

February 2026

Making flexibility more accessible:

National Grid DSO's response and actions to CSE recommendations

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Making flexibility fairer, more inclusive, and easier to access

The transition to a decarbonised, decentralised energy system will rely increasingly on the active participation of households. While Distribution System Operators (DSOs) have limited influence over which low-carbon technologies customers adopt, they play a critical role in shaping how, and how fairly, households can participate in flexibility markets. Through market design, transparency and close collaboration with trusted partners, DSOs can help ensure that the benefits of flexibility are accessible to all customers, including those in vulnerable circumstances.

Context and purpose

In summer 2024, National Grid DSO partnered with the Centre for Sustainable Energy (CSE) to understand who currently participates in its flexibility markets, where access could be improved, and how changes could improve fairness for households in vulnerable circumstances. The work began with a workshop in October 2024 to explore options for addressing capability barriers.¹ Insights from this workshop, combined with evidence from a literature review, informed CSE's first report: *Access to Flexibility* in March 2025.²

The CSE report analysed procurement outcomes in National Grid DSO's Low Voltage Constraint Managed Zones (CMZs) and found that flexibility provision is concentrated in higher-income, least-deprived, owner-occupied areas, largely via assets such as EV charge points and air-source heat pumps. The report recommended a set of actions across transparency, market design, baselining, product timing, and building consumer trust. The findings highlight a key challenge for the energy transition: as flexibility becomes an increasingly important component of system operation, its benefits must be shared equitably so that no customer group is left behind, supporting a just transition.

Following the March 2025 report, which set out clear recommendations as well as the underlying barriers to participation for households in vulnerable circumstances, National Grid DSO continued its partnership with CSE to identify evidence-led practical interventions. This included hosting the Driving Inclusive Flexibility Access stakeholder workshop in June 2025, where stakeholders discussed the report's findings and potential solutions.³ Insights from this workshop informed the next phase of the project which culminated in the February 2026 *Access to Flexibility: Scoping Interventions* report.⁴

The February 2026 report analysed Priority Services Register (PSR) household participation in National Grid DSO's flexibility markets and developed two case studies on EV drivers and storage heaters in social housing / lower income areas. This was carried out with partners including Connected

¹ Centre for Sustainable Energy, [Access to Flexibility workshop](#), October 2024

² Centre for Sustainable Energy, [Access to Flexibility report](#), March 2025

³ Centre for Sustainable Energy, [Driving Inclusive Flexibility access workshop](#), June 2025

⁴ Centre for Sustainable Energy, [Access to Flexibility: Scoping Interventions report](#), February 2026

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Response, EV.Energy and Motability. The report proposed several practical next steps, such as periodically repeating PSR participation tracking, supporting EV tariff/charging advice via trusted intermediaries, and working with Connected Response and social landlords to trial a Demand Turn-Up product using storage heaters.

This document sets out National Grid DSO's response to the recommendations proposed by CSE across both of their reports and the actions we have already implemented or we are committed to delivering to ensure flexibility markets that are fairer, more inclusive and easier for all households to access.

CSE's recommendations – March 2025 report:

Initially, CSE's March 2025 Access to Flexibility report assessed the distributional impacts across Low Voltage CMZs, finding that flexibility procurement was most successful in areas characterised by higher incomes, lower levels of deprivation and predominantly owner-occupied homes with assets such as electric vehicles and heat pumps. In contrast, lower income, rented, and rural areas faced greater difficulty providing flexibility and often relied on manual demand shifting rather than automated or asset-led participation. The report then set out nine recommendations for DSOs to improve access and promote fairness. The recommendations are as follows:

