix
- Re-run May
- Issue provider adjustments where required

Unlocking consumer-led flexibility for constraints

The Demand Flexibility team has launched a webinar outlining how learnings from the Local Constraints Market (LCM) are shaping the next stage of DFS for constraints.

The webinar explains the direction of travel for consumer-led flexibility, what this means for providers, and how NESO will support transition.



[Watch the webinar recording](#)

[Download the webinar slides](#)

Book in a call with the team to discuss your journey into DFS.

Contact the team: demandflexibility@neso.energy

Key messages shared in the webinar



LCM has demonstrated operational value

Flexibility can support constraints, but more available volume needs to be converted into operational value.



DFS capability is expanding

Supports bi-directional flexibility, zonal procurement, primacy arrangements and lower participation thresholds.



A clearer route to market

NESO intends to transition constraint actions into DFS to provide a single customer journey.



Provider support and engagement

Provider discussions are underway to support onboarding, identify practical barriers. And ensure a smooth transition

Capacity Market: Relevant Balancing Services (RBS) Consultation

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21st July we launched the annual consultation on updates to the RBS Guidelines for the Capacity Market. It covers the addition of DFS negative to the RBS List and updates for Quick Reserve.



The consultation can be found within the System Stress Event tile of the Capacity Market Guidance site as well as through the link [here](#).



Consultation closes on the **22nd August**, and how to respond can be found in the consultation document.

Balancing Programme Engagement Events

Slido code #OTF

Technology Stakeholder Focus Group		Balancing Programme Webinar	
16 September 2026	14:00 – 15:30	22 September 2026	13:00 – 14:30
Format: Online Microsoft Teams What will it cover? • EDL/EDT transition plans as we migrate from Balancing Mechanism systems to the Open Balancing Platform • Wider Access API replacement plans • EDL Network Transformation Plan • There will be opportunity for interactive Q&A.		Format: Online Microsoft Teams What will it cover? The latest progress updates on Balancing and Forecasting capabilities delivered into the Control Room along with further information on upcoming future capabilities planned for delivery. As always there will be updates from our subject matter experts and opportunities to ask questions.	
If you haven't already, sign-up here to our Technology Stakeholder Focus Groups to receive invites to these sessions; you only need to sign up once. Content from our previous sessions is available here.		Secure your place here. You can access our capability journeys and materials from our previous sessions here.	



Contact us at box.balancingprogramme@neso.energy

Future Event Summary

Slido code #OTF

Event	Date & Time	Link
Capacity Market: Relevant Balancing Services (RBS) Consultation	Close 22 August	Consultation documents
Balancing Programme- Technology Stakeholder Focus Group	16 September (14:00 – 15:30)	Register here
Balancing Programme Webinar	22 September (13:00 – 14:30)	Register here

Check out the [NESO Events Calendar](#) for more...

Public

Monthly Balancing Cost Update

July 2026

Cost and Operational
Insights Team

Monthly Cost Summary

Slido code #OTF

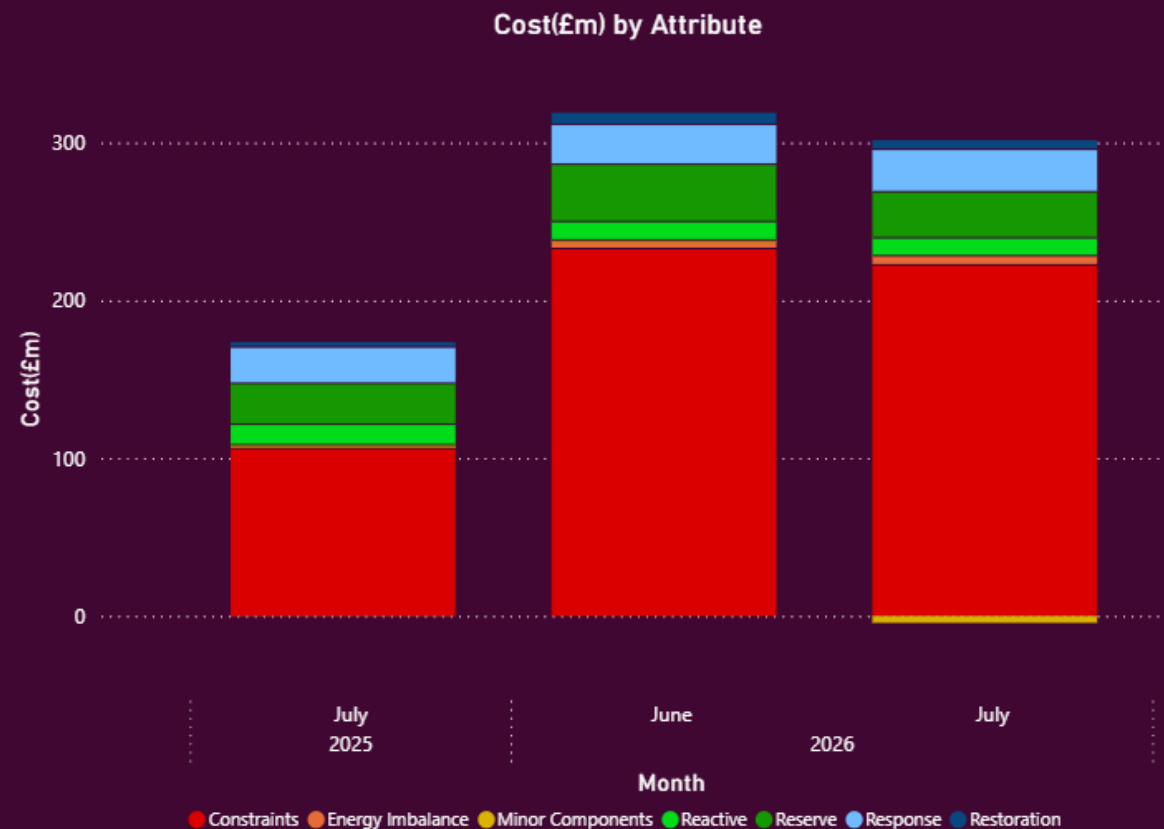
Balancing costs in July 2026 were £302m.

This was a decrease of £16m on last month and an increase of £129m from July last year.

Wind outturn fell in July to 4.0TWh, down from 4.6TWh in June. July was exceptionally hot, with temperatures above the long-term average and widespread heatwave conditions. High temperatures were one of the factors which influenced the issuance of an Electricity Margin Notice for the evening peak period on 9 July.

Non-constraint costs decreased by £6m due to a reduced spend on Operating Reserve; offsetting an increase in Response and Restoration costs.

Voltage and inertia costs rose compared to June, largely down to the effects of higher renewable generation on the system, especially embedded solar.



Voltage: £40.8m ↑

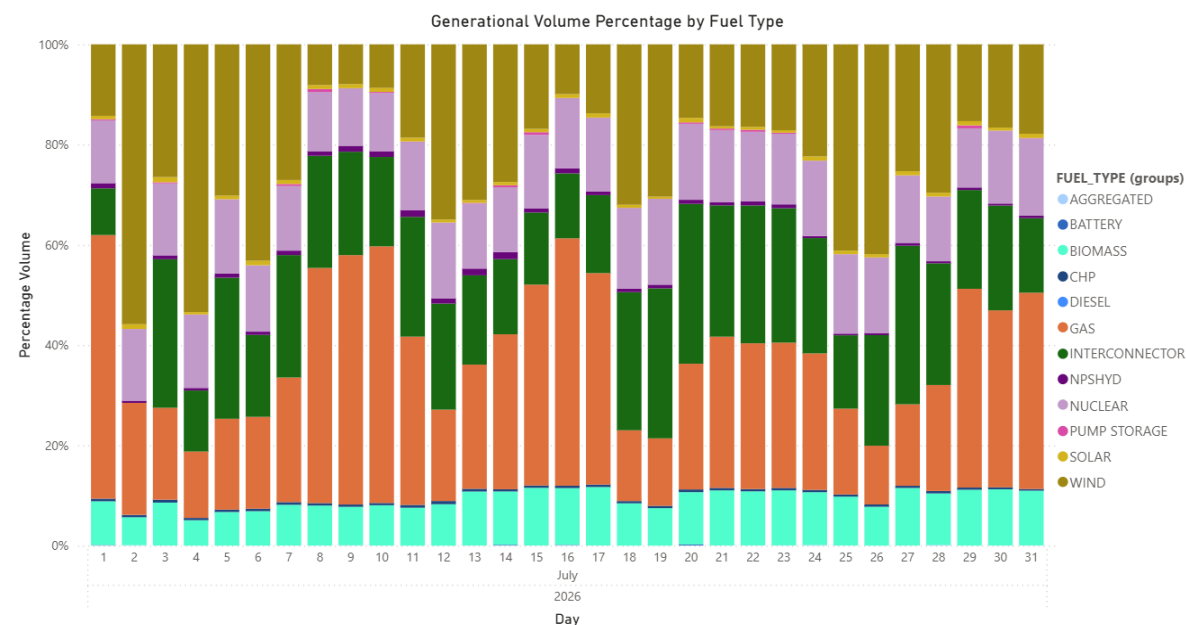
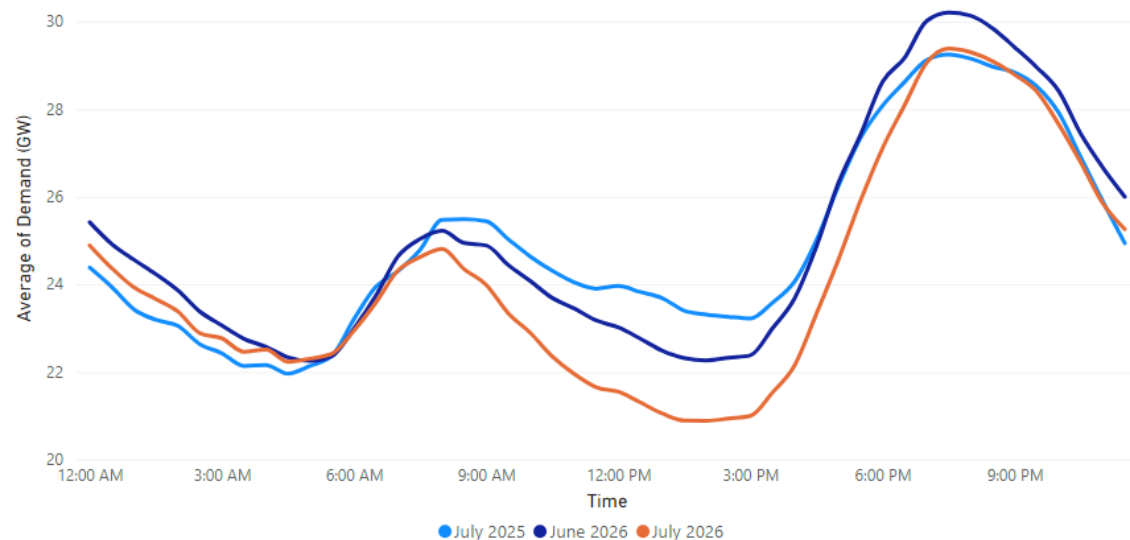
Thermal: £167.8m ↓

Inertia: £11.1m ↑

System Conditions

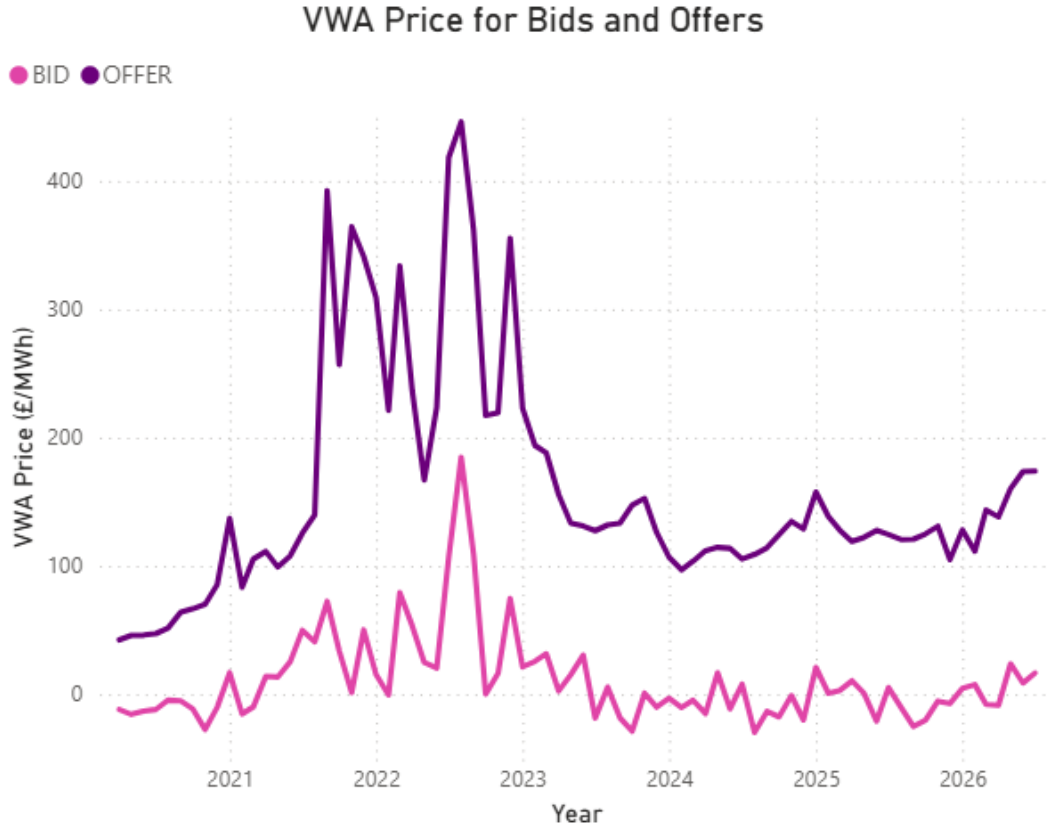
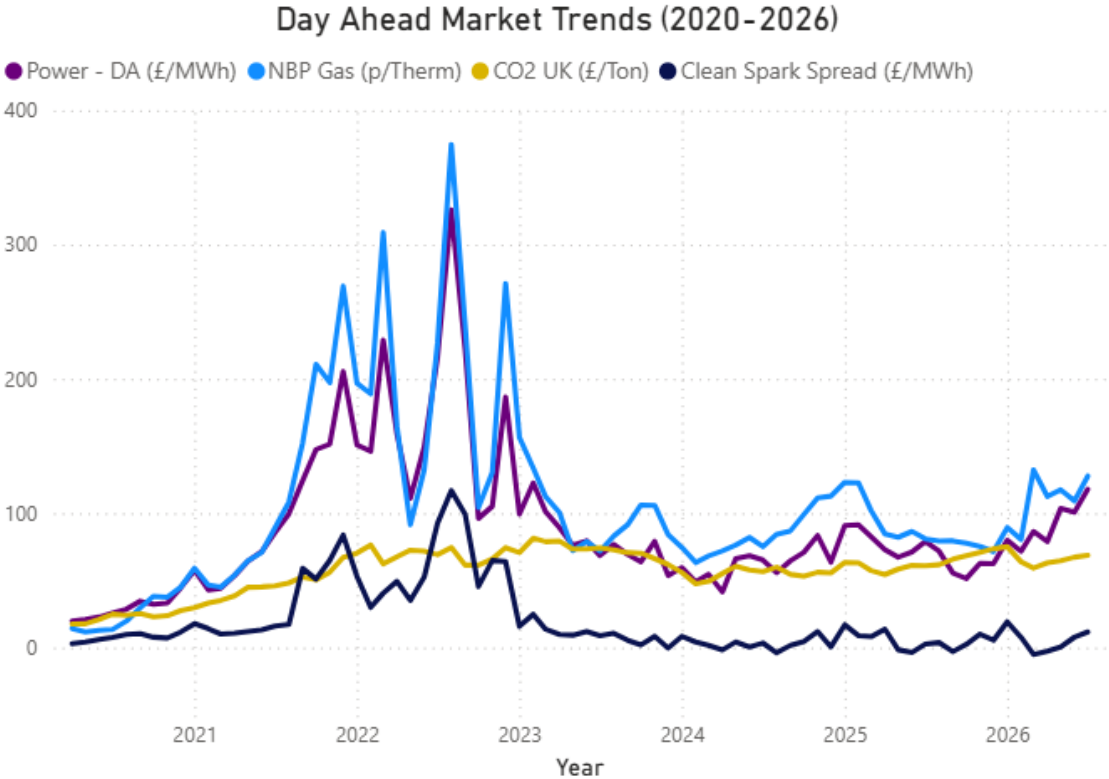
Slido code #OTF

Average Transmission System Demand (GW)



Market Conditions

	DA Power Price	VWA offer price	VWA bid price
M-o-m change	↑ +£17/MWh	↑ +£0/MWh	↑ +£8/MWh
Y-o-y	↑ +£39/MWh	↑ +£50/MWh	↑ +£11/MWh



Daily Costs and Volumes

The highest cost day was 2nd July at £25.4m.

