

An introduction to flexibility

Question and Answer session

Electricity Futures Conference, October 2025

Question	Answer
What proportion of our electricity supply here in Kent comes via the Channel Tunnel interconnector from the atomic power stations in France?	We are not the electricity distribution company for Kent, that is UKPN but you can see data about interconnectors (see imports) here - https://www.neso.energy/energy-101/great-britains-monthly-energy-stats
Is there a cost of not meeting the flexibility volume that you initially sought? Do you use Active Network Management to curtail generation, or other constrained demand/generation methodologies? If the market is created, but the service not available, is that a net negative outcome for end consumer costs because that investment was deferred in networks, but then the flex didn't turn up to ensure expected level of network availability?	There can be costs to both DSO and consumers if the flexibility volume initially procured is not fully met. However, flexibility is just one of the solutions for mitigating an identified constraint. In cases where we're unable to procure the required volume of flexibility required to manage such constraints, other solutions are considered including operational controls or network reinforcement. The volume we sought is based on a worst-case scenario to ensure that network remains secure under all credible operating conditions. In reality, the actual system conditions are often less constrained than assumed. Any flex volume we get, even just partially fulfil our requirements, gives us more optionality, for example, using ANM, or reconfiguring our network as we have reduced enough loading via flexibility. Sometimes it can also buy us time to determine a more suitable network solution. The constraint we forecast to appear in coming years may drop away because the connection drops or the uptake of LCT hasn't been as fast as expected.

Why was less than 10% of the flexibility volume sought ultimately procured?

Our work to prime the flexibility market has grown it substantially, but there is more to do. We have abundant flexibility in some areas – but not in all (which is where we use active network management to ensure reliable power flows for our customers).

The flexibility market is growing all of the time, so we expect to see this figure increase.

Is there a minimum capacity of equipment that can be registered - for example a 100kW load?

No, we don't have a capacity threshold.

Are there any concerns that DSO signals could contradict NESO signals resulting in potentially paying more than required for one event? I.e. NESO requires more demand on the network causing a BESS to respond and overload on a transformer so DSO instructs flex to turndown and effectively counteracts the instruction?

This falls under the ENA's primacy work, which sets out some primacy rules framework on how such scenario should be handled. You can read more on the ENA webpage: <https://www.energynetworks.org/publications/ena-on-primacy-rules-framework>

What is going on to align DSO system needs signals with wholesale price signals - which may not be aligned?

One of the key measures is to move our procurement closer to Real-time. We are planning to launch the day-ahead market later this winter. We will do it in a phased approach, starting with a few zones before full roll out.

Our gate close is designed to close after the GB day-ahead wholesale market. This will allow participants to price their bids on more up-to-date market conditions,

including the wholesale price. This can also improve consistency between local and national signal.

Local flexibility valuation will be better aligned with prevailing energy price and system conditions, ensure coherent incentives across markets.

Where can I find information about the flexibility tender process? It would be helpful to see guidance for community energy/EV fleet scheme guidance and how we can work with our local groups to raise awareness

This information is available through our flexibility platform, Market Gateway. You can find the link here: <https://marketgateway.nationalgrid.co.uk/>

Is there still room in the market for new flex platforms, other than Piclo?

There are a number of different platforms in the market already, for example Epex, Piclo, Electron and our own Market Gateway.

Each platform differs slightly in what they offer, and different DNOs use different platforms for this reason.

Please could you elaborate on the communications testing for small consumers before they are allowed to onboard the market platform and start bidding?

The only test we carry out is the provider's ability to share metering data with us either via API or data upload to our flexible power platform. Once a provider has proven they can provide metering, we will approve them as 'ready to trade' with us and allow them to bid for opportunities. This process is facilitated through our Market Gateway platform.

Also what are the penalties for not being able to respond to your activation signal??

In the event of under-delivery or non-delivery, the provider will forfeit the corresponding availability and / or utilisation payment, but no further penalties will be imposed.

A 0.5MW battery will both import and export 0.5MW. Is this factored into your planning as a full 1.0MW of flexibility?

Yes. When calculating the settlement, we do take the total import and export values into account.

As local authorities we can promote flexibility, but don't want to unnecessarily duplicate conversations you're having with your customers directly - whether community energy providers, local industrial users, etc. How can we best support?

Our SEO team work are continuing to work closely with local authorities, identifying ways we can work together to promote flexibility opportunities.

We have published our 'Guide to flexibility for local authorities' which goes into more detail about how we work. This can be downloaded from our Publications library here: <https://dso.nationalgrid.co.uk/resource-centre/publications-library>

I have seen some [trade data](#) through your open data portal.
Can you confirm if the awarded utilisation price is per MWh or kWh?

This price is £/MWh.