# nationalgrid DSO

# **Company Directive**

# Policy Directive : DSO5/0

# **Flexibility Market Development**

# Summary:

This directive sets requirements and roles for the processes followed when the DSO procures distribution flexibility services. It expands upon the level 1 process Flexibility Market Development that is established in Parent Directive DSO.

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Implementation Date:

March 2025

Approved by

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Date:

20/03/2025

Target Staff Group	DSO: Flexibility Markets, System Planning, DSO Operations. DNO: Control Centre, Network Design, Asset Management, Finance, Procurement, General Counsel.
Impact of Change	Blue – major update. Whilst this is the first issue, it makes substantial changes to some pre-existing processes.
Planned Assurance Checks	To be reviewed by as part of Second Line Business Assurance of DSO governance

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#### IMPLEMENTATION PLAN

#### Introduction

This directive sets requirements and roles for the processes followed when the DSO procures distribution flexibility services. It expands upon the level 1 process Flexibility Market Development that is established in Parent Directive DSO.

#### Main Changes

This is a new directive. The processes it documents are a mixture of:

- 1. Existing processes documented "as-is"; and
- 2. New and improved processes documented "to-be", with individual implementation plans.

#### **Impact of Changes**

Target Staff Group	DSO: Flexibility Markets, System Planning, DSO Operations. DNO: Control Centre, Network Design, Asset Management, Finance, Procurement, General Counsel.
Impact of Change	Blue – major update. Whilst this is the first issue, it makes substantial changes to some pre-existing processes.

#### **Implementation Actions**

The authors will run presentations and Q&A sessions for staff whose tasks are significantly changed by this issue.

#### Implementation Timetable

This directive takes effect from the date of issue, but each process has its own implementation plan aligned to upcoming triggers for that process. This is intended to ensure a smooth transition from "as-is" to "to-be" where processes are changing.

# **REVISION HISTORY**

DOCUMENT REVISION & REVIEW TABLE			
Issue	Date	Comments	Author
0	07/03/2025	Initial issue of Policy Directive DSO5	Christopher Hewetson and Stephen Quinn

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# 1.0 INTRODUCTION

#### 1.1 **Scope and Purpose**

This directive sets requirements and roles for the processes followed when the DSO procures distribution flexibility services. It expands upon the level 1 process Flexibility Market Development that is established in Parent Directive DSO.

The purpose of Flexibility Market Development is:

- To design, develop and utilise markets for **distribution flexibility service**s to support the reliable and economic management of network risk; and
- Engaging with market providers to support their participation in such markets.

#### 1.1.1 Other Related Subjects

The following related subjects are outside of the scope of this directive:

- The identification of **constraints** and selection of solutions to them, which are addressed in Policy Directive DSO4, *Planning and Network Development*.
- The **dispatch** and **utilisation** of flexibility services, which will be addressed in Policy Directive DSO7.

#### 1.2 About the DSO

The Distribution System Operator (DSO) is a directorate within National Grid Electricity Distribution (NGED) that is responsible for:

- Core level 1 processes that deliver the DSO Roles set by Ofgem as part of the DSO Incentive in RIIO-ED2:
  - 1. Planning and Network Development.
  - 2. Network Operation.
  - 3. Flexibility Market Development.
- Supporting level 1 processes that enable delivery of the DSO Roles.

Further information about the DSO can be found in Parent Directive DSO.

#### 1.3 **About Distribution Flexibility Services**

A **distribution flexibility service** is a commercial agreement between the DSO and a **flexibility service provider** to change the electrical behaviour of one or more customers. These are used to mitigate **constraints** on NGED's electricity distribution system.

Mitigating **constraints** via the use of **distribution flexibility services** can provide benefits relative to more conventional solutions, such as network reinforcement and/or operational mitigations. These benefits can be based on reducing net costs, management of reinforcement delivery resource and the option value of being able to make decisions later with more complete information.

#### 1.3.1 Other related concepts

For the avoidance of doubt, the following are not **distribution flexibility services**, and so are outside of the scope of this directive:

- Curtailment permitted by connection agreements; and
- Flexibility services directly procured by third parties for purposes other than use by NGED.