That date saw 95% of the total cost attributed to constraint management. The system experienced exceptionally high wind levels and was compounded by outages reducing southbound transfer capability on the day.

Daily average cost was £9.6m, approximately a £1m decrease on the previous month.

Key trends from previous month:

	Constraint	Non-constraint
Cost	↓ -4.8%	↓ -6.5%
Volume	↑ >0.1%	↓ -9.5%

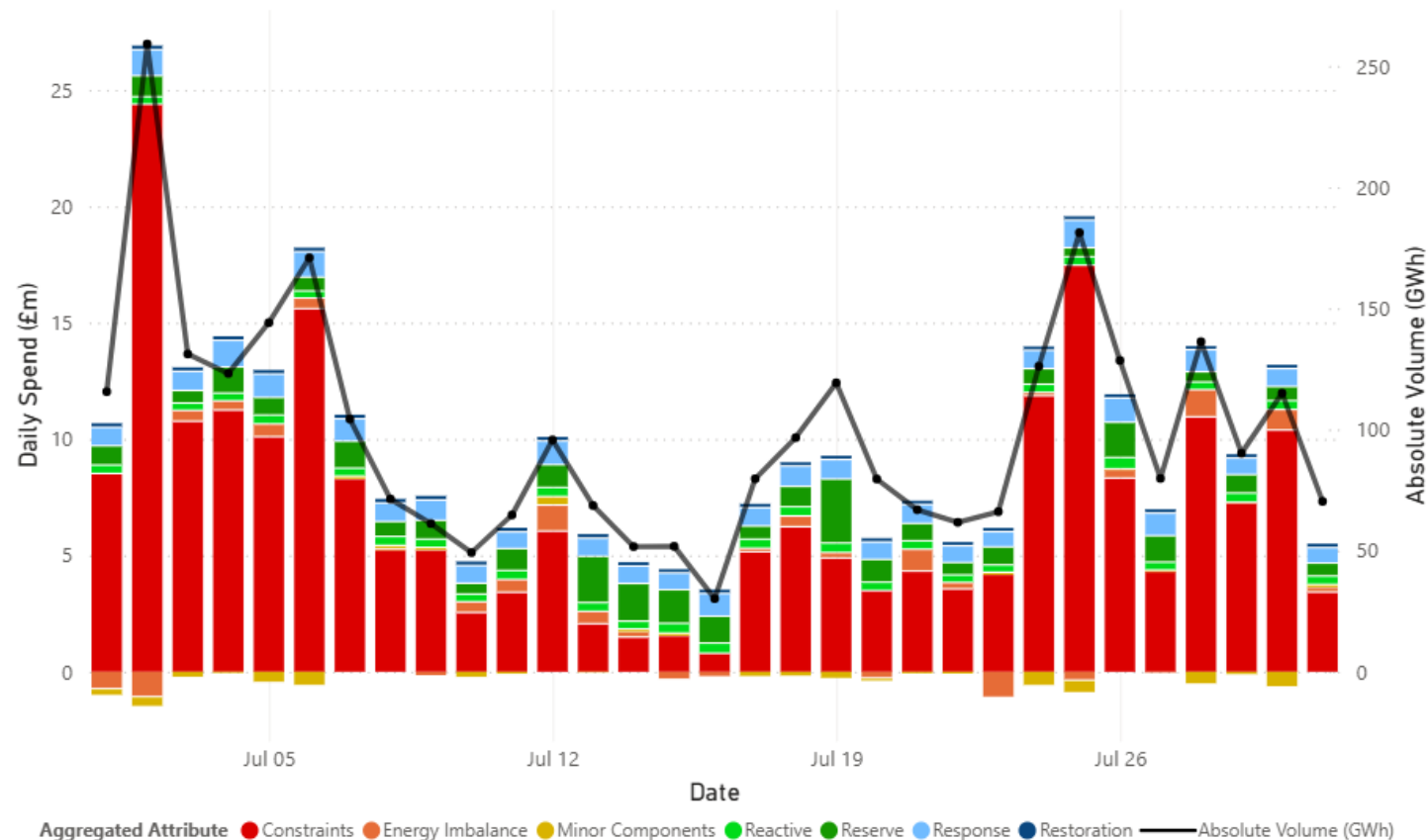


Daily average cost:

£9.6m

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Daily Cost and Volume by Action Type



Wind Outturn

Overall wind outturn fell to 4 TWh in July from 4.6 TWh in June, with a 14.6% decrease in England & Wales (from 2.9 TWh to 2.5 TWh) and a 11.4% decrease in Scotland (from 1.7 TWh to 1.5 TWh) compared to the previous month, giving a 13% decrease overall.

There was a 96GWh decrease in the amount of wind curtailment compared to June but a 186GWh increase from July 2025.

The highest volume wind curtailment days were seen largely during the beginning and end of the month:

- 2nd July (122GWh) – Highest cost day
- 25th July (68GWh) – Second highest cost day
- 6th July (67GWh) – Third highest cost day

	Total	England & Wales	Scotland
Wind Outturn (GWh)	4005	2543	1462
Wind Curtailment (GWh)*	610	31	579

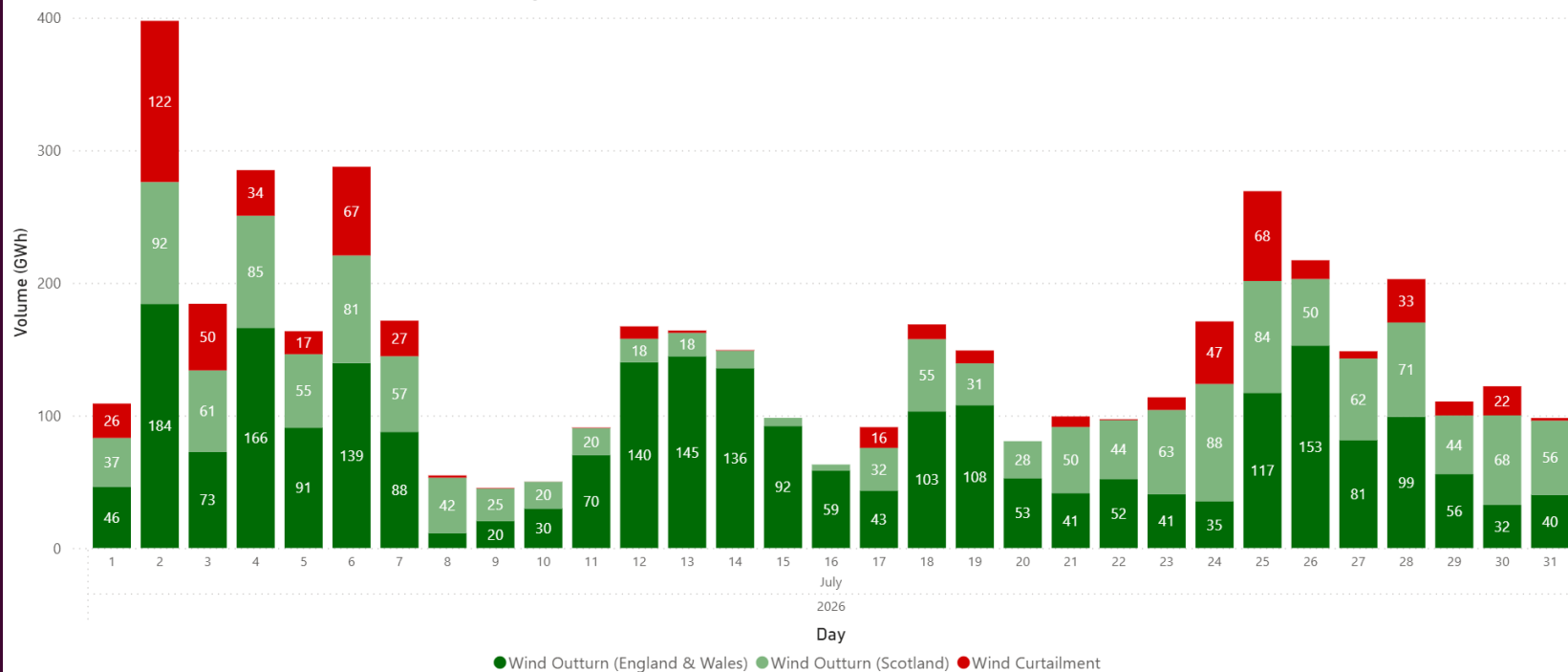


Monthly wind curtailment %:

13.3%

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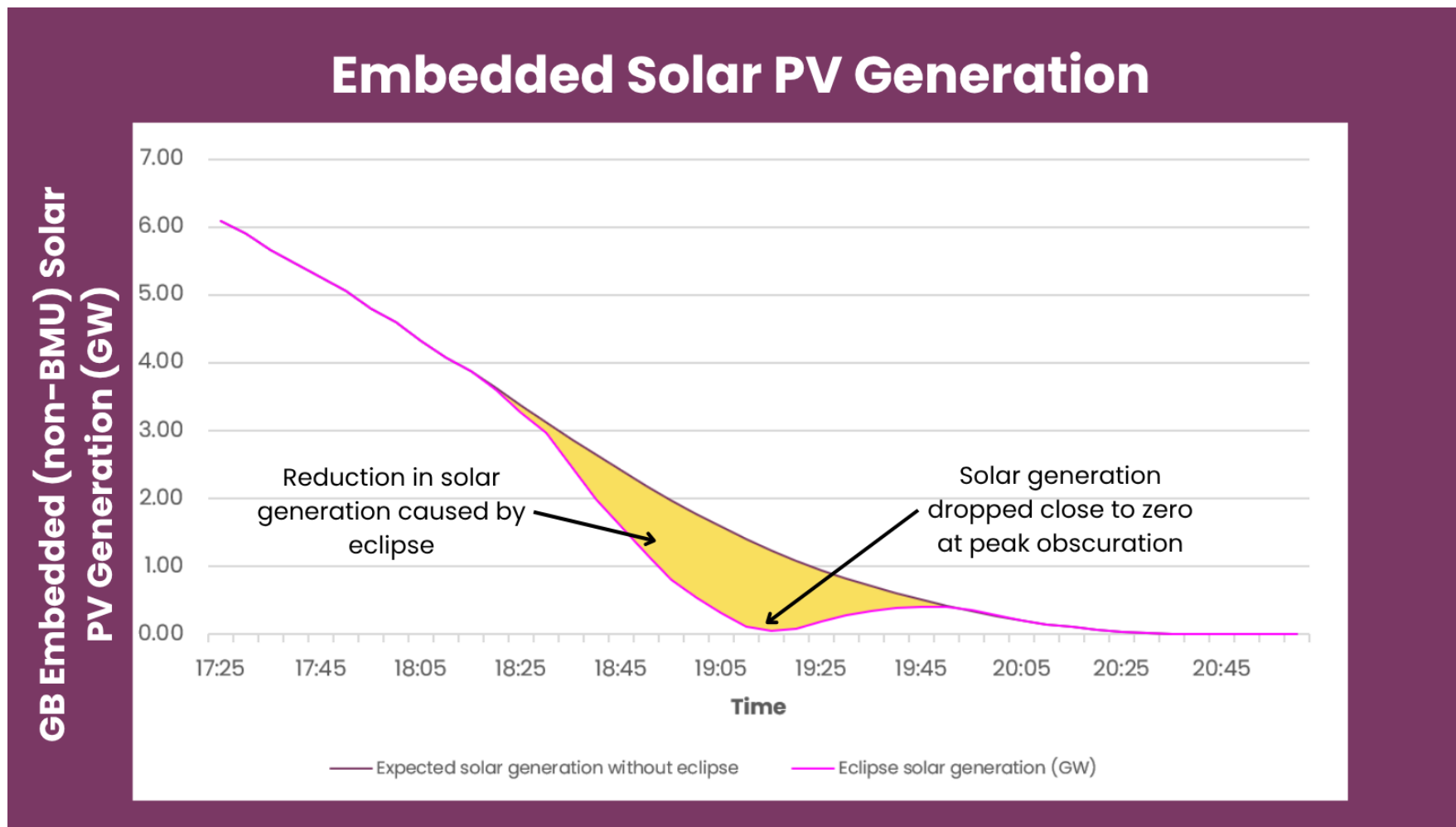
Operational Wind Outturn and Wind Curtailment Volumes



*These figures may not match exactly due to data categorisation.

