

Public

Accuracy of System Management Action Flagging

May 2025 – April 2026

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Introduction

This report reviews the accuracy of the P217A flagging mechanism for the period 1st May 2025 – 30th April 2026, in accordance with the System Management Action Flagging (SMAF) methodology.

The purpose of P217A flagging is to remove actions that are taken by National Electricity System Operator (NESO) for system management issues from the cash out calculations of imbalance prices.

Examples of system management issues mainly faced by NESO are:

- Transmission Constraint
- Voltage Support
- Rate of Change of Frequency (RoCoF)

Out of merit actions using options in the Balancing Mechanism (BM) are often used to help NESO resolve system management issues. These actions do not constitute balancing actions taken by NESO to manage the imbalance of demand and supply in real time, hence system actions are flagged and removed from cash out calculations.

The P217A flagging mechanism was introduced on 5th November 2009. From 5th November 2015 the scope of system management issues that were subjected to P217A flagging was broadened to include:

- Balancing actions used by NESO primarily to manage the Rate of Change of Frequency (RoCoF), or to manage Fault Levels
- Automatic Low Frequency Demand Disconnection relay demand control action

To assess the accuracy of flagging, a statistical overview of Data Inquiry Reports (DIRs) produced during May 2025 to April 2026 is provided. A DIR is raised by the Control Room, or by post event analysis, or by market participants, when they are aware that the flagging of BOAs (Bid Offer Acceptances) for system (or energy) issues may have been incorrectly set. The DIRs are then investigated by the BM Liaison Team.

If analysis concludes that flag changes are required, the Balancing and Settlement Code Company (BSCCo) are notified via the BSCPI8 process, and the requisite changes are processed ahead of a settlement run.

From June 2014, any flags associated with actions in the Balancing Mechanism can be retrospectively updated in settlements systems. This is carried out for actions on which DIRs have been raised or where an error has been identified.

Highlights

During the reporting period, a total of 2,860,969 BOAs were accepted, where 448,821 BOAs were system flagged, representing 15.69% of the total accepted BOAs.

A table containing a monthly breakdown of total accepted BOAs, total BOAs P217A flagged and the percentage of BOAs flagged is shown below in Table 1.

Month & Year	Total Number of BOAs Accepted	Total Number of BOAs P217A Flagged	% BOAs Flagged to P217A
May-2025	194141	25403	13.08%
Jun-2025	227987	42339	18.57%
Jul-2025	194307	25270	13.01%
Aug-2025	224828	32620	14.51%
Sep-2025	232704	38093	16.37%
Oct-2025	260345	45263	17.39%
Nov-2025	232954	34482	14.80%
Dec-2025	235126	38704	16.46%
Jan-2026	223999	39471	17.62%
Feb-2026	210546	32354	15.37%
Mar-2026	321446	54023	16.81%
Apr-2026	302586	40930	13.53%
Total:	2860969	448952	15.69%

Table 1: Monthly breakdown of total accepted BOAs

There were 156 DIRs raised in the reporting period, which led to a total of 407 BOAs being subjected to the BSCP18 process.

Most system flag amendments were for BOAs that should have been system flagged but went through as energy. There were 71 DIRs raised for BOAs that should have been energy flagged but went through as system, which involved a total of 138 BOAs.

Overall, 0.09% of the P217A BOAs flagged in the reporting period were the subject of a DIR process, giving a potential P217A flagging accuracy of 99.91%.

Table 2 shows the historic P217A flagging accuracy for the previous five reporting years.

Reporting Year	Flagging Accuracy
2020/2021	99.50%
2021/2022	99.88%
2022/2023	99.88%
2023/2024	99.89%
2024/2025	99.83%

Table 2: Flagging accuracy for previous reporting years

This report is under continuous review and development; if you have any comments or suggestions of information you would like to see in the future reports, please send an Email to:

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