#### 1.4 Roles

The Head of Flexibility Markets is accountable for the high-level Flexibility Market Development process. They may approve the issue, amendment and withdrawal of Standard Techniques and Specifications in the DSO5 (Flexibility Market Development) series to implement the requirements of this directive.

#### 1.5 Interpretation

Where the term "should" is used in this directive it means the provision is a recommendation, which is normally followed. The term "may" is used to express permission. Where the term "shall" or "must" is used in this document it means the provision is mandatory, which must be followed.

Info: explanatory information is given in blue-outlined boxes adjacent to some provisions of this directive. The explanatory information neither expresses permission nor sets mandatory requirements.

Technical terms shown in bold are defined in the DSO Glossary, available internally at <a href="https://sharepoint.westernpower.co.uk/sites/wpd/dso/public/Lists/DSO%20Glossary">https://sharepoint.westernpower.co.uk/sites/wpd/dso/public/Lists/DSO%20Glossary</a>. An excerpt of relevant terms from the DSO Glossary is included here as appendix A.

References to processes and other proper nouns are shown in Title Case (i.e. first letter of each word capitalised).

# 1.6 **Application**

Where any difficulty is encountered with the application of this directive, the authors shall be notified, who shall consider whether to recommend a variation to the approver.

#### 2.0 CONSTITUENT LEVEL 2 PROCESSES OF FLEXIBILITY MARKET DEVELOPMENT

This directive subdivides the level 1 process Flexibility Market Development into the following level 2 processes:

- Outline Design (Distribution Flexibility Services) in Section 3.0.
- Trade Acceptance and Rejection in Section 0.
- Settlement in Section 5.0.
- Flexibility Service Provider Onboarding and Lifecyle Management in Section 6.0.
- Flexibility Governance in Section 0.

For each of these level 2 processes, the following are established:

- The purpose of the process.
- How the process is triggered.
- High-level requirements for the process, with references to further detail in Standard Techniques and/or Specifications.
- An implementation plan for the process.

### 2.1 Flowcharts

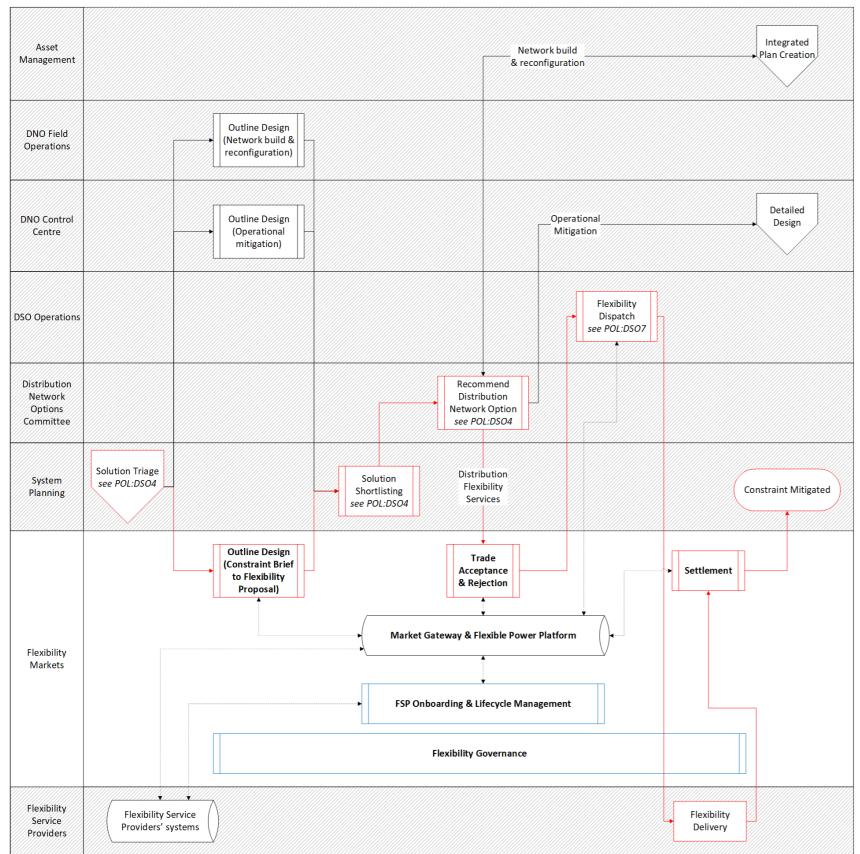
This directive applies to both:

- **Constraints** identified in the Planning & Network Development process, for which the relationship between the five second-level processes are shown in Figure 1 below.
- **Constraints** identified in operational phases, for which the relationship between the five second-level processes are shown in Figure 2 below.

Info: Three of the Flexibility Market Development processes are shown in red as they represent the contribution of the Flexibility Markets team to the critical path of the DSO Roles of Planning and Network Development (in Figure 1) and Network Operation (in Figure 2).

The other Flexibility Market Development processes are supporting processes and are shown in blue.

Processes in other teams' swimlanes are shown for information only. Normative requirements for those processes are as defined by their owning teams.



2.1.1 Flowchart of Relationship Between Level 2 Processes applicable to constraints identified in the Planning & Network Development process

Figure 1: Diagram of Flexibility Market Development process applicable to constraints identified in the Planning & Network Development process.

# 2.1.2 Flowchart of Relationship Between Level 2 Processes applicable to constraints identified in operational phases

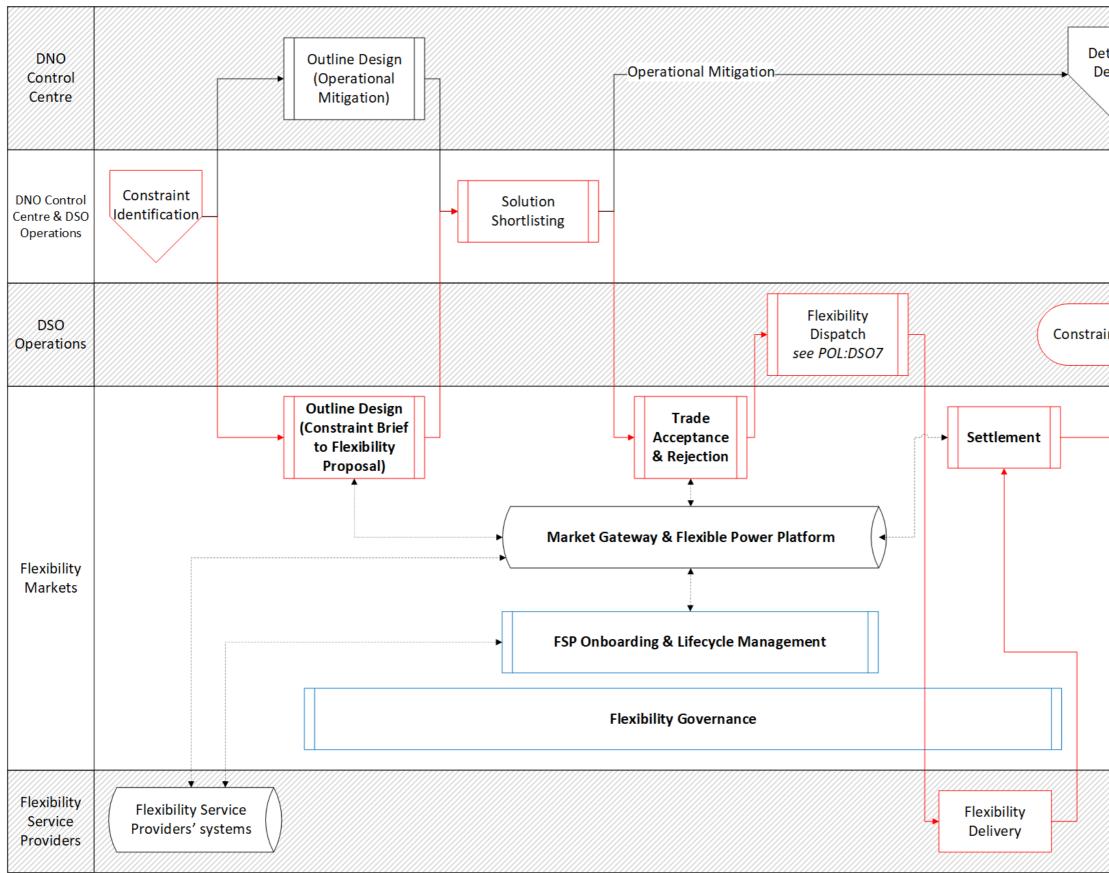


Figure 2: Diagram of Flexibility Market Development process applicable to **constraints** identified in the operational phases