Demand | Eclipse

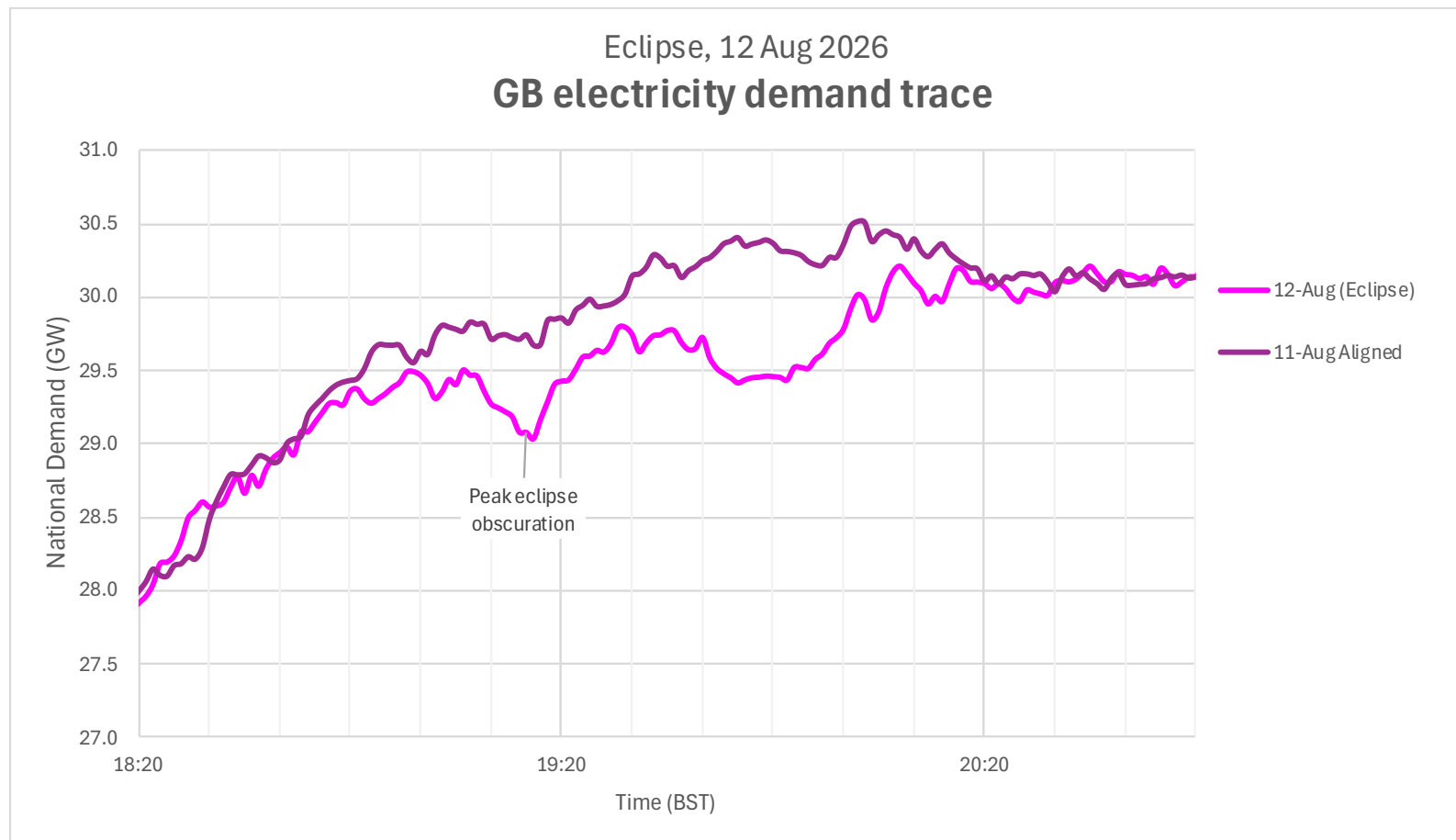
Slido code #OTF



5-minute modelling of embedded solar outturns by PVLIVE

Demand | Eclipse

Slido code #OTF



Previous day shifted up by 2GW to highlight differences

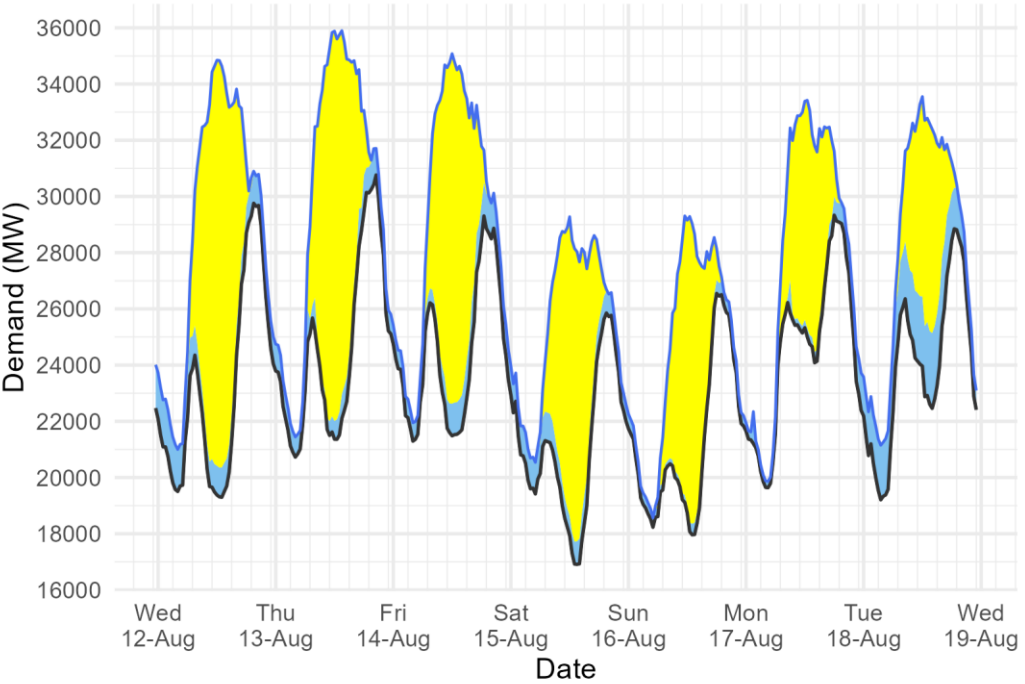
Eclipse effect on National Demand muted – in part due to DFS/EMN response, acting in opposite direction to the reduced embedded solar generation



Demand | Last week demand out-turn

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NESO National Demand outturn 12 - 18 August 2026



Distributed generation
Peak values by day

Date	OUTTURN	
	Daily Max Dist. PV (GW)	Daily Max Dist. Wind (GW)
12 Aug 2026	14.5	1.7
13 Aug 2026	13.9	1.3
14 Aug 2026	12.4	1.5
15 Aug 2026	10.6	1.1
16 Aug 2026	10.9	0.6
17 Aug 2026	8.1	1.3
18 Aug 2026	7.4	2.7

National Demand
Minimum Demands

Date	Forecasting Point	FORECAST (Wed 29 Jul)			OUTTURN		
		National Demand (GW)	Dist. wind (GW)	Dist. PV (GW)	National Demand (GW)	Dist. wind (GW)	Dist. PV (GW)
12 Aug 2026	Daytime Min	19.8	1.0	12.8	19.3	1.1	14.3
13 Aug 2026	Overnight Min	20.9	0.8	0.0	20.7	0.7	0.0
13 Aug 2026	Daytime Min	21.1	0.4	12.6	21.4	0.7	13.5
14 Aug 2026	Overnight Min	21.1	0.7	0.0	21.3	0.7	0.0
14 Aug 2026	Daytime Min	20.3	1.0	11.2	21.5	1.1	12.4
15 Aug 2026	Overnight Min	19.1	1.1	0.1	19.4	1.1	0.0
15 Aug 2026	Daytime Min	17.9	0.9	9.4	16.9	0.8	10.3
16 Aug 2026	Overnight Min	18.3	0.5	0.1	18.2	0.3	0.0
16 Aug 2026	Daytime Min	17.8	0.3	8.5	18.0	0.4	10.7
17 Aug 2026	Overnight Min	19.3	0.5	0.0	19.6	0.2	0.0
17 Aug 2026	Daytime Min	23.4	1.0	8.1	24.1	0.4	7.3
18 Aug 2026	Overnight Min	19.3	1.5	0.0	19.2	1.9	0.0

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.

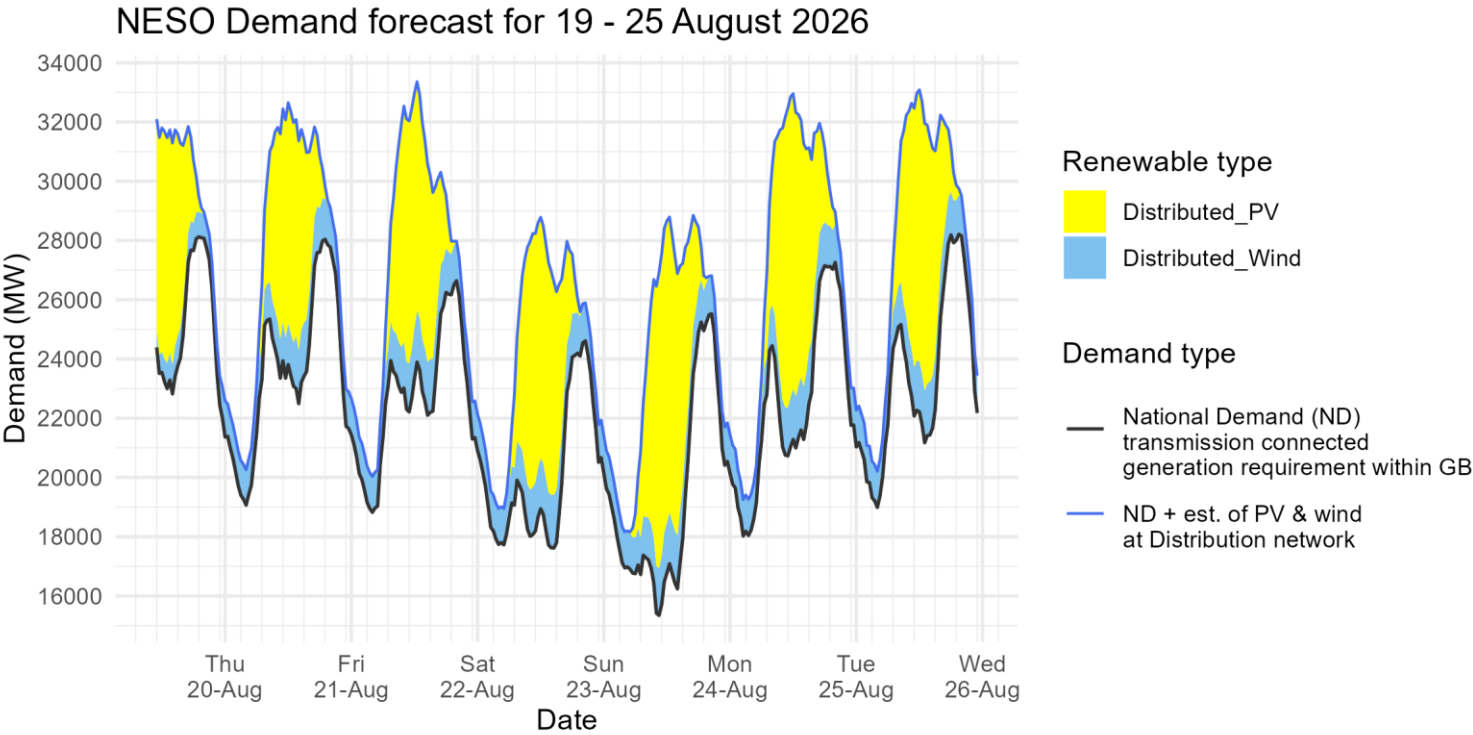
Historic out-turn data can be found on the [NESO Data Portal](#) in the following data sets:
[Historic Demand Data & Demand Data Update](#)

From March to October, the table will display overnight minimum (between 00:00 and 07:30) and daytime minimum (between 07:30 and 16:30) as well as an additional column: distributed PV.



Demand | Week Ahead

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	Datetime	Demand (GW)
Weekly Min	23 Aug 2026 11:30	15.3
Weekly Peak	25 Aug 2026 20:30	28.2

National Demand

Minimum Demands

Date	Forecasting Point	FORECAST (Wed 19 Aug)		
		National Demand (GW)	Dist. wind (GW)	Dist. PV (GW)
19 Aug 2026	Daytime Min	22.8	1.0	7.5
20 Aug 2026	Overnight Min	19.1	1.2	0.0
20 Aug 2026	Daytime Min	22.5	1.8	7.1
21 Aug 2026	Overnight Min	18.8	1.2	0.0
21 Aug 2026	Daytime Min	22.1	1.8	6.7
22 Aug 2026	Overnight Min	17.7	1.2	0.0
22 Aug 2026	Daytime Min	17.6	1.8	7.2
23 Aug 2026	Overnight Min	16.8	1.2	0.8
23 Aug 2026	Daytime Min	15.3	1.6	10.0
24 Aug 2026	Overnight Min	18.0	1.2	0.0
24 Aug 2026	Daytime Min	20.7	1.6	10.1
25 Aug 2026	Overnight Min	19.0	1.2	0.0
25 Aug 2026	Daytime Min	21.2	1.8	9.0

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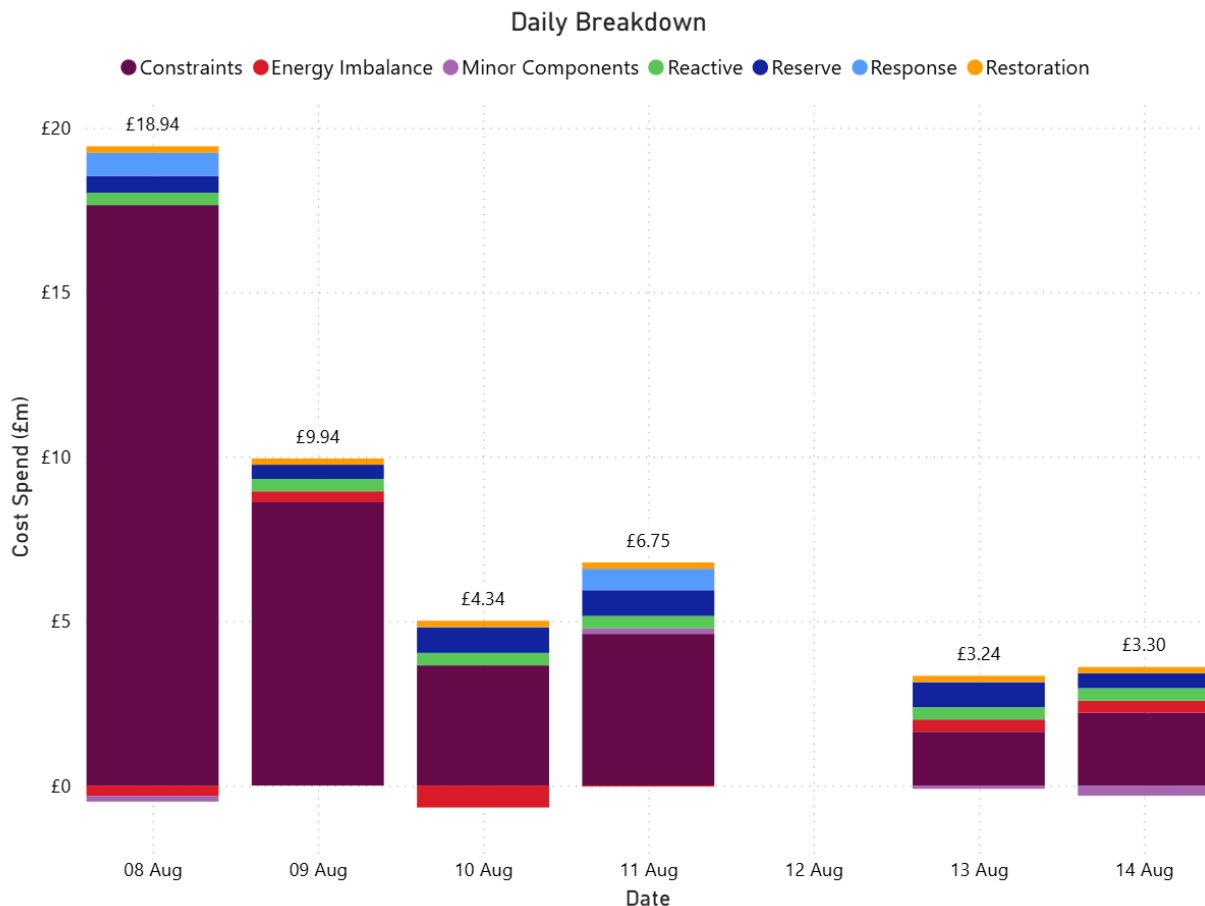
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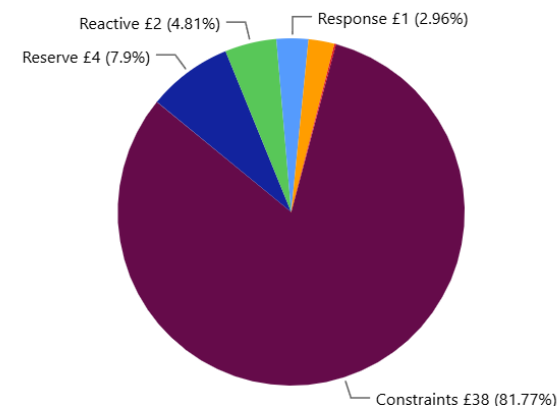
NESO Actions | Category Cost Breakdown

Slido code #OTF



Current Week Total (£m)	Average Daily Cost (£m)
£46.52	£7.75
Previous Week Total (£m)	Previous 30 Day Average (£m)
£73.48	£9.54

Share of Cost Spend (£m)



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 have data for the 12th August at the next OTF