Recommendations – March 2025 CSE Access to Flexibility report

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|-------------------------|---|
| Recommendation 1 | Repeat work to assess uptake of flexibility services amongst households in vulnerable circumstances in future to track changes over time. |
| Recommendation 2 | Share information about how system benefits are calculated and distributed by National Grid DSO publicly. |
| Recommendation 3 | Leverage from learnings developed through existing National Grid projects, like Smart Energy Action Plans, to provide more targeted support for consumers in CMZs in low income or deprived areas to improve their smart energy capabilities and boost their provision of flexibility. |
| Recommendation 4 | Present the case to ENA Open Networks and Market Facilitator to include non-heat pump electric heating as a specific flexible asset. |
| Recommendation 5 | Review baselining approaches for domestic flexibility, with a view to increasing granularity and ensuring fair outcomes for low energy users. |
| Recommendation 6 | Offer more longer-term domestic flexibility options – both in terms of procurement and notice period - incorporating relevant learnings from ongoing innovation trials about potential commercial models and community engagement best practice for including energy efficiency in flexibility procurement. |
| Recommendation 7 | Consider the feasibility of more speculative options raised in innovation projects for improving flexibility accessibility, such as incentivising Flexibility Service Providers (FSPs) to capture more flexibility from vulnerable households. |
| Recommendation 8 | Engage with and support the rollout of HOMEflex to build consumer trust across the domestic flexibility space. |
| Recommendation 9 | Advocate for a national communications campaign to provide trusted information and increase public awareness of flexibility and its benefits and challenges. |

CSE’s interventions & next steps – February 2026 report:

The February 2026 Access to Flexibility: Scoping Interventions report focused on practical interventions for National Grid DSO to address some of the recommendations proposed in the March 2025 Access to Flexibility report. Building on that earlier research, the report explored the unequal distribution of financial rewards from flexibility services and limited levels of flexibility procurement in areas with high concentrations of low-income households or households in vulnerable circumstances.

To support this, the report analysed Priority Services Register data to identify households requiring additional support across the NGED licence areas. It also developed two case studies:

- **Case study 1: Electric Vehicles (EVs)**, with Motability and EV.Energy, recommends tailored advice to support EV transitions, trials to improve onboarding and digital confidence, and collaboration between FSPs like EV.Energy and Motability to design advice for households.
- **Case study 2: Storage Heaters**, with Connected Response, recommends interventions such as retrofitting smart controls, adopting multi-period tariffs, and partnering with social landlords. This could unlock flexibility while improving heating outcomes for households in vulnerable circumstances.

Recommendations – February 2026: CSE Access to Flexibility: Scoping Interventions report		Addressed in
Recommendation A	Track and re-run PSR participation assessments periodically to monitor inclusion risks and opportunities.	Response to CSE Recommendation 1
Recommendation B	Explore ways to develop more appropriate metrics to track participation of households in vulnerable circumstances and the benefits they receive.	Response to CSE Recommendation 1 and CSE Recommendation 3
Recommendation C	Collaborate with partners to carry out a storage heater trial within NGED’s licence areas for Demand Turn-Up and Demand Turn-Down services.	Response to CSE Recommendation 4 and CSE Recommendation 7
Recommendation D	Review the benefits and process of making tariff and smart charging advice more widely available for EV drivers with additional needs through mechanisms like the smart energy advice forum.	Response to CSE Recommendation 9

National Grid DSO's response to CSE's recommendations

CSE recommendation 1: Repeat work to assess uptake of flexibility services amongst households in vulnerable circumstances in future to track changes over time.

General response: *We are taking forward this recommendation.*

Key actions	Date	Status
<i>Collaborating with CSE on PSR analysis for the Access to Flexibility: Scoping Interventions report⁵</i>	February 2026	Complete
<i>Establishing a baseline for PSR-based flex participation in Market Gateway</i>	October 2025	Complete
<i>Engage with wider industry to encourage the adoption of an external KPI to track uptake of flex among households in vulnerable circumstances</i>	2026	Exploration

National Grid DSO fully recognises the importance of supporting participation among households in vulnerable circumstances. This recommendation is central to our commitment to fairness and transparency, as it provides a mechanism for assessing whether the benefits of flexibility are being shared inclusively across our customer base. To support this, we have been collaborating closely with the CSE to analyse PSR data and establish a baseline for participation among households in vulnerable circumstances across NGED's licence area and within our Constraint Managed Zones. The findings are published in the February 2026 CSE Access to Flexibility: Scoping Interventions report.

CSE's analysis found that PSR households are consistently less likely to register for and participate in flexibility services than non-PSR households. Using PSR needs codes, which classify households based on different types of vulnerability, CSE found that participation varies across different categories due to a combination of structural and situational barriers. Their recommendations therefore focused on improved communication, clearer signposting and increased awareness of flexibility opportunities.