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#### 3.0 LEVEL 2 PROCESS: OUTLINE DESIGN (DISTRIBUTION FLEXIBILITY SERVICES)

#### 3.1 **Purpose**

To assess whether **distribution flexibility service**s can resolve the **constraint**(s) in a **Constraint** Brief and either:

- Make and return an Outline Design for a solution to the **constraint**(s) that meets the requirements of Policy Directive DSO4 (Network Planning & Development); or
- Return a notification that **distribution flexibility service**s cannot resolve the **constraint**(s).

#### 3.2 Trigger

This process shall be triggered by receipt of a **Constraint** Brief. Where the **Constraint** Brief comes from the Planning & Network Design level 2 process, it shall meet the requirements of Policy Directive DSO4 (Network Planning & Development).

#### 3.3 **Requirements**

#### 3.3.1 High-Level Requirements

For each **Constraint** Brief received by Flexibility Markets, they:

- 1. Shall determine whether **distribution flexibility service**s are electrically applicable to the **constraint**(s).
- 2. Shall consult DSO Operations to assess whether there is (or it is reasonably practicable to achieve) sufficient network visibility to **dispatch distribution flexibility services** to resolve the **constraint**(s). DSO Operations may also raise wider issues regarding the operability of **distribution flexibility services** for the **constraint**(s). If it is not reasonably practicable to achieve sufficient network visibility Flexibility Markets shall presume that **distribution flexibility services** cannot be expected to resolve the **constraint**(s).

Info: near-real-time visibility of network parameters such as voltages, power flows and network configuration is necessary for DSO Operations to decide whether and how much to **dispatch distribution flexibility service**s to resolve a **constraint**.

- 3. Shall, by electrical analysis, determine what **availability** of **distribution flexibility services** is required to be able to resolve the **constraint**(s). The **availability** requirement shall specify the necessary the location, type, direction, magnitude, and timing of the **distribution flexibility services**. The **availability** shall be sufficient for:
  - a. The loading conditions and running arrangements specified in the **Constraint** Brief; and

b. The applicable security of supply requirements as specified elsewhere in policy<sup>1</sup>.

Info: **availability** requirements are calculated on this basis to ensure that DSO Operations have sufficient **distribution flexibility services** available to **dispatch** to resolve **constraints** for the wide range of outages and loading conditions that can occur.

- 4. Shall make a reasonable estimate of the eventual **utilisation** of **distribution flexibility service**s to resolve the **constraint**(s). This should take account of both:
  - a. The likely utilisation in typical circumstances; and
  - b. The risk that **utilisation** is significantly higher than it would be in typical circumstances, thus leading to significantly higher spend on **distribution flexibility service**s than would be expected under typical circumstances.

To minimise the cost of mitigating this risk:

Info: **utilisation** estimates are calculated on this basis so that the expected cost of **distribution flexibility service**s can be fairly compared against other solutions to **constraint**s.

i. Where this risk is broadly independent between **constraints**, its cost may be shared between those **constraints** and across multiple years; and

Info: the risk of high **utilisation** can be broadly independent for cases such as network faults outside of extreme weather events, and for cases such as forced outages.

ii. Where this risk relates to extremes of weather that would occur less than once per year, its cost shall not be spread across **constraint**s but may be spread across multiple years.

Info: the risk of extreme weather is generally not considered to be independent across **constraint**s, because extreme weather events tend to occur across wide geographic areas that affect multiple parts of the network.

5. Shall perform commercial analysis to calculate what NGED is willing to pay for the proposed **distribution flexibility services**.