Contact us on box.nc.customer@neso.energy

NESO Actions | Constraint Cost Breakdown

Slido code #OTF

Thermal Constraints

Costs (£)	Volume (MWh)
£33.54M	186K

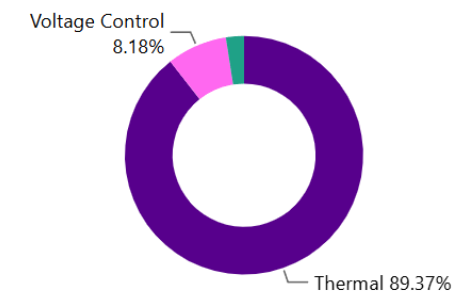
Voltage Constraints

Costs (£)	Volume (MWh)
£3.07M	79K

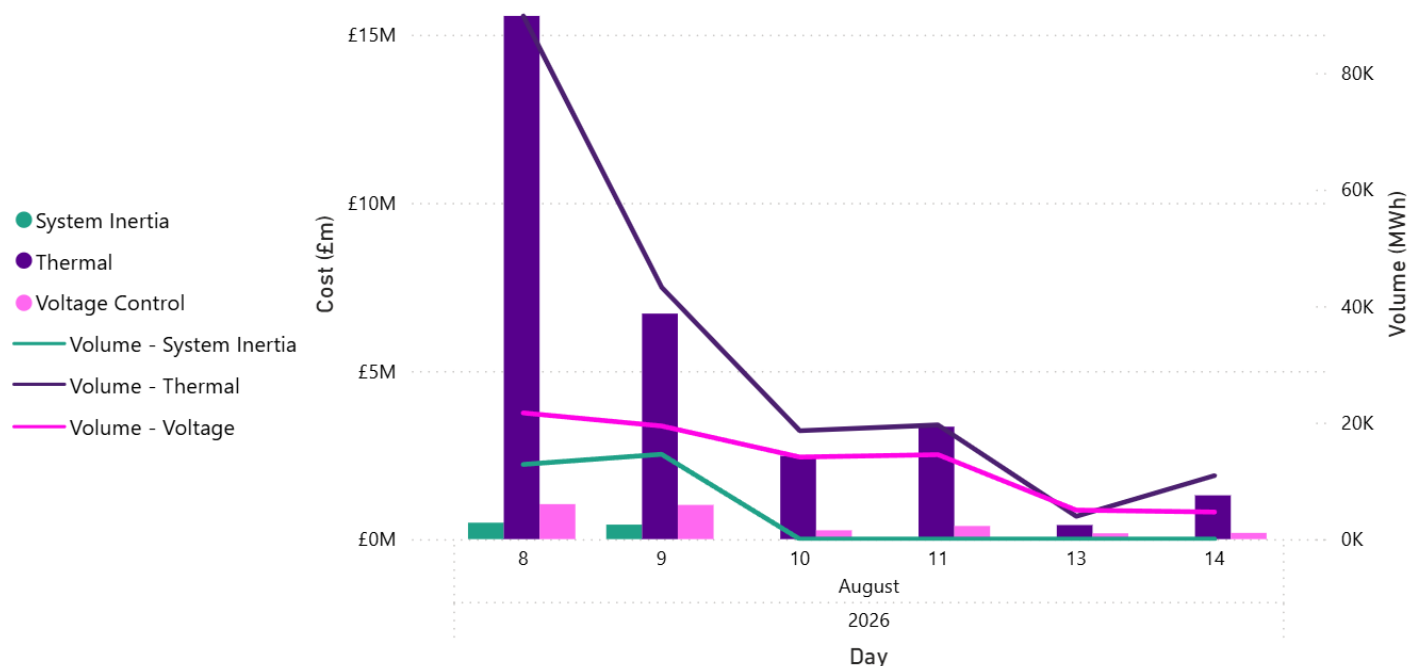
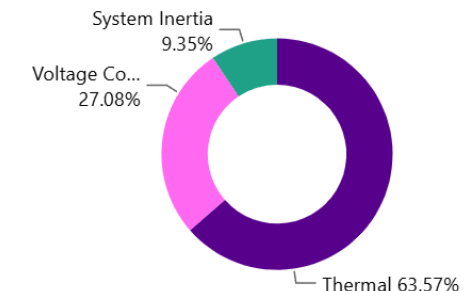
System Inertia

Costs (£)	Volume (MWh)
£919.54K	27K

Share of Cost



Share of Volume

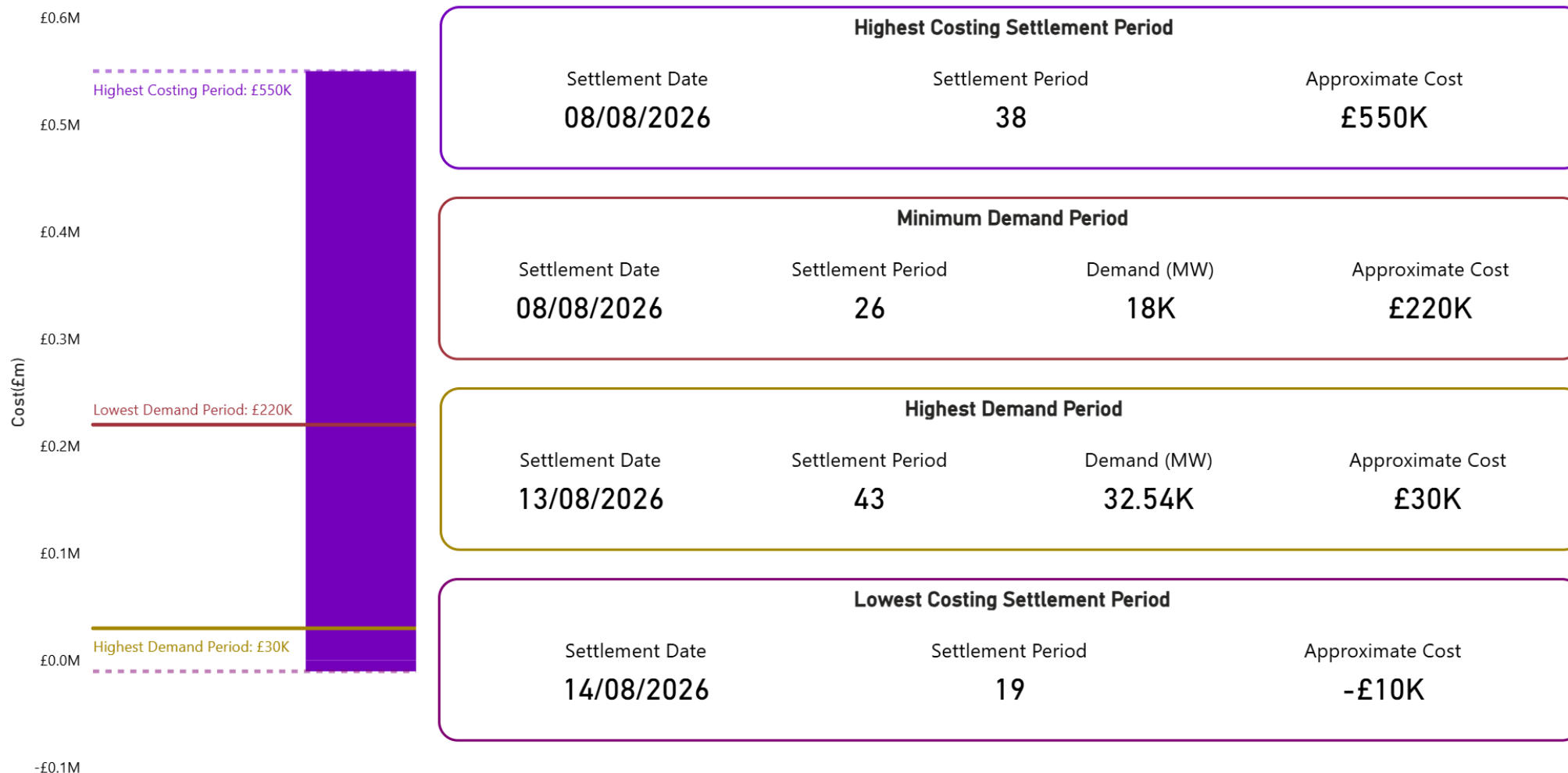


Note: Volume is reported as an absolute figure.

Contact us on box.nc.customer@neso.energy

NESO Actions | Settlement Periods of Interest

Slido code #OTF



NESO Actions | Highest Costing Day

Slido code #OTF

Share of Action Cost Spend

● BID ● OFFER

7.53%

92.47%

Settlement Date

08 August 2026

Cost (£m)

£18.94

Bid Spend (£) by GSP



Offer Spend (£) by GSP



Approximate Cost

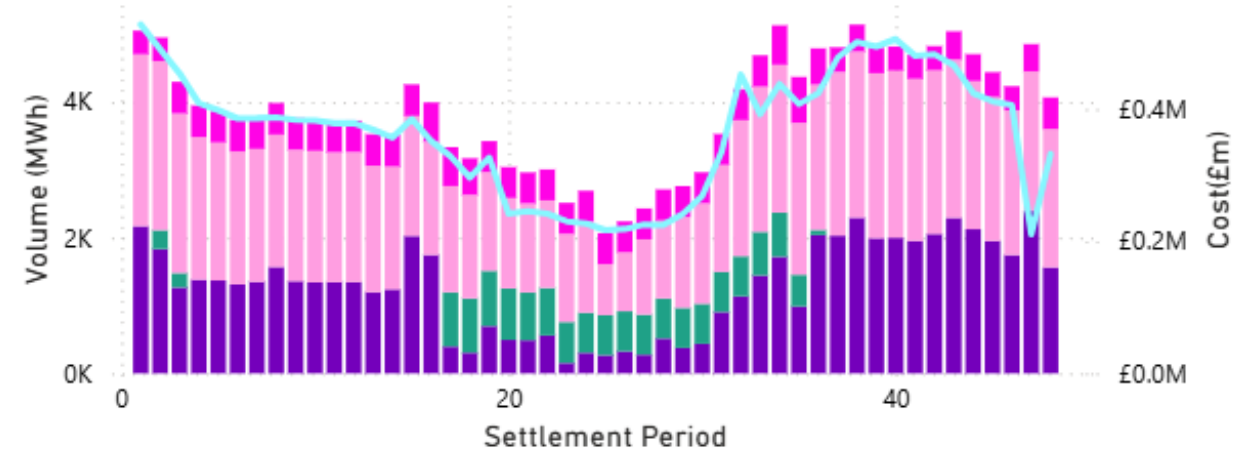
-£60.00K

£0

£3.80M

Action Cost and Volume

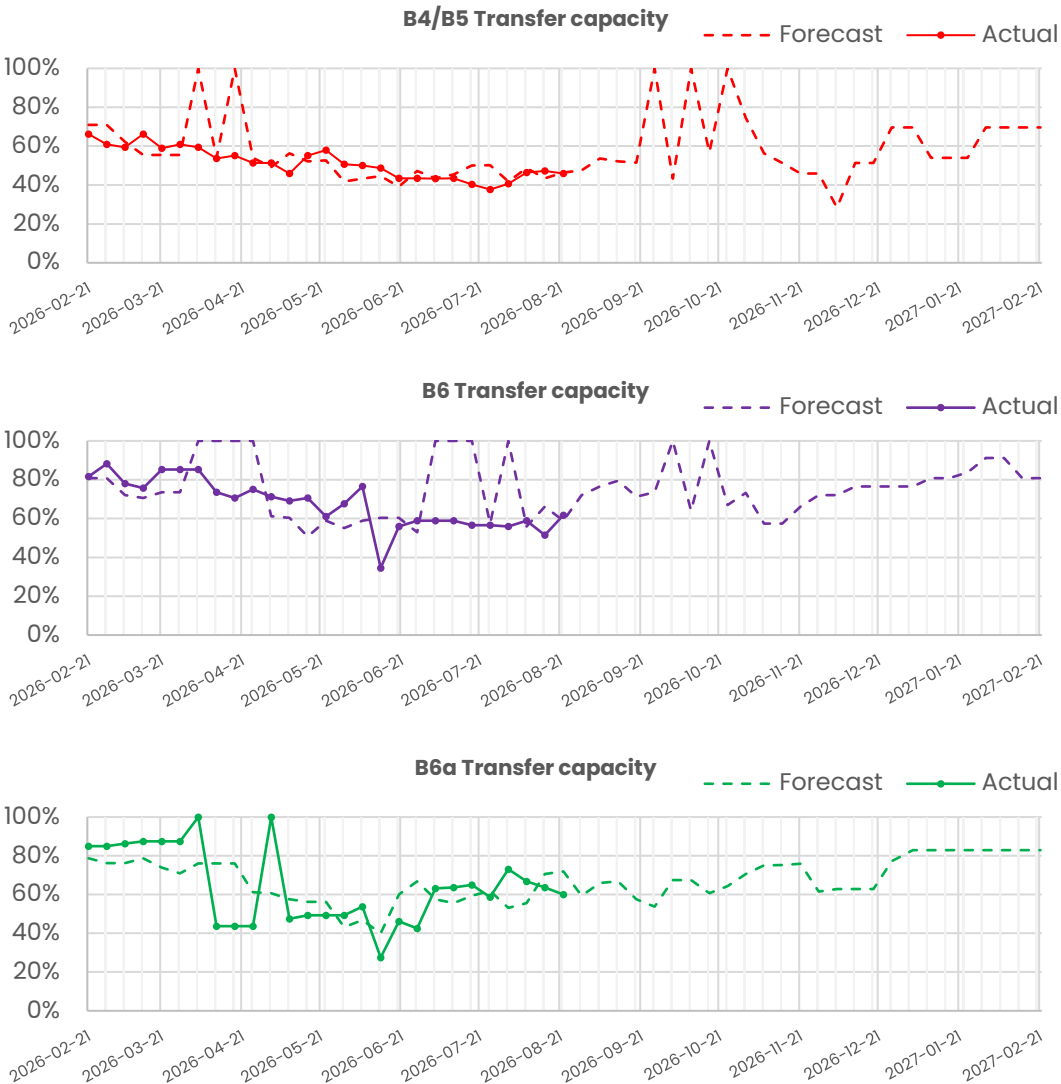
● Non Constraint ● System Inertia ● Thermal ● Voltage Control ● Cost (£m)