⁵ Centre for Sustainable Energy, [Access to Flexibility: Scoping Interventions report](#), February 2026

As of October 2025, there are 40,283 PSR-registered households in scope.⁶ Of these, 5,365 have actively participated in flexibility markets, equating to a 13% participation rate.⁷ This is compared with 15% for non-PSR households. National Grid DSO has also established a metric for assessing procurement outcomes, highlighting the correlation between household income and flexibility provision.

Looking ahead, National Grid DSO intends to formalise an external Key Performance Indicator (KPI) focused specifically on tracking participation among households in vulnerable circumstances. We will monitor this KPI and report publicly to ensure transparency and accountability. We are also advocating for this KPI to be adopted across wider industry, thereby promoting consistency in how vulnerability is addressed within flexibility markets.

⁶ Double counting may exist if someone is registered on the Priority Services Register with more than one vulnerability.

⁷ Actively participating means MPAN has been part of a trade response

CSE recommendation 2: Share information about how system benefits are calculated and distributed by National Grid DSO publicly.

General response: *We are taking forward this recommendation.*

Key actions	Date	Status
<i>Publication of DSO Benefits Quantification Methodology (Annual)</i> ⁸	April 2025	Ongoing
<i>Publication of DSO Performance Panel submission (Annual)</i> ⁹	April 2025	Ongoing
<i>Flexibility Market Insights Report (Bi-Annual)</i> ¹⁰	January 2026	Ongoing

Providing transparency of how flexibility delivers tangible benefits to both the system and end consumers is very important. This recommendation aligns directly with our commitment to transparency, replicability, and accountability in the operation of flexibility markets. To support this, in April 2025, National Grid DSO published two cornerstone documents: the DSO Benefits Quantification Methodology and the DSO Performance Panel Submission. Together, these publications provide detailed information on the assumptions, formulae, and attribution factors used to quantify system benefits. Our methodology follows HM Treasury Green Book principles and aligns with Energy Networks Association (ENA) standards, ensuring consistency with recognised best practice.

We categorise benefits into Realised, Unlocked and Ambition to reflect maturity and certainty. For instance, the DSO Performance Panel Submission publication shows flexibility-driven reinforcement deferral has realised £67 million in benefits to date. Market Gateway currently hosts circa 300,000 registered assets, of which approximately 90% are domestic in scale.¹¹ In 2024/25, 87% of flexibility expenditure was paid to domestic-only providers, meaning that households were the primary beneficiaries of our markets. Demand Turn-Up trials further demonstrate inclusive access: 27% of participating assets belong to PSR customers, confirming that this new service is accessible to households in vulnerable circumstances.

⁸ National Grid DSO, [DSO Benefits Quantification Methodology](#), April 2025

⁹ National Grid DSO, [DSO Performance panel submission](#), April 2025

¹⁰ National Grid DSO, [Flexibility Market Insights Report](#), January 2026

¹¹ National Grid DSO, [Connected Data Portal](#), February 2026

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National Grid DSO fully supports this recommendation and will continue embedding transparency and rigour into our reporting framework. The next iteration of the DSO benefits report will be published in Q1 2026, with the most recent release of the Market Insights Report in January 2026 which provides updates on market growth and consumer benefits across NGED's licence areas. Notably, our June 2025 report illustrated that increased competition had led to £75,000 in direct savings for customers in addition to the broader benefits delivered through domestic flexibility.¹² We maintain our commitment to publish the Market Insights Report every six months.

¹² National Grid DSO, [Flexibility Market Insights report](#), June 2025

CSE recommendation 3: Leverage from learnings developed through existing National Grid projects, like Smart Energy Action Plans, to provide more targeted support for consumers in CMZs in low income or deprived areas to improve their smart energy capabilities and boost their provision of flexibility.

General response: *We are taking forward this recommendation.*

Key actions	Date	Status
<i>Collaborating with CSE on PSR analysis for the Access to Flexibility: Scoping Interventions report</i>	February 2026	Complete
<i>Using data to provide targeted support for PSR customers.</i>	February 2026	Exploration

We recognise the need to support consumers in Constraint Managed Zones (CMZs), particularly in low-income areas, to improve smart energy capabilities and enable participation in flexibility markets. The Smart Energy Action Plan (SMEAP) programme provides tailored, capability-based advice to increase awareness and confidence for households equipped with the potential to participate in flexibility markets.