<sup>&</sup>lt;sup>1</sup> For **constraints** identified in the Planning & Network Development process, these are in Policy Directive SD2 for 132kV networks, Policy Directive SD3 for 66kV and 33kV networks, Policy Directive SD4 for 11kV and 6.6kV networks, Policy Directive SD5 for Low-Voltage networks. POL:DSO5/0 March 2025 - 11 of 21 -

6. Shall create and publicise **trade opportunities** that would get NGED the amount of **availability** determined in requirement 3 above, for **flexibility service providers** to offer services to NGED.

Info: there may be some **distribution flexibility services** wherein the timing and magnitude of **availability** is defined as being the same as **utilisation**. The **availability** price is assumed to be zero for these services and all the spend occurs after the **dispatch** decision.

- 7. Shall, where the **Constraint** Brief was provided by System Planning, return to System Planning for use in their Publish DNOA level 2 process<sup>2</sup> a dataset summarising:
  - a. the availability requirements;
  - b. the **utilisation** estimates; and
  - c. the resultant trade opportunities.
- 8. Shall collate the **trade responses** submitted by **flexibility service providers** in response to **trade opportunities**, then perform electrical validation of them to determine if they are sufficient to resolve the **constraint**(s).
- 9. Shall, if trade responses pass the validation in requirement 8, apply NGED's service selection principles to decide which trade responses would be selected if the constraint(s) were managed with distribution flexibility services. An Outline Design that meets the requirements of section 3.4.1 shall be returned to the team that sent the Constraint Brief.
- 10. Shall, if **trade responses** fail the validation in requirement 8, estimate if sufficient further **distribution flexibility services** could reasonably be expected to be procured closer to real time to resolve the **constraint**(s). If so, an Outline Design that meets the requirements of section 3.4.1 shall be returned to the team that sent the **Constraint** Brief.
- 11. May, if **trade responses** fail the validation in requirement 8 but **distribution flexibility services** might be able to resolve the **constraint**(s) in combination with other solutions, agree with the team that sent the **Constraint** Brief whether to create and return an Outline Design that meets the requirements of section 3.4.1.
- 12. Shall otherwise notify the team that sent the **Constraint** Brief that the **constraint**(s) cannot be resolved by **distribution flexibility service**s.

# 3.3.2 <u>Reference to detailed requirements</u>

Further requirements for this level 2 process and its component level 3 processes will be set in Standard Techniques and Specifications to be issued in the DSO5 series in due course.

<sup>&</sup>lt;sup>2</sup> Established in Policy Directive DSO4, *Planning & Network Development* POL:DSO5/0 March 2025 - 12 of 21 -

# 3.4 Outputs

# 3.4.1 Outline Design

An Outline Design for distribution flexibility services:

- 1. Shall include:
  - a. The availability requirement;
  - b. The utilisation estimate(s);
  - c. An anonymised summary of the selected **trade response**s that are proposed for trade acceptance; and
  - d. Any further distribution flexibility services that would need to be procured to resolve the constraint.
- Shall, where the Constraint Brief comes from the Planning & Network Design level 2 process, meet the requirements of Policy Directive DSO4 (Network Planning & Development) for Outline Designs.

#### 3.5 **Implementation Plan**

A 'minimum viable product' of this level 2 process shall be implemented for tranche 10A of **distribution flexibility service** procurement, which is being carried out over 2025. The process should be comprehensively implemented for tranche 11A in 2026.

### 4.0 LEVEL 2 PROCESS: TRADE ACCEPTANCE AND REJECTION

#### 4.1 Purpose

To accept **trade responses** of **distribution flexibility services** in cases where the Outline Design developed in Section 3.0 has been selected and to reject **trade responses** where it has not.

#### 4.1 Trigger

This process shall be triggered by receipt of a Flexibility Selection Brief or Flexibility Rejection Brief.