*SP47 data to be confirmed

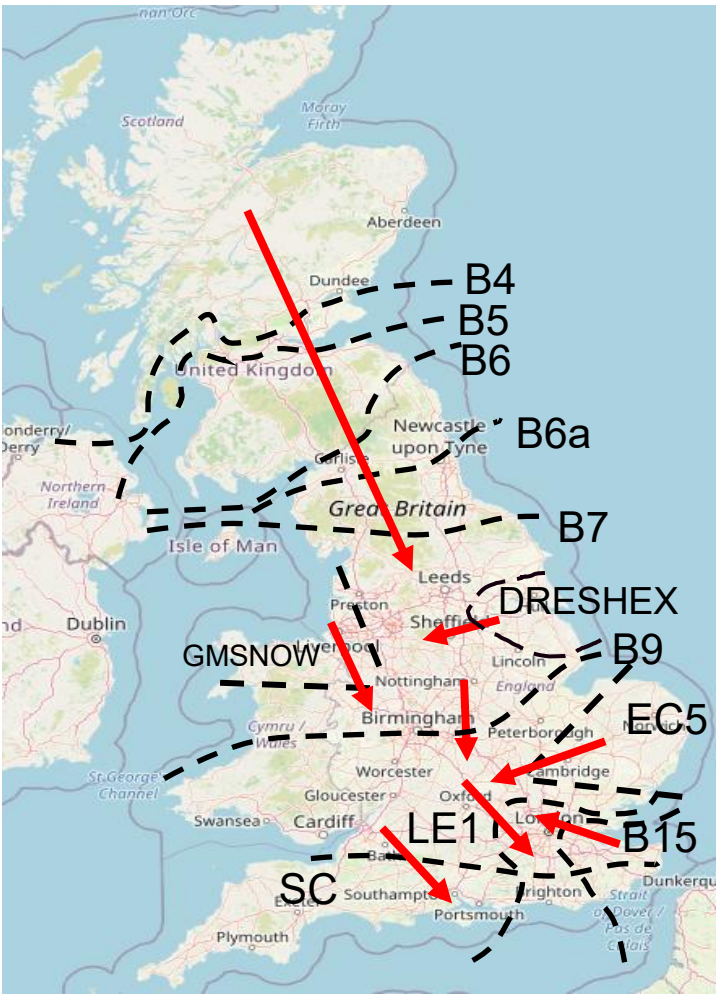
Transparency | Network Congestion

Slido code #OTF



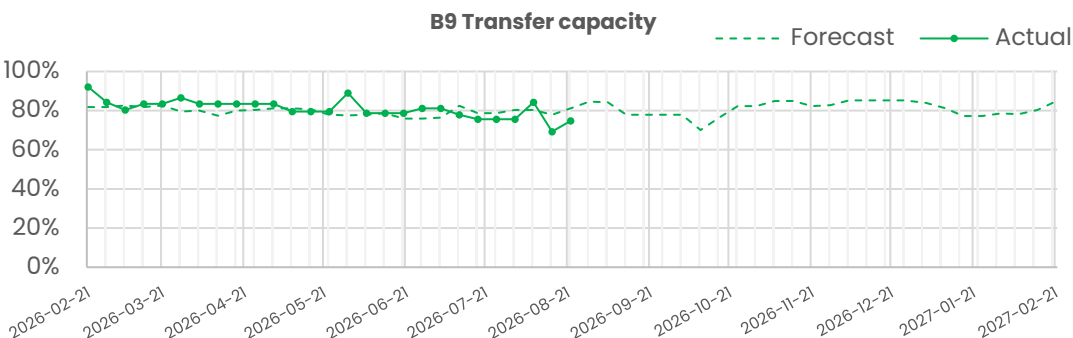
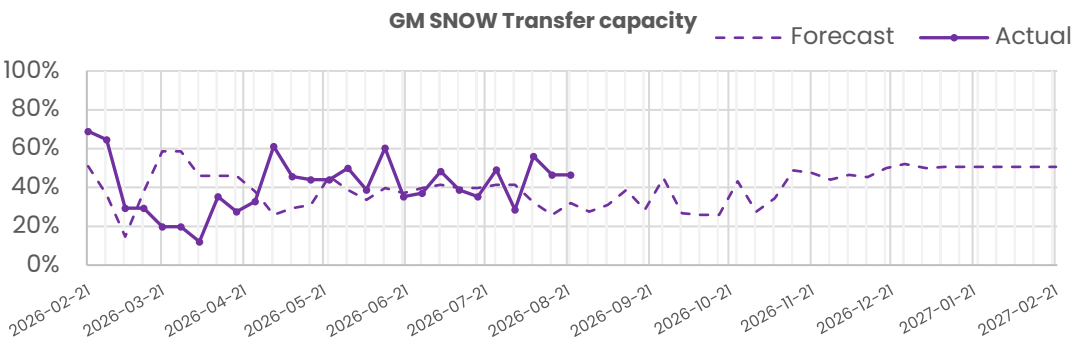
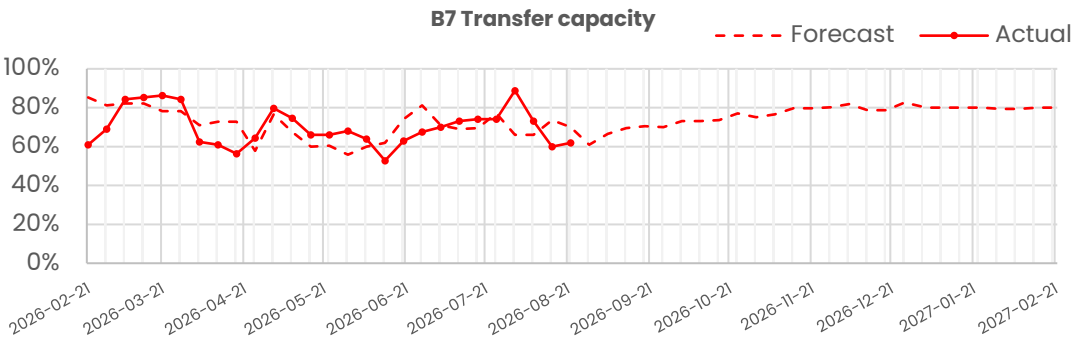
Boundary	Max. Capacity (MW)	Current Capacity (%)
B4/B5	3400	46
B6 (SCOTEX)	6800	62
B6a	8000	60
B7 (SSHARN)	9850	62
GMSNOW	5800	47
FLOWSTH (B9)	12700	75
DRESHEX	9675	67
EC5	5000	100
LE1 (SEIMP)	8750	70
B15 (ESTEX)	7500	64
SC1	7300	60

The forecast line is updated with the 12-week ahead view, and this happens each week. So, everything up to 12 weeks ahead is the forecast from 12-week ahead view, and everything after that is the fixed long-term forecast view.

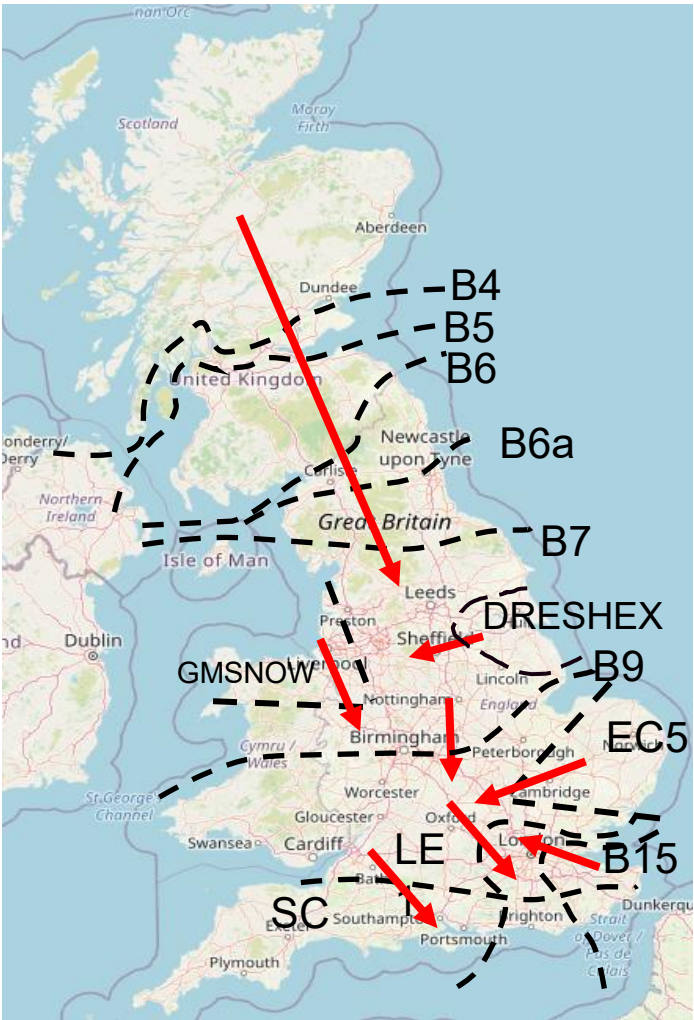


Transparency | Network Congestion

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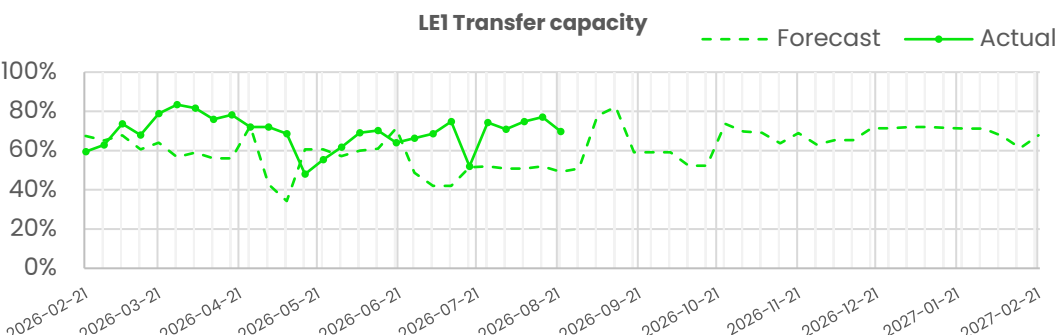
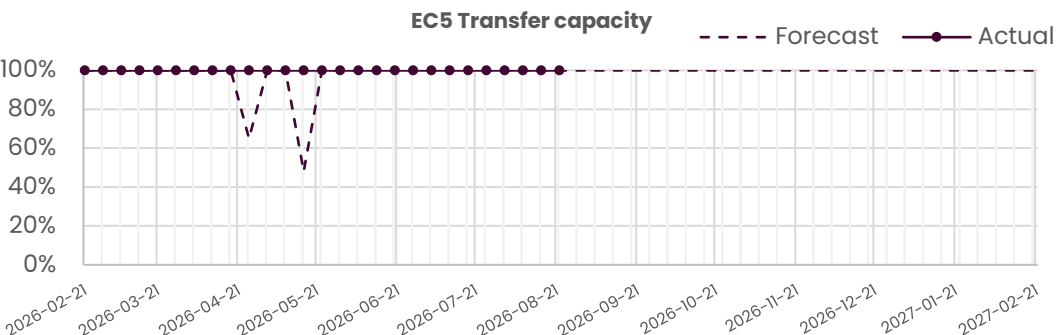
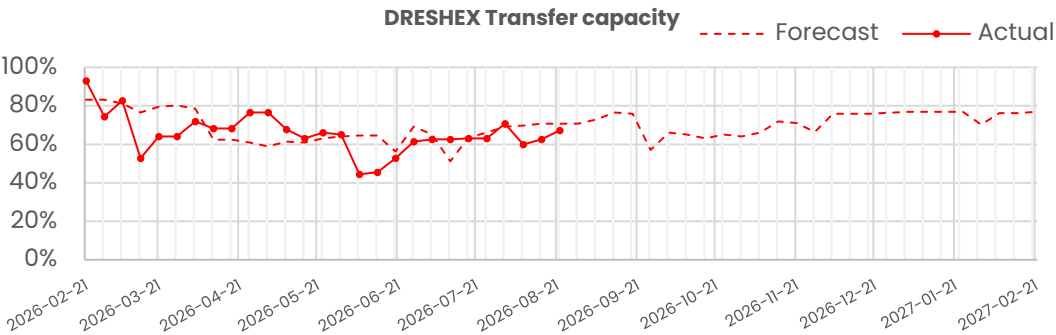
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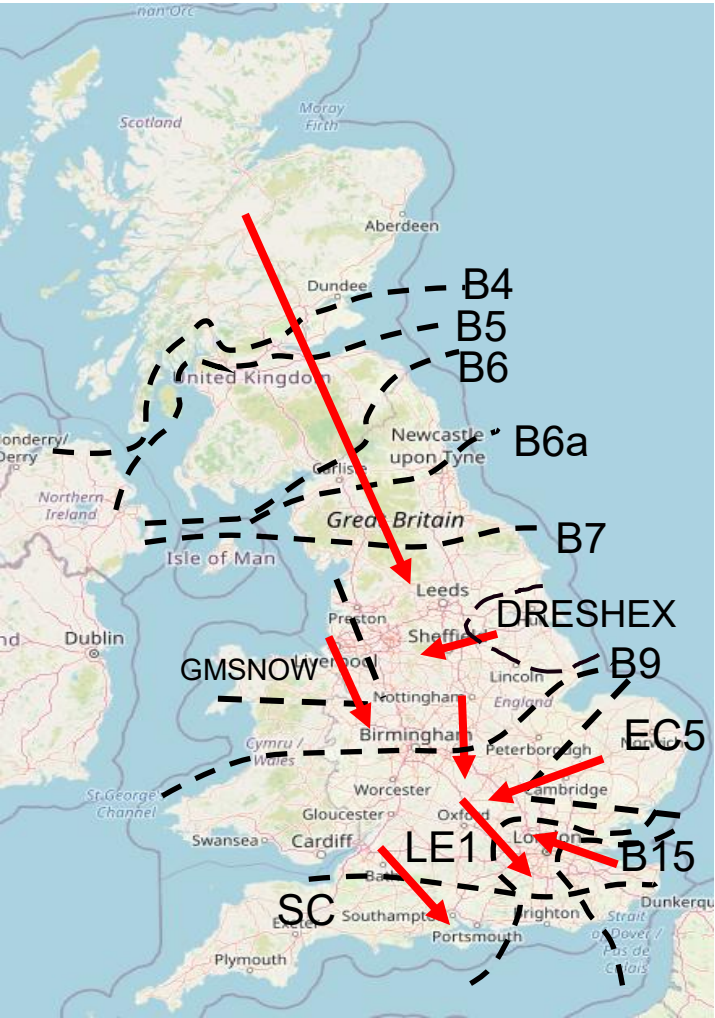
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Transparency | Network Congestion

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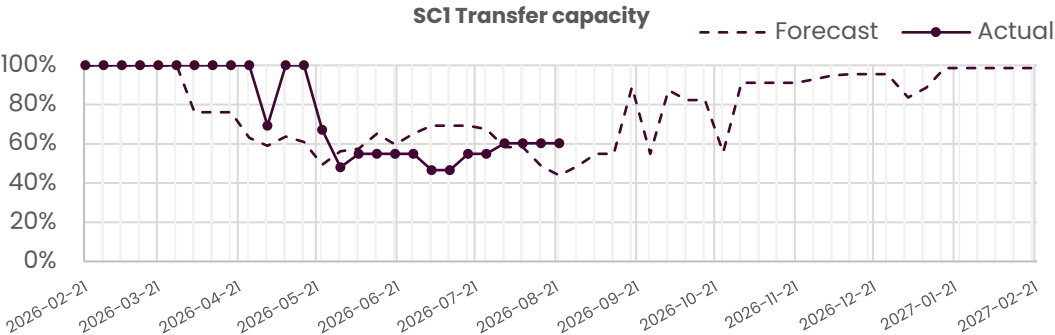
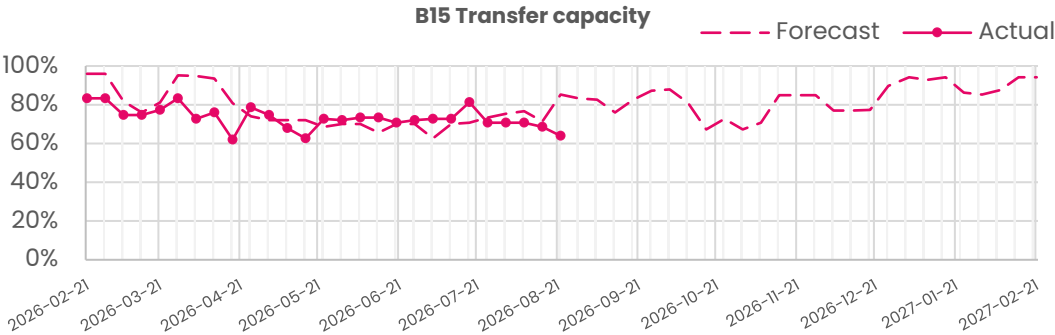
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Transparency | Network Congestion

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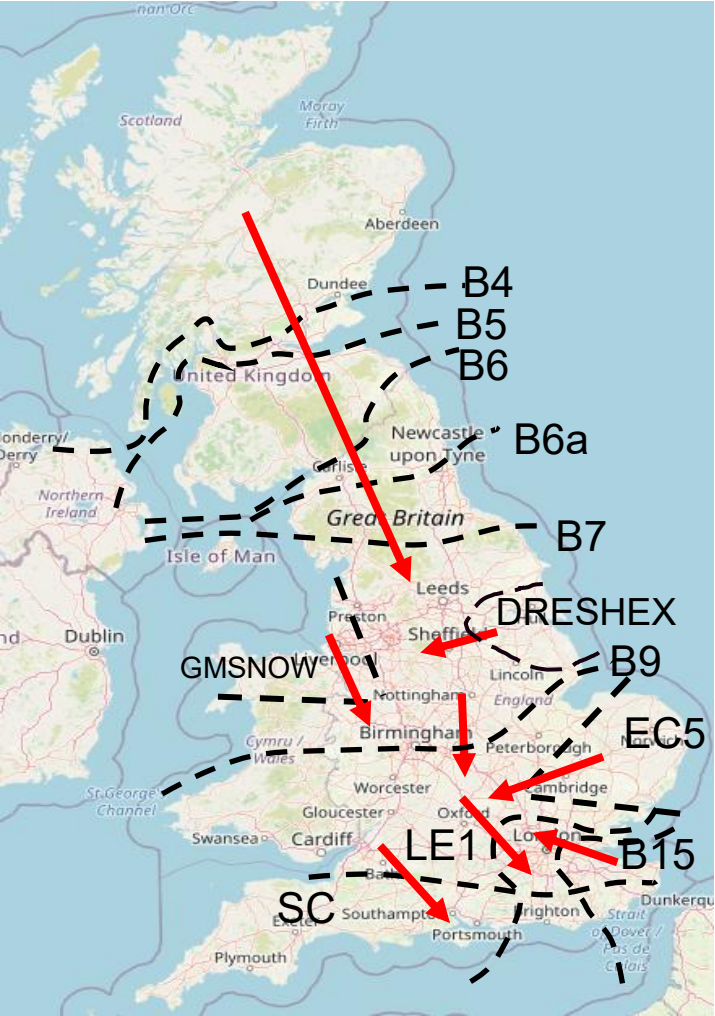


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Day ahead flows and limits, and the 24-month constraint limit forecast are published on the NESO Data Portal: [Constraints Management](#)

The dataset presented in the Network congestion is published on the NESO data portal . [Operational Transparency Forum – Network congestion data | National Energy System Operator](#)

Boundary	Max. Capacity (MW)	Current Capacity (%)
B4/B5	3400	46
B6 (SCOTEX)	6800	62
B6a	8000	60
B7 (SSHARN)	9850	62
GMSNOW	5800	47
FLOWSTH (B9)	12700	75
DRESHEX	9675	67
EC5	5000	100
LE1 (SEIMP)	8750	70
B15 (ESTEX)	7500	64
SC1	7300	60



(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.