CSE’s Access to Flexibility: Scoping Interventions report suggests that under-representation varies across PSR needs codes for participants within National Grid DSO’s flexibility markets. These findings indicate that different types of vulnerability create different barriers to participation, meaning that a single, uniform approach is unlikely to meet the needs of all PSR customers. In response, we are developing an enhanced, data-driven approach to monitor participation and use these insights to provide more targeted support for households on the PSR. The outputs from our PSR flexibility participation KPI will complement and build on the work already underway through the Smart Energy Action Plans led by our DNO colleagues.

This initiative will help ensure that households in vulnerable circumstances gain greater visibility of, and transparency around, flexibility opportunities, supporting more inclusive access to the benefits of smart energy and flexibility services.

CSE recommendation 4: Present the case to ENA Open Networks and Market Facilitator to include non-heat pump electric heating as a specific flexible asset.

General response: *We are taking forward this recommendation.*

Key actions	Date	Status
<i>Launched Storage Heaters as an asset category on Market Gateway</i>	September 2025	Complete
<i>Collaborated with CSE & Connected Response to include a case study on Storage Heaters in NGED's licence areas</i>	February 2026	Complete
<i>Exploring the opportunity for a storage heater-led Demand Turn-Up trial</i>	February 2026	Exploration

National Grid DSO recognises the importance of broadening flexibility services to include a wider range of technologies, including non-heat pump electric heating. This is central to our ambition to create an inclusive flexibility ecosystem that reflects the diversity of domestic energy systems.

In response, in September 2025, we introduced storage heaters as a distinct asset category within the Market Gateway, formally recognising non-heat pump electric heating as a source of demand-side flexibility and improving visibility of these assets in procurement. We have also updated the Low Voltage Standard Utilisation market design to include a night-time response window suitable for consumers with smart-enabled storage heaters. Since this change, 461 storage heaters have already been registered, with numbers expected to grow as FSPs adapt their offerings.

Working with CSE and Connected Response, we have developed a clearer understanding of the technical, operational and consumer barriers affecting storage heater participation, such as legacy controls, restricted tariffs and the cost of retrofitting smart controls. Because storage heaters are often clustered in social housing and lower income areas, we are taking an evidence-led approach to developing this asset class. We see clear value in exploring targeted trials that demonstrate network benefits and customer outcomes, particularly where retrofitted smart controls could help overcome limited charging windows associated with traditional Economy 7 use. Insights from this work will inform engagement with the Market Facilitator, the ENA and wider industry as we consider how non-heat pump electric heating should be reflected in future standards and flexibility frameworks.

CSE recommendation 5: Review baselining approaches for domestic flexibility, with a view to increasing granularity and ensuring fair outcomes for low energy users.

General response: We will be following industry standards for baselining.

Key actions	Date	Status
<i>Engagement with Market Facilitator on development of Standardised Baselining Methodologies</i>	2025 - 2027	In progress
<i>Internal adoption of standardised Baselining</i>	2027	In progress

Baselining is fundamental to determining performance and settlement and must therefore be robust, standardised, and resistant to gaming. In line with the Market Facilitator’s Flexibility Market Rules, National Grid DSO will adopt the ENA Open Networks Standardised Baselining Methodologies. This is set to be implemented across industry under the governance of the Market Facilitator. Consistency across DSOs is essential for market integrity and comparability. National Grid DSO is actively refining systems and internal processes to support industry alignment and contribute to a consistent, industry-wide approach to baselining to maintain market integrity and comparability.

CSE recommendation 6: Offer more longer-term domestic flexibility options – both in terms of procurement and notice period - incorporating relevant learnings from ongoing innovation trials about potential commercial models and community engagement best practice for including energy efficiency in flexibility procurement.

General response: *We will be moving towards closer-to-real time procurement for increased efficiency.*

Key actions	Date	Status
<i>Stakeholder Workshop</i>	June 2025	Complete
<i>Transition and implementation of day-ahead flexibility procurement</i>	Spring 2026	Ongoing

Longer-term domestic flexibility commitments can provide a degree of certainty, but they are not always the most effective or cost-efficient way to manage distribution network risk. Household energy use is inherently variable, and circumstances change over time, meaning long-term contractual obligations can introduce cost and performance uncertainties. Ultimately, these costs fall on all customers through their energy bills.