#### 4.2 **Requirements**

#### 4.2.1 High-Level Requirements

For each **Constraint** Brief for which the Flexibility Markets team are instructed to proceed with **distribution flexibility services**, they shall:

- 1. Select the **trade responses** of **distribution flexibility service**s that were proposed in the Outline Design.
- 2. Inform the **flexibility service providers** of the outcome of their **trade responses**, in accordance with the requirements of procurement law and the conditions of NGED's licence.
- 3. Provide the DSO Operations team with a Contracted Flexibility Brief including:
  - a. The original **Constraint** Brief;
  - b. The Outline Design;
  - c. Details of the applicable contracted **availability** for **distribution flexibility service**s;
  - d. Details of any applicable pre-contracted **utilisation** for **distribution flexibility service**s; and
  - e. An estimate of the potential of further **availability** of **distribution flexibility service**s, that could be contracted from qualified assets to resolve the **constraint** closer to the control phase.

For each network **constraint** for which the Flexibility Markets team receive a Flexibility Rejection Brief, they shall:

4. Reject the **trade responses** of **distribution flexibility service**s that were presented in the Outline Design created in Section 3.0.

#### 4.2.2 <u>Reference to detailed requirements</u>

Further requirements for this level 2 process and its component level 3 processes will be set in Standard Techniques and Specifications to be issued in the DSO5 series in due course.

#### 4.3 Implementation Plan

A 'minimum viable product' of this level 2 process shall be implemented for tranche 10A of **distribution flexibility service** procurement, which is being carried out over 2025. The process should be comprehensively implemented for tranche 11A in 2026.

### 5.0 LEVEL 2 PROCESS: SETTLEMENT

#### 5.1 **Purpose**

To:

- Confirm that the provision of services has been satisfactory.
- Pay flexibility service providers for their provision of distribution flexibility services.
- Provide the System Models & Data team with delivery data for the services, and to facilitate the calculation of underlying electrical behaviour.

#### 5.2 **Trigger**

This process shall be triggered by **dispatch** of a **distribution flexibility service** by, or on behalf of, the DSO Operations team.

#### 5.3 **Requirements**

#### 5.3.1 High-Level Requirements

For each **dispatch** event where the DSO Operations team choose to utilise a **distribution flexibility service**, the Flexibility Markets team shall:

- 1. Confirm that each **flexibility service provider** has met the requirements of their contract.
- 2. Where the **flexibility service provider** has met the requirements of their contract, the Flexibility Markets team shall trigger payment of both **availability** and **utilisation** to the **flexibility service provider** by NGED's Finance function.
- 3. Where the **flexibility service provider** has not met the requirements of their contract, the Flexibility Markets team shall trigger the **Flexibility Service Provider** Performance Management process in Section 6.0.
- 4. Provide the System Models & Data team with the delivery data for the services.

#### 5.3.2 <u>Reference to detailed requirements</u>

Further requirements for this level 2 process and its component level 3 processes will be set in Standard Techniques and Specifications to be issued in the DSO5 series in due course.

#### 5.4 **Implementation Plan**

A 'minimum viable product' of this level 2 process shall be implemented for tranche 10A of **distribution flexibility service** procurement, which is being carried out over 2025. The process should be comprehensively implemented for tranche 11A in 2026.

# 6.0 LEVEL 2 PROCESS: FLEXIBILITY SERVICE PROVIDER ONBOARDING AND LIFECYCLE MANAGEMENT

#### 6.1 **Purpose**

To facilitate **flexibility service providers**' qualification to provide **distribution flexibility services** to NGED, support them, manage their performance, and facilitate their withdrawal from NGED systems.

#### 6.2 Component Level 3 Processes

There are seven third-level processes within this second-level process. For each process, the high-level requirements, trigger and implementation date are given.

#### 6.2.1 <u>Flexibility Service Provider Commercial Qualification</u>

The Flexibility Markets team shall commercially qualify **flexibility service providers** to provide NGED with **distribution flexibility services**, sign framework procurement agreements, and register providers on NGED systems. This shall be triggered by enquiry from providers and take effect from the date of issue.

#### 6.2.2 Asset Technical Qualification

The Flexibility Markets team shall accept or reject assets that **flexibility service providers** wish to qualify for provision of **distribution flexibility services** to NGED, calculate baselines for those assets, and match them to a **constraint**, where applicable. This shall be triggered by enquiry from providers and take effect from the date of issue.

#### 6.2.3 Automatic sign-up to Post-Fault Service

The Flexibility Markets team shall, where reasonably practicable and with the **flexibility service provider**'s consent, sign up all registered assets for a **distribution flexibility service** that has an **availability** cost of zero and permits **dispatch** as close as is reasonably practicable to real time. This shall be triggered by completion of the Level 3 Process: Asset Technical Qualification. It shall take effect from Tranche 11A.

Info: One of NGED's current **distribution flexibility services** is OU\_15 (Operational **Utilisation** at 15-minute notice). This is a fixed-price service that requires delivery within 15 minutes of a **dispatch** instruction being sent by NGED. It has no **availability** cost.

This makes it suitable for responding to **constraint**s at short notice (whereas other services are **dispatch**ed day-ahead).

It would be advantageous to have assets signed up for this service across the network, both within and outside of pre-defined **constraints**, to provide NGED with additional options for use in the case of rare network conditions.

#### 6.2.4 Flexibility Service Provider Support

The Flexibility Markets team shall answer and attempt to resolve requests for support from **flexibility service providers**, for both technical and non-technical issues. This shall be triggered by support requests from providers. It shall take effect from the date of issue.

#### 6.2.5 Flexibility Service Provider Performance Management

The Flexibility Markets team shall investigate cases of under-performance of **flexibility service providers** and determine if this under-performance is a service failure. Where is it found to be a service failure, it shall be dealt with in accordance with the contractual agreements between NGED and **flexibility service providers**. This shall be triggered by review of the outputs of the Key Performance Indicators process, request from the DSO Operations team or request from the Flexibility Markets: Commercial team. It shall take effect from May 2026.

#### 6.2.6 Flexibility Service Provider Transfer of Route to Market

The Flexibility Markets team shall allow the transfer of **flexibility service providers** either from or to other platforms. This shall be triggered by request from providers. It shall take effect from the date of issue.

#### 6.2.7 Flexibility Service Provider Withdrawal

Subject always to the terms of a **flexibility service provider**'s contract, the Flexibility Markets team may allow the withdrawal of a **flexibility service provider** from their contracted obligations. Prior to this, a **flexibility service provider** shall be required, amongst other things, to give sufficient notice as required by their contract. The Flexibility Markets team shall notify DSO Operations of any extant obligations. The **flexibility service provider** may then request to withdraw, and the Flexibility Markets team shall consider that request, which will not be unreasonably refused.

#### 6.2.8 Asset Withdrawal

Subject always to the terms of a **flexibility service provider**'s contract, the Flexibility Markets team may allow the withdrawal of assets registered to a **flexibility service provider**. Prior to considering such a request, which will not be unreasonably refused, the Flexibility Markets team shall check providers do not have extant obligations to NGED requiring continued registration of these assets. This shall be triggered by a request from a provider.

# 6.3 **Reference to detailed requirements**

Further requirements for this level 2 process and its component level 3 processes will be set in Standard Techniques and Specifications to be issued in the DSO5 series in due course.

# 7.0 LEVEL 2 PROCESS: FLEXIBILITY GOVERNANCE

# 7.1 Purpose

To ensure the Flexibility Markets team acts in the interest of NGED and its customers by:

- 1. Forecasting costs for the use of **distribution flexibility service**s and setting budgets accordingly;
- 2. Measuring, assessing and reporting the performance of the Flexibility Markets team and its use of **distribution flexibility service**s in the wider context of Distribution System Operation;
- 3. Meeting regulatory reporting and compliance obligations for **distribution flexibility service**s; and
- 4. Continually developing all aspects of NGED's distribution flexibility services to:
  - Maintain their applicability and competitiveness for existing constraint types and expand application to new constraint types and FSP capabilities; and
  - Constructively impact broader developments in GB flexibility markets.

# 7.2 Component Level 3 Processes

There are four processes within this group. For each process, the high-level requirements, trigger and implementation date are given.

#### 7.2.1 Cost Forecasting & Budget Setting

The Head of Flexibility Markets shall, in consultation with the Head of DSO Operations and Head of System Planning, provide a forecast of expected total expenditure on **distribution flexibility services** for the next financial year and agree the budget for that financial year with Finance. This process shall be triggered each November to consider the financial year beginning in the next April. It shall take effect from November 2025 to consider the financial year beginning in April 2026.

#### 7.2.2 Key Performance Indicators

The Flexibility Markets team shall maintain, and regularly report on, a suite of Key Performance Indicators. They shall also maintain associated explanatory documentation. This process shall be triggered monthly. It shall take effect from the date of issue.

# 7.2.3 <u>Regulatory Reporting & Compliance</u>

The Flexibility Markets team shall meet relevant regulatory reporting requirements and ensure ongoing compliance with all relevant regulatory and legal obligations in the procurement of **distribution flexibility services**. This process shall be triggered by the relevant regulatory reporting and compliance deadlines. It shall take effect from the date of issue.

# 7.2.4 Flexibility Design

The Flexibility Markets team should ensure that NGED is compliant with relevant national specifications for **distribution flexibility service**s.

They shall provide the System Planning and DSO Operations teams with sufficient information to determine the contribution of **distribution flexibility services** in accordance with the relevant standards, including Engineering Recommendation P2.

They should aim to constructively influence broader developments in GB flexibility markets.

The Head of Flexibility Markets shall trigger this process as required, but not less often than annually. It shall take effect from the date of issue.

### 7.3 **Reference to detailed requirements**

Further requirements for this level 2 process and its component level 3 processes will be set in Standard Techniques and Specifications to be issued in the DSO5 series in due course.

# APPENDIX A: GLOSSARY

The following is an excerpt of the DSO Glossary, which is available internally at <a href="https://sharepoint.westernpower.co.uk/sites/wpd/dso/public/Lists/DSO%20Glossary">https://sharepoint.westernpower.co.uk/sites/wpd/dso/public/Lists/DSO%20Glossary</a>.

Term	Definition	Source
Availability	means that the <b>flexibility service</b> <b>provider's</b> asset is available to be utilised during this period;	Adapted from ENA Standard Flexibility Agreement V3, NGED Implementation V1.1
Constraint	Distribution <b>constraint</b> means any limit on the ability of the licensee's Distribution System, or any part of it, to transmit the power supplied onto the licensee's Distribution System to the location where the demand for that power is situated, such limit arising as a result of any one or more of: (a) the need to not exceed the thermal rating of any asset forming part of the licensee's Distribution System; (b) the need to maintain voltages on the licensee's Distribution System; and (c) the need to maintain the transient and dynamic stability of electricity plant, equipment and systems directly or indirectly connected to the licensee's Distribution System and used by the licensee to operate the licensee's electricity distribution system in accordance with the Act, this licence, or any other requirement of law;	Electricity Distribution Licence - within Standard Condition 31E
Dispatch	means an instruction to a flexibility service provider to provide some or all the Availability that they have contracted with NGED for;	_
Distribution flexibility service	a commercial agreement between the DSO and a <b>flexibility service</b> <b>provider</b> to change the electrical behaviour of one or more customers;	_

Term	Definition	Source
Flexibility service provider	an organisation intending to provide distribution flexibility services to NGED;	Adapted from ENA Standard Flexibility Agreement V3. NGED Implementation V1.1
Trade opportunities	NGED's distribution flexibility service requirements, from which a flexibility service provider may tender a <b>trade</b> <b>response</b> ;	Adapted from ENA Standard Flexibility Agreement V3. NGED Implementation V1.1
Trade response	the technical and commercial parameters a flexibility service provider can offer in respect of a <b>trade</b> <b>opportunity</b> ;	Adapted from ENA Standard Flexibility Agreement V3. NGED Implementation V1.1
Utilisation	means <b>dispatch</b> ing the availability for a given period	_

# APPENDIX B: SUPERSEDED DOCUMENTATION

None

# **APPENDIX C: KEYWORDS**

Flexibility; Flex, Distribution Flexibility Services; Constraints; Alternative; Trade; Flexibility Service Provider