PSA Skip Rates – bids & offers combined

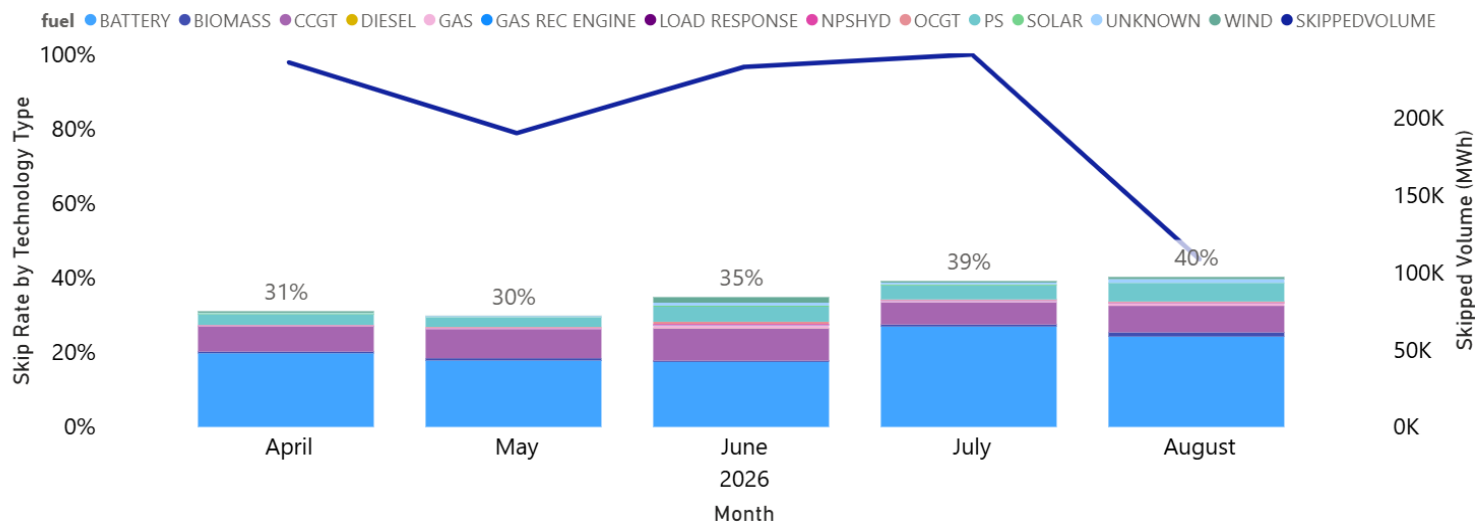
Slido code #OTF

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.

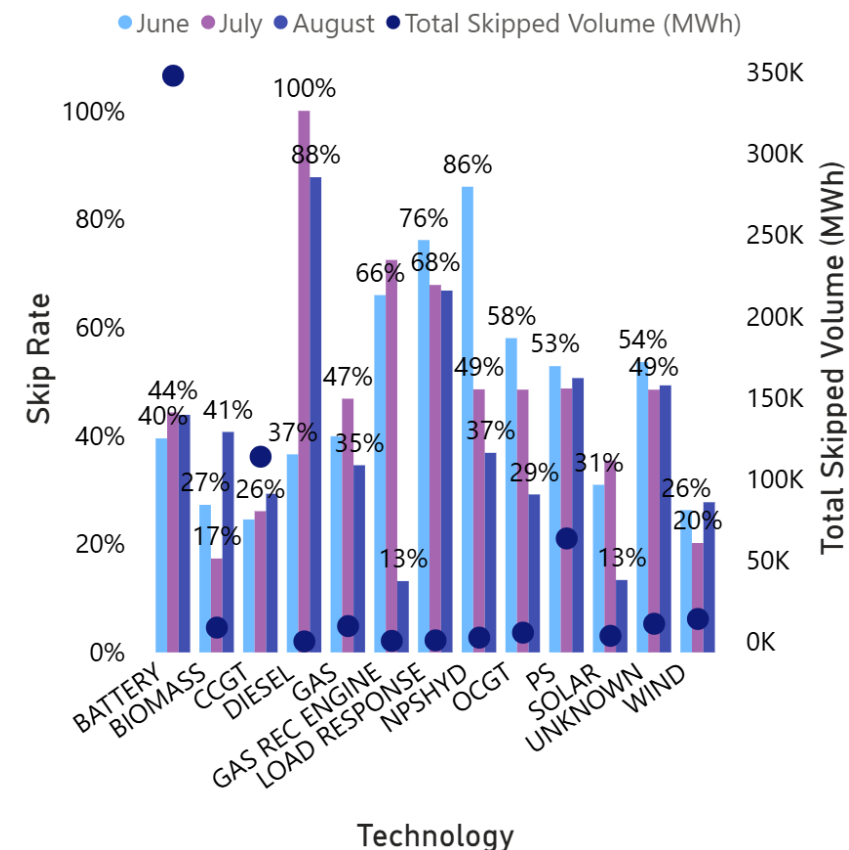
These graphs are based on stage 5 of the Post System Action definition.

Relative Technology Skip Rate



Weekly Average w/e	PSA Skip Rate (%)
26/07	41%
02/08	39%
09/08	39%
16/08	41%

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](#)

Previously Asked Questions

Slido code #OTF

Q (05.08.26) Noemie Baud: I see that the latest Intraday Trading Limit for Britned was published on the 29th of July and not updated since (on NESO's web portal). And IFA2's latest publication was also for the 1st of August. Is there an issue with the publications?

A: We can confirm that the published data is accurate.

Q (05.08.26) Paul Rowe-Jones: On 30/7 and 4/8 DFS offers were rejected at prices below marginal Interconnector (IC) acceptance. (On 4/8 the IC trades were £150/MWh more expensive). On both these dates Day Ahead (DA) restrictions were in place. Why is NESO restricting capacity when commercial options are available? Why was Demand Flexibility Service (DFS) rejected when cheaper on 4/8?

A: At the time of the DFS auction, which typically closes around 12 noon, the view of Interconnector prices were lower than where prices out-turned in the subsequent Interconnector auction 3 hours later.

DFS is procured based on NESO's best view of market prices and volumes required at the time of the DFS auction.

Q (05.08.26) Ben Marshall: Eclipse- Thanks Ryan for the overview on next weeks eclipse & Distributed Energy Resources (DER) forecast- as you say totality is closer to Spain (and a bit earlier with more solar there); are we similarly forecasting GB interconnector export to continent at that time? (is there a need to limit it?)

A: NESO will continue to assess expected system margins ahead of the operating day. Where this analysis identifies a potential risk to the margin position, restrictions may be applied to help preserve adequate headroom and support secure system operation.

Previously Asked Questions

Slido code #OTF

Q (05.08.26) Bukky Daniel: What's the projected upload frequency when Open Balancing Platform (OBP) is live?

A: For clarity, OBP is already live. Once OBP fully replaces legacy balancing tools for NESO, the expectation is the unit upload will be better aligned with the process timelines. All of the existing Registration requirements will still need to be met so this will not be on "on demand" upload.

Q (05.08.26) Jonathan Leake: Regarding the eclipse and the predicted drop in solar output, how will NESO compensate for this drop? Obviously its not huge but will it mean using the balancing or capacity mechanism? What are the plans?

A: The eclipse is a predictable event that has been factored into operational planning well in advance. A temporary reduction in solar output is expected during the eclipse but Great Britain's electricity system is designed to accommodate changes in generation throughout the day. Market participants are able to plan for these changes ahead of time and NESO will continue to use its normal operational processes to ensure electricity supply and demand remain in balance.

Q (22.07.26) Callum MacIver: If 2900MW is the best number for long term planning over B4/B5, is it also used in all other relevant NESO work? Is it published anywhere? If not, can it and other more realistic boundary capabilities be made public – alongside e.g. more optimistic max numbers in ETYS and OTF?

A: Longer term planning for future years may use a higher number as we expecting the capacity of the boundary to increase as we deliver upgrades and new infrastructure, over the next 5 to 10 years.

Previously Asked Questions

Q (05.08.26) Lisa Waters: With Margins not looking that bad, are the Net Transfer Capacity (NTC) actions not actually NESO hoarding interconnector capacity, creating a market distortion, against the Ofgem letter sent on hoarding?

A: NESO is not reserving capacity for reasons of market manipulation or for its own potential use. Net Transfer Capacity (NTC) restrictions allow the market to trade within the boundaries of what is securable for the GB system. Thus any capacity and flows above these limits cannot be facilitated on the GB system.

The purpose of these actions is to manage forecast system conditions, including margin risk, constraint management and operational uncertainty ahead of real time.

Q (05.08.26) Benjamin Steed: NESO provided a source for NTC curtailment on its website but this data is not published in a timely manner. Will NESO commit to ensuring that all Day Ahead capacity restrictions are published when known in a timely manner ahead of the Day Ahead auctions?

A: Net Transfer Capacity (NTC) and Intraday Trading Limit (ITL) data are commercially sensitive until the time the relevant auction opens, so NESO is not able to publish this data ahead of the relevant auction.

Previously Asked Questions

Q (05.08.26): Lisa Waters: When NESO asked gencos for additional plant status information under the recent extreme heat which part of the Grid Code (or other rules) was it using to request this information?

A: It was noted that the answer provided used the wrong Grid Code reference (it changed due to a recent Grid Code mod)

Previous answer:

OC2.4.1.2.1 “The Company may, as appropriate, contact each Generator and each Interconnector Owner and each Restoration Contractor referred to in OC2.3.1(f) who has supplied information to seek clarification on their Output Usable submissions.”

Correct answer:

OC2.3.1.2.5

“The Company may, as appropriate, contact each Generator, each Interconnector Owner and each Restoration Contractor referred to in OC2.2.1 (f) who has supplied information to seek clarification on their Output Usable submissions.”

Advance Q (04.08.26): At OTF please can you explain what the margin issue is that is leading to significant and sustained interconnector restrictions. I keep getting asked “what are we missing that NESO can see”? Is it just the amount of constrained off plant – as the market cannot see the constraints?

A: Net Transfer Capacity restrictions are being set to allow the market to trade within the boundaries of what is securable for the GB system based on the information NESO has available to it as the system operator. There is no singular reason driving this decision making.

Previously Asked Questions

Slido code #OTF

Advance Q (15.07.26): Please could you confirm the rules around interconnector trades? There have been several days since the new 300/1500MW limits came into place on 20 May where it appears that trades > 300MW have been made in the opposite direction of the corresponding Day Ahead (DA) nomination. I understand that these limits may be exceeded in extreme circumstances with permission from the opposite SO, but is this exception documented.

A: The limits stated in the question are the volumes of interconnector trading NESO can under take without needing to coordinate with connected System Operators (SOs). If required, NESO can coordinate with connected SOs to gain approval to exceed these limits in order to mitigate for risks to GB system security. NESO's trading can exceed these volumes with the agreement of the connected SOs.

For further information, please refer to the OTF of the 20th May 2026 here: <https://youtu.be/VZ-mqtp23dl>

Q (05.08.26) Lisa Waters: Please can you explain the difference in the BM process for an active Additional Supplier BMU in Supplier Volume Allocation (SVA) vs a Central Volume Allocation (CVA) genco registered BMU?

A: The NESO registration for the Balancing Mechanism (BM) follows the same process for all BM Unit registrations. There are differences in the specific requirements e.g. type of licence, metering and connection agreement required. You can find more information at: <https://www.neso.energy/document/150276/download>

You will need to check with Elexon directly for details of their processes.

Previously Asked Questions

Q (05.08.26) Kieran Farr: Are you aware of any plans or considerations of European TSOs to curtail GB NTCs?

A: Connected System Operators use Net Transfer Capacity (NTC) and Intraday Trading Limit (ITL) restrictions in a very similar way. Capacity is restricted as a when required for operational security. The main difference is the timescales at which this can be done. Most have the option to restrict capacity ahead of the Long-Term auctions rather than only at Day-ahead and/or Intraday. NTC restrictions on capacity to or from GB have often been used by Connected System Operators.

Advance Q (12.08.26): Please can you provide the timings for setting and publishing the NTC across the interconnectors? Can these values change at all after they have been published? Does the Sep-23 document "Methodology for GB Commercial Arrangements relating to Interconnector Capacity Calculation" contain the most up-to-date information about compensation for capacity due to NTC constraint? Thanks

A: NESO can set restrictions on interconnector capacity up to 5-minutes before the opening of the relevant auction. E.g., if an interconnector's Day-ahead (DA) auction opens at 08:00 D-1, NESO can submit its DA NTC values for that interconnector and as many resubmissions as required up to 07:55 D-1. After this, no resubmission for NESO's DA NTC values are permitted. Any further submissions of NTC restrictions will be made to the Intraday auction.

NESO publishes its final NTC value as soon as possible after the relevant auction opens, after which time the information is no longer commercially sensitive.

We can confirm that the "Methodology for GB Commercial Arrangements relating to Interconnector Capacity Calculation" available on the NTC section of the NESO website (<https://www.neso.energy/what-we-do/energy-markets/interconnectors/what-ntc>) is the latest version.

Previously Asked Questions

Slido code #OTF

Advance Q (13.08.26): In the NGESO/NESO document “Past Frequency Events” date November 2019 (<https://www.neso.energy/document/156761/download>), one conclusion is that “..we aim to annually publish the significant frequency events to share the knowledge of system behaviors with wider industry. This can help... mitigate the risks we are facing when operating the system”.

Where is this information published? If it is not published, can NESO please commit to publishing an annual report setting out this information so as to mitigate the risks of operating the system?

A: The [System Performance Reports](#) report significant events on a monthly basis since 2020.

Advance Q (04.08.26): Ofgem’s open letter interconnector capacity hoarding warns parties against using interconnector capacity to manipulate markets. Is NESO not now hoarding capacity and impacting prices for GB gencos by not allowing exports?

NESO is restricting capacity for “margin” purposes and then has senior staff in the press saying it is all fine – which is it? If NESO is taking significant interventionist measures in the market, should we not be being honest that the margin is not fine and explain why?