National Grid DSO therefore uses a layered procurement model: annual contracts provide baseline cover, while shorter-term markets, including week-ahead and a planned move to day-ahead procurement, deliver greater accuracy, responsiveness, and value for money. Procuring closer to real-time improves forecasting and ensures flexibility is secured only where genuinely needed. FSPs also play an important role. While DSOs must procure close to real-time to avoid unnecessary system-wide costs, suppliers and aggregators are better placed to offer households stable income arrangements and optimise assets across multiple markets. Findings from CSE’s February 2026 report support this approach.

Several stakeholders noted that longer notice periods would not necessarily attract new domestic assets into the market. In the Motability EV case study, for example, lease cycles and smart charger installations sit entirely outside DSO procurement timelines, limiting the value of long-term market signals. Additionally, insights from the June 2025 workshop held with CSE, FSPs, and wider industry identified the absence of day-ahead procurement as a key barrier to participation. Our planned introduction of day-ahead procurement directly addresses this barrier to participation and is expected to improve accessibility and engagement.

CSE recommendation 7: Consider the feasibility of more speculative options raised in innovation projects for improving flexibility accessibility, such as incentivising FSPs to capture more flexibility from vulnerable households.

General response: *We are taking forward this recommendation.*

Key actions	Date	Status
<i>Collaborated and engaged with CSE’s Access to Flexibility: Scoping Interventions report</i>	February 2026	Complete
<i>Stakeholder workshop</i>	June 2025	Complete
<i>Collaborating internally to offer targeted support for PSR participants.</i>	2026	Exploration
<i>Exploring the opportunity for a storage heater-led Demand Turn-up trial</i>	February 2026	Exploration

Domestic flexibility markets must be designed to be inclusive and avoid creating barriers for households in vulnerable circumstances. Through our collaboration with the CSE, we have explored this recommendation using targeted analysis and engagement with industry and consumer stakeholders, including the June 2025 Stakeholder Workshop and the CSE’s Access to Flexibility: Scoping Interventions report.

At the 2025 workshop, stakeholders broadly agreed that more speculative options, such as incentivising FSPs to recruit harder-to-reach customers, should first be tested through evidence-led trials rather than immediately incorporated into BAU procurement. The CSE case studies reinforced this:

- **EV.Energy–Motability case study:** Many households in vulnerable circumstances already have viable routes into flexibility markets through trusted intermediaries. The main barriers were awareness, digital confidence and onboarding, not FSP commercial incentive, indicating that targeted consumer support may be more effective.
- **Storage heater case study:** Significant untapped flexibility exists in social housing and lower-income areas, but structural barriers (legacy controls, limited tariffs, retrofit costs) limit participation. In this context, trial-based or more speculative approaches may be needed to demonstrate benefits and unlock participation.

In response, we’re taking forward the learnings from this work in two practical ways. Firstly, we are exploring how to use Market Gateway participation data to better support PSR households, building on the EV.Energy and Motability findings. Secondly, we are exploring the opportunity for a storage

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heater-led Demand Turn-Up trial, where network benefits and customer outcomes can be tested in a controlled and proportionate way. The trial will test and inform the effectiveness and opportunities of incentivising FSPs to reduce barriers faced by households in vulnerable circumstances.

CSE recommendation 8: Engage with and support the rollout of HOMEflex to build consumer trust across the domestic flexibility space through:

- A. Incorporating HOMEflex principles into service agreements with FSPs.
- B. Contributing financially to the creation of a domestic flexibility compliance scheme.
- C. Providing advocacy for HOMEflex across the sector.

General response: *We continue to advocate for and finance HOMEflex, but we cannot mandate this on FSPs.*

Key actions	Date	Status
<i>Continuous funding and support for HOMEflex</i>	2025-2026	Ongoing
<i>Active inclusion and signposting of HOMEflex on Market Gateway FAQs¹³</i>	February 2026	Complete
<i>Engagement with the Market Facilitator on standardisation of contracts</i>	2025 - 2026	Ongoing

The HOMEflex project builds on the initial Flex Assure Compliance Scheme for Industrial & Commercial FSPs, the CSE’s Smart & Fair Project and the ADE’s Heat Trust scheme. This project acts as the interim flexibility compliance scheme developed by Flex Assure and supported by UK DSOs to provide consumer protections and good-practice standards for FSPs.¹⁴ Its purpose is to give households confidence that domestic flexibility services are delivered safely, ethically and transparently while increasing communication between flexibility aggregators, consumers and system operators.

A. Incorporating HOMEflex principles into service agreements with FSPs.

National Grid DSO recognises the value of HOMEflex. However, we also recognise that the flexibility market remains at an early stage of development, with evolving commercial models and a growing pool of new entrants. In this context, introducing contractual requirements linked to emerging compliance schemes carries a risk of creating unintended barriers to participation. At this stage, we do not currently mandate inclusion of HOMEflex in bilateral agreements with FSPs. We consider the development of standardised contracts and codes of conduct are more appropriately

¹³ National Grid DSO, [Market Gateway Help & Guidance](#), February 2026

¹⁴ Flex Assure, [The HOMEflex Project](#), April 2025

led by the Market Facilitator and Ofgem as the sector matures. We remain engaged in discussions with both organisations on the future role of contractual requirements in supporting consumer protections.

B. Contributing financially to the creation of a domestic flexibility compliance scheme.

National Grid DSO supports the objectives of HOMEflex and is committed to promoting high standards of consumer protection as domestic flexibility markets grow. National Grid DSO continues to provide financial support to enable the launch and ongoing operation of the compliance scheme. This funding commitment illustrates NGED's strategic alignment with national objectives for a secure, transparent, and consumer-centric energy system.

C. Providing advocacy for HOMEflex across the sector.

While we do not require scheme membership for participation in our markets, we actively promote awareness of compliance schemes, both industrial (Flex Assure) and domestic (HOMEflex), as part of our market engagement and onboarding processes. For example, our Market Gateway Frequently Asked Questions signposts the Flex Assure & HOMEflex schemes for domestic and industrial & commercial providers, explaining their role in setting common standards and supporting continuous improvement.¹⁵ While the schemes are not a prerequisite for market entry, our inclusion of this information helps FSPs understand the benefits of participating in recognised schemes that uphold high standards of practice.

¹⁵ National Grid DSO, [Market Gateway Help & Guidance](#), February 2026

CSE recommendation 9: Advocate for a national communications campaign to provide trusted information and increase public awareness of flexibility and its benefits and challenges.

General response: *We are taking forward this recommendation*

Key actions	Date	Status
<i>Engage with DESNZ, Elexon & Ofgem</i>	2025 - 2026	Ongoing
<i>Advocate for Flexibility through wider industry events such as Smart & Fair</i>	2024 – 2026	Ongoing

National Grid DSO agrees that improving public awareness of flexibility is important for building trust and supporting participation, particularly among households in vulnerable circumstances. We continue to support wider awareness through our work with trusted intermediaries. This includes ongoing collaboration with partners such as CSE, Motability, HOMEflex, FSPs and community energy groups who are well placed to provide tailored and credible advice. For example, National Grid DSO partnered with CSE to deliver the Smart Energy Advice Forums (2024 and 2025), which engaged over 58 frontline organisations including Citizens Advice and Energy UK.¹⁶ We will continue this work going forward and collaborate with CSE and FSPs to promote wider access to tariff and smart charging advice. We expect this support and engagement with CSE to continue through industry-wide events including the upcoming Smart & Fair events.

Beyond this, National Grid DSO contributes to sector-wide efforts to increase public awareness and accessibility of flexibility markets. National Grid DSO actively participates in wider industry governance structures and programmes. For example, the Head of National Grid DSO's Flexibility Markets team sits on the Stakeholder Advisory Board convened by Elexon. Further to this, Cathy McClay, Managing Director of National Grid DSO has been appointed as the national Commissioner for Flexibility under the Clean Power 2030 Advisory Commission. Both roles contribute to collective, cross-industry discussions on how to maximise participation, reduce barriers to entry and support clearer consumer access routes. These roles operate independently of National Grid DSO decision-making but help ensure broader sector considers solutions that enable fair and accessible flexibility markets for all consumers.

¹⁶ Centre for Sustainable Energy, [Smart energy advice forums](#), October 2024

Since this recommendation was published in March 2025, the Department for Energy Security & Net Zero (DESNZ) has consulted on the consumer-led flexibility engagement in July 2025 and is uniquely positioned to coordinate any future national campaign.¹⁷ National Grid DSO will continue to support this through contributing insights, engaging collaboratively and enhancing information provision through our own outreach.

¹⁷ GOV.UK, Consumer-led flexibility: [consumer engagement consultation](#), July 2025

Key Impact and Next Steps

National Grid DSO fully recognises that inclusive access to flexibility is essential to a just transition, ensuring that the benefits of flexibility are shared equitably and that no customer group is left behind. While we have limited direct influence over which households adopt low-carbon technologies or choose to provide flexibility, National Grid DSO has a role in enabling participation through market design, transparency, and the way we work with FSPs and trusted partners.

Key Impact

National Grid DSO's work with the CSE has delivered a change in how fairness, access and consumer inclusion are understood and acted on within domestic flexibility markets.

Over the past 18 months, we moved from isolated observations about participation to a robust, data-driven understanding of where flexibility benefits are concentrated, which households face exclusion risk, and what structural barriers prevent wider access. These insights have been translated into practical actions and have directly informed tangible changes. We have introduced storage heaters as a new asset category. This, coupled with aligning service windows to better reflect consumer capability, led to over 461 new storage heater registrations within a few months.

National Grid DSO has also improved the visibility of domestic assets in procurement by strengthening Market Gateway asset categorisation and reporting, enabling clearer breakdowns of registration and procurement outcomes by asset type and location. This supports more transparent monitoring of participation and inclusion. This has been done clearly with initiatives such as the Market Insights Reports, and the Market Insights Dashboard in the National Grid Connected Data Portal.¹⁸

At the same time, transparency has been significantly strengthened through the publication of the DSO Benefits Quantification Methodology and Performance Panel Submission, setting an industry benchmark for openness around how system benefits are calculated and distributed. National Grid DSO has also reinforced consumer protections and trust through active support for HOMEflex and improved signposting for compliance schemes, helping to establish a stronger ethical foundation for domestic flexibility as it grows. Crucially, this work has created the conditions for lasting progress. A consistent, trackable PSR participation baseline has been established, targeted support models are being developed, the feasibility of an external KPI on vulnerability is under exploration, and trial opportunities such as the storage heater Demand Turn-Up trial are being advanced.

¹⁸ National Grid DSO, [Connected Data Portal](#), February 2026

Collectively, these actions mark a shift from analysis to meaningful intervention, embedding fairness, transparency and inclusivity into real operational processes. They ensure that National Grid DSO remains a proactive and leading contributor to a more accessible and consumer-centred flexibility market.

Next Steps

We are moving from scoping and evidence gathering into focused delivery and targeted support. Collectively, the below actions move us from identifying barriers to implementing measurable improvements, strengthening fairness, transparency and trust while ensuring flexibility markets remain efficient and deliver value for all consumers.

Key actions	Date	Status	Impact
Partnered with CSE to assess domestic flexibility accessibility and fairness	March 2025	Complete	Established the evidence base on barriers to participation and fairness in domestic flexibility markets.
Convened providers and stakeholders to test findings and solutions (Stakeholder Workshop)	June 2025	Complete	Enabled practical testing of issues affecting participation and helped shape proportionate interventions with FSPs and stakeholders.
Launched storage heaters as an asset category on Market Gateway	September 2025	Complete	Reduced the risk of exclusion for non-heat pump electric heating and improved visibility of this asset class in procurement.
Established a baseline for PSR-based flexibility participation in Market Gateway	October 2025	Complete	Created a repeatable benchmark to monitor inclusion and track changes in participation over time.
Completed PSR–MPAN analysis through CSE follow-on work (Access to Flexibility: Scoping Interventions)	February 2026	Complete	Strengthened understanding of participation gaps for households in vulnerable circumstances and informs targeted support strategies.
Incorporated storage heater case study evidence (CSE / Connected Response)	February 2026	Complete	Utilised evidence base for trial design and proportionate interventions to address structural barriers to entry for households with Storage Heaters (e.g. smart controls).

Strengthened HOMEflex visibility by signposting via Market Gateway FAQs	February 2026	Complete	Supported consumer trust and good practice by improving awareness of domestic compliance principles.
Market Insights reporting	January 2025 (Bi-annual)	Ongoing	Continues transparent reporting on market growth and consumer outcomes (six-monthly cadence