A: NESO is not reserving capacity for reasons of market manipulation or for its own potential use. Net Transfer Capacity restrictions allow the market to trade within the boundaries of what is securable for the GB system. Thus, any capacity and flows above these limits cannot be facilitated on the GB system.

Previously Asked Questions

Advance Q (12.08.26): On 22nd December 2023, there was a trip of the Caithness Moray HVDC link which appears to be noted in the OC3.4 System Incidents report as a Significant Event on 22/12/2023 at 13:09:51 (<https://www.neso.energy/document/299266/download>). It does not appear that the trip of the HVDC link has been reported in the same System Incidents report (<https://www.neso.energy/document/299266/download>) in the tab “Transmission Faults (GC0151).

Moreover, it appears that there are no HVDC transmission faults (excluding Interconnectors or OFTOs) reported in any System Incidents reports since their inception in 2020 (<https://www.neso.energy/industry-information/industry-data-and-reports/system-performance-reports?page=8>)

Can NESO please confirm in 15 working days how many HVDC trips (excluding interconnectors and OFTOs), with locations, dates, times, and MW at trip, have occurred since NESO’s report on Past Frequency Events (<https://www.neso.energy/document/156761/download>) in November 2019)?

A: The trip on the Caithness–Moray HVDC link was not included in the GC0151 report dated 22 December 2023, as it does not meet the reporting requirements set out in Grid Code OC3.4.1, Part C. However, it was referenced in the notes of GC0105 to provide additional context regarding the IFA Bipole 1 trip. The reason that interconnectors trips can be found in the GC0105 is that they are treated as demand/generation, depending on the direction of power flow, while local HVDC links are part of the NETS and the trips are not associated with energy loss/gain, and so do not meet the criteria of Grid Code OC3.4.1, Part A.

Continued...

Previously Asked Questions

Please note that events are reportable under GC0151 only when the protection system operates for a fault coincident with fault current (for example, a three-phase-to-ground fault). Such faults that meet the aforementioned criteria and related to HVDC links within the GB system have been reported in GC0151 report.

Regarding the requested data, users can extract the relevant information from the publicly available GC0151 and GC0105 reports on the NESO website:

<https://www.neso.energy/industry-information/industry-data-and-reports/system-performance-reports>

Q (05.08.26) Matthew James: Day Ahead prices, the most important price index and benchmark for the industry, are now being artificially suppressed by the implementation of the DA NTC's. Are you concerned about the long term impacts of this? For example building batteries or other Gen may no longer be feasible?

A: Net Transfer Capacity restrictions reflect the maximum securable flows that interconnectors can import to or export from GB. Any flows outside of these restrictions cannot be facilitated on the GB system and therefore NTCs reflect the capability of the system.

End consumers benefit from reduced system costs should these occur, whilst services competing in this market will adapt to the associated price changes.

Previously Asked Questions

Slido code #OTF

Advance Q (12.08.26): In this NESO news article (<https://www.neso.energy/news/pembroke-project-marks-latest-milestone-clean-grid-stability-programme>) it says that Pembroke "is the fourth synchronous condenser to go live in Wales". I know of Pembroke, Deeside and Rassau. What's the fourth synchronous condenser?

A: The other asset in Wales is Drax Hirwaun, an Open Cycle Gas Turbine (OCGT) with the capability to operate in synchronous condenser mode.

Q (05.08.26) Michael Langdon-Davies: We're seeing increasing frequency events notably 2026-07-26 between 0935 and 0940 UK local time) which don't seem to be explained by any physical data and doesn't make sense for NIV chasers. Do you know what caused this? Is it battery commissioning? If so could battery's commission more async?

A: On 2026-07-26, at 09:38:19 there was a transmission circuit fault of the Bicker Fen – Walpole 400kV circuit. This can be found in the GC0151 report on our NESO website. Further details of the event would be found in our GC0105 report for July, but this won't be available until the end of September as this requires additional investigation.

Outstanding Questions

Advance Q (12.08.26): We understand that NESO under Grid Code OC3.4.1 (a) (ii) must report frequencies outside the range 49.7Hz to 50.3Hz as Significant Events. It appears that NESO produced two Significant Event reports under OC3.4.1 (a) (ii) regarding over and under frequencies in December 2023 (<https://www.neso.energy/document/299266/download>). From published 1s frequency data (<https://www.neso.energy/data-portal/system-frequency-data>) it appears that:

- in May 2026 there were 945s;
- In April 2026 there were 290s; and
- In June 2025 there were 284s

of occurrences of frequencies which were $>50.3\text{Hz}$ or $<49.7\text{Hz}$ and therefore Significant Events?

It does not appear that NESO produced any reports of Significant Events under OC3.4.1 (a) (ii) for April 2026, May 2026 or June 2025. Can NESO please review all OC3.4 Significant Incidents reports to ensure that all Significant Events with over and under frequency have been reported since December 2023.

Is NESO able investigate and report back within 15 working days with its findings? Moreover, can NESO bring these questions and answers to the attention of the Ofgem investigation into events around the 22nd June 2026 (<https://www.ofgem.gov.uk/transparency-document/regulatory-review-operation-and-management-electricity-system-during-june-heat-event>)?"

Q (05.08.26) Natasha Ranatunga: WRT providing updates on connections and BEGA process through 'the appropriate route'
- what is this appropriate route? The OTF, Customer Seminars, uploads onto website? It would be really good to have that set out clearly.

Previously Asked Questions (To be covered via Margins deep dive)

Slido code #OTF

Q (01.07.26) Chris Bocock: Please could you give us an idea of the capacity numbers involved in the response to the EMN? If possible, I'd like to know the absolute and relative contribution of the demand side response he mentioned. Thank you

Q (01.07.2026) Advance: The extreme weather across Europe in the week beginning 22 June was well forecast. From that the challenges of reduced wind, gas, and nuclear power output should have been forecast. So I'm very surprised that "[when] we approached real time, models moved from using forecasts for interconnector flow to using nominated flows from day ahead auctions" and that led to amber then red margin status, a frequency deviation, and an interconnector emergency instruction. What work is NESO going to undertake to ensure your margin forecast model does not fail to predict reduced margin in these conditions, well ahead of real time, when they next occur?

Q (01.07.26) Milo Karter: On 26/06 NESO issued an EMN until 21:00 despite soft margins and spare CCGT in the stack. It had already procured 1,500MW on ICs, then cut EMN shortfall to 100MW while requesting another 100MW IC. Was the EMN ready to enable more IC MW procurement cheaper than GB, not because NESO lacked margin?

Q (01.07.26) Milo Karter: Would providing a DRM with the inclusion of constraints provide a better reflection of how tight the system is from a control room perspective. The questions today suggest that the last 3 EMNs have not made any sense to the market given a near 10GW DRM on each EMN.

Q (15.07.26) Lisa Waters: Under the recent EMNs NESO was taking over 500MW out of the margin as it was constrained off. 500MW is the fixed CMN margin trigger. Does NESO think we need to review the CMN trigger to account for constrained off margin?

Previously Asked Questions (To be covered via Margins deep dive)

Slido code #OTF

Q (15.07.26) Alistair Abbott: Are you able to share the causes behind the latest EMNs? The LoLP on Elexon shows that for EMN notice period last Thursday (09/07), the lowest margin forecast was 5.9GW, slightly greater than the margin forecast on Wednesday (08/07), yet this period had no EMN. Thank you.

NESO OTF Q&A Guidelines

- **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.

slido

Slido code #OTF



Audience Q&As

① Start presenting to display the audience questions on this slide.

Send us your feedback..

Using the poll in Sli.do after the event.

Slido code #OTF

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

Appendix

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)

Skip Rates – ‘In Merit’ datasets

Slido code #OTF

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.

$\text{In Merit Volume} = \text{Accepted Volume} + \text{Skipped Volume}$

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

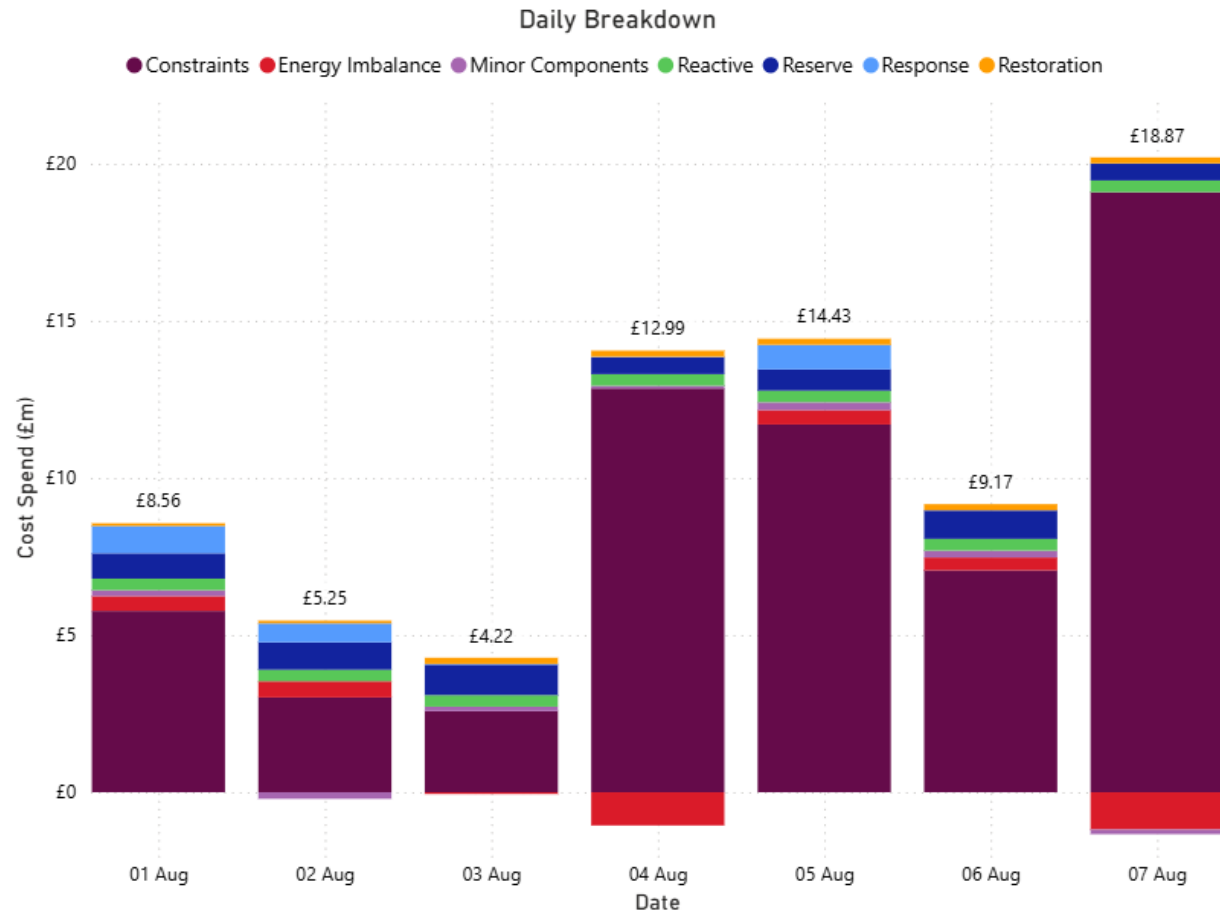
Skipped Volume

- 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).

NESO Actions | Category Cost Breakdown

Slido code #OTF



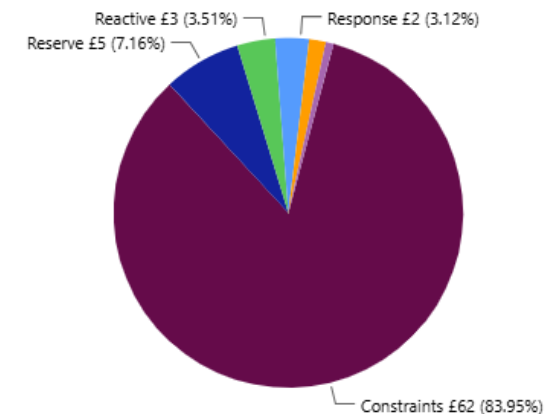
Current Week Total (£m)
£73.48

Average Daily Cost (£m)
£10.50

Previous Week Total (£m)
£78.38

Previous 30 Day Average (£m)
£10.32

Share of Cost Spend (£m)

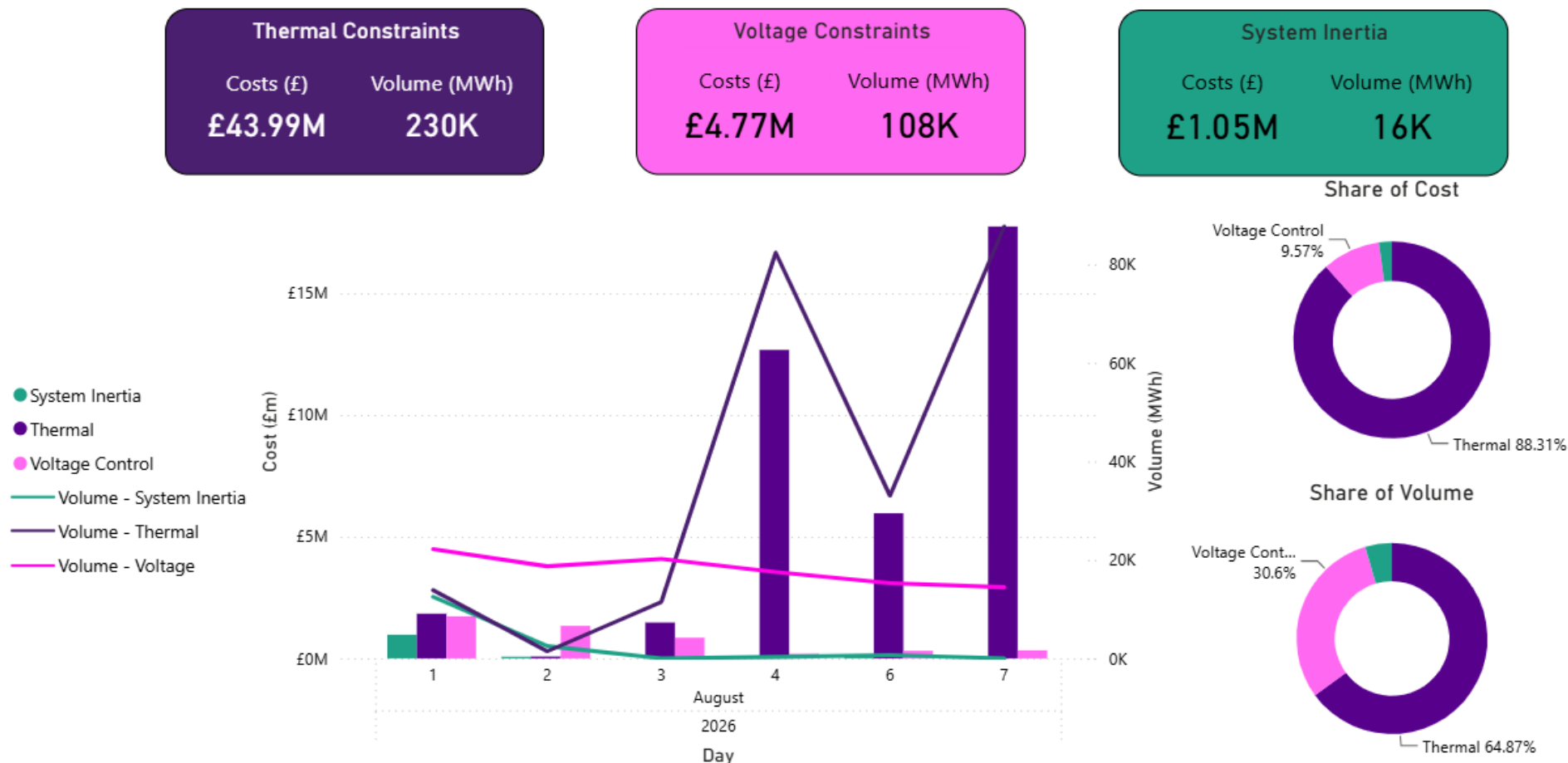


For more info on constraint costs, and the steps NESO is taking with industry partners to address them, please see our Balancing Costs [website](#).

Contact us on box.nc.customer@neso.energy

NESO Actions | Constraint Cost Breakdown

Slido code #OTF

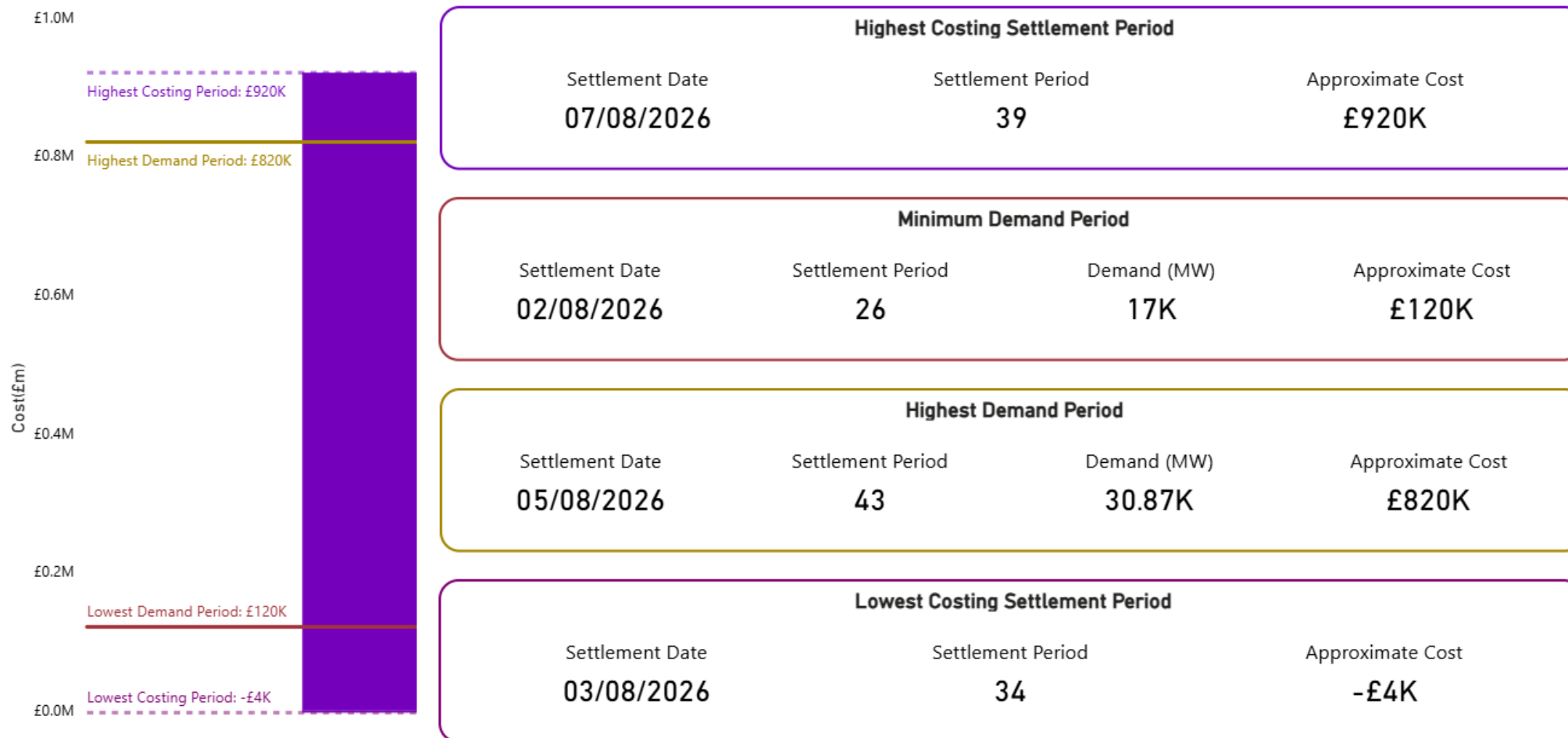


Note: Volume is reported as an absolute figure.

Contact us on box.nc.customer@neso.energy

NESO Actions | Settlement Periods of Interest

Slido code #OTF

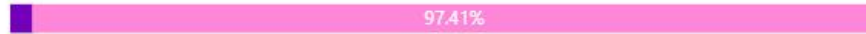


NESO Actions | Highest Costing Day

Slido code #OTF

Share of Action Cost Spend

● BID ● OFFER



Settlement Date

07 August 2026

Cost (£m)

£18.87

Bid Spend (£) by GSP

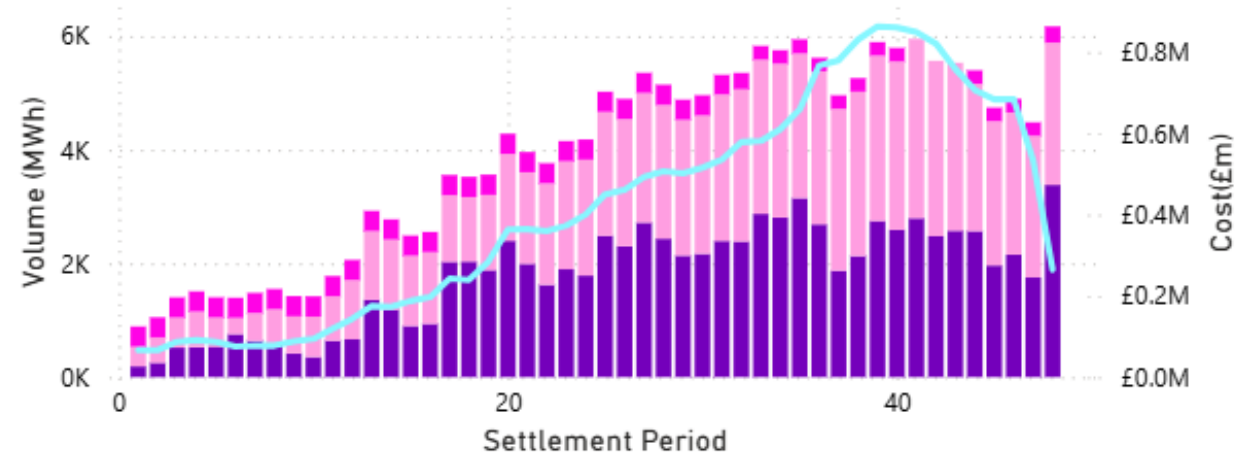


Offer Spend (£) by GSP



Action Cost and Volume

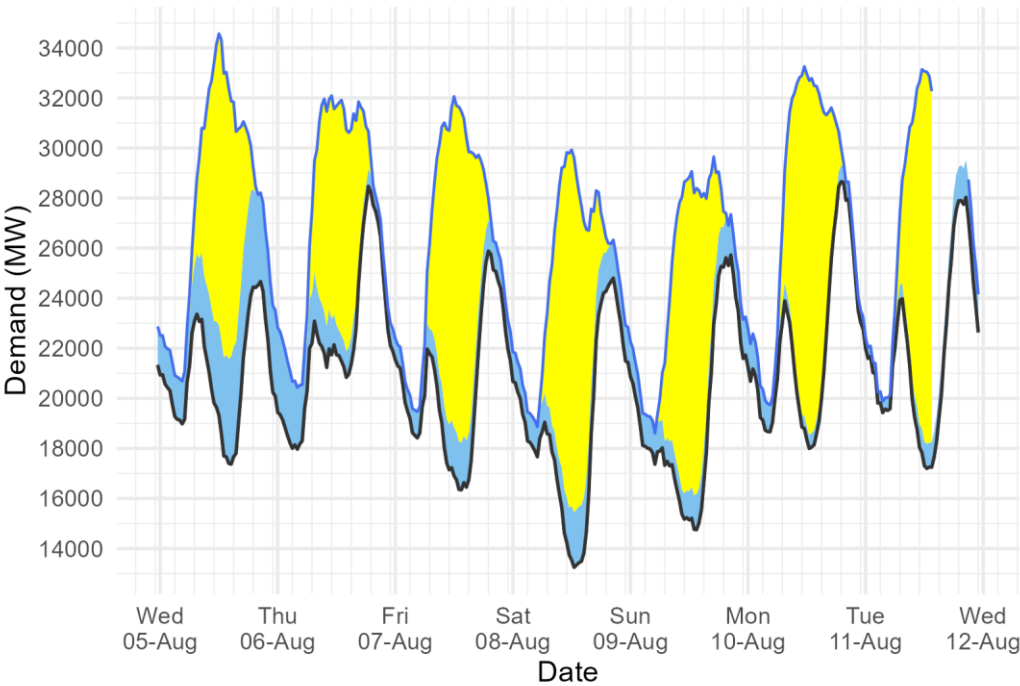
● Non Constraint ● Thermal ● Voltage Control ● Cost (£m)





Demand | Demand out-turn

NESO National Demand outturn 05 - 11 August 2026



Demand type

- National Demand (ND)
transmission connected
generation requirement within GB
- ND + est. of PV & wind
at Distribution network

Renewable type

- Distributed_PV
- Distributed_Wind

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](#)

From March to October, the table will display overnight minimum (between 00:00 and 07:30) and daytime minimum (between 07:30 and 16:30) as well as an additional column: distributed PV.

Slido code #OTF

Distributed generation

Peak values by day

Date	OUTTURN	
	Daily Max Dist. PV (GW)	Daily Max Dist. Wind (GW)
05 Aug 2026	12.0	4.4
06 Aug 2026	9.4	3.4
07 Aug 2026	13.4	1.9
08 Aug 2026	14.2	2.3
09 Aug 2026	12.6	1.7
10 Aug 2026	14.2	1.5
11 Aug 2026	15.1	1.6

National Demand

Minimum Demands

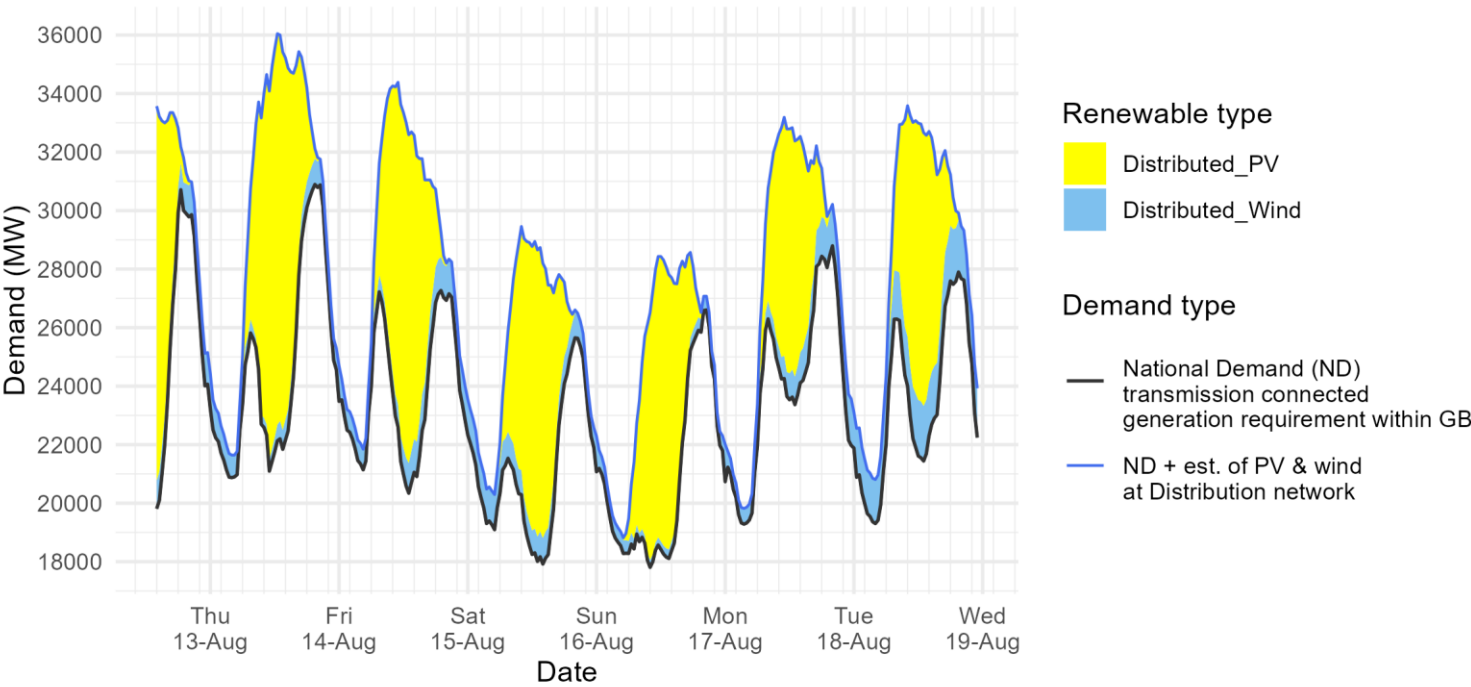
Date	Forecasting Point	FORECAST (Wed 05 Aug)			OUTTURN		
		National Demand (GW)	Dist. wind (GW)	Dist. PV (GW)	National Demand (GW)	Dist. wind (GW)	Dist. PV (GW)
05 Aug 2026	Daytime Min	17.8	4.1	9.0	17.4	4.3	10.2
06 Aug 2026	Overnight Min	17.6	2.7	0.0	18.0	2.5	0.0
06 Aug 2026	Daytime Min	20.9	1.3	8.2	20.8	1.1	8.8
07 Aug 2026	Overnight Min	19.4	0.7	0.0	18.4	1.0	0.0
07 Aug 2026	Daytime Min	19.1	1.3	9.3	16.3	1.9	13.2
08 Aug 2026	Overnight Min	17.7	1.4	0.1	17.7	1.2	0.0
08 Aug 2026	Daytime Min	13.1	2.1	12.3	13.2	2.2	14.2
09 Aug 2026	Overnight Min	17.3	1.3	0.2	17.4	1.2	0.0
09 Aug 2026	Daytime Min	15.5	1.8	10.5	14.8	1.4	12.2
10 Aug 2026	Overnight Min	18.4	1.3	0.0	18.7	1.1	0.0
10 Aug 2026	Daytime Min	20.5	1.2	11.0	18.0	0.5	14.2
11 Aug 2026	Overnight Min	19.9	0.6	0.0	19.4	0.5	0.0
11 Aug 2026	Daytime Min	22.1	1.0	9.6	17.2	1.0	14.9



Demand | Week Ahead

Slido code #OTF

NESO Demand forecast for 12 - 18 August 2026



	Datetime	Demand (GW)
Weekly Min	16 Aug 2026 11:00	17.8
Weekly Peak	13 Aug 2026 20:30	30.9

National Demand

Minimum Demands

Date	Forecasting Point	FORECAST (Wed 12 Aug)		
		National Demand (GW)	Dist. wind (GW)	Dist. PV (GW)
12 Aug 2026	Daytime Min	19.8	1.0	12.8
13 Aug 2026	Overnight Min	20.9	0.8	0.0
13 Aug 2026	Daytime Min	21.1	0.4	12.6
14 Aug 2026	Overnight Min	21.1	0.7	0.0
14 Aug 2026	Daytime Min	20.3	1.0	11.2
15 Aug 2026	Overnight Min	19.1	1.1	0.1
15 Aug 2026	Daytime Min	17.9	0.9	9.4
16 Aug 2026	Overnight Min	18.3	0.5	0.1
16 Aug 2026	Daytime Min	17.8	0.3	8.5
17 Aug 2026	Overnight Min	19.3	0.5	0.0
17 Aug 2026	Daytime Min	23.4	1.0	8.1
18 Aug 2026	Overnight Min	19.3	1.5	0.0
18 Aug 2026	Daytime Min	21.4	1.9	9.3

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](#)

From March to October, the table will display overnight minimum (between 00:00 and 07:30) and daytime minimum (between 07:30 and 16:30) as well as an additional column: distributed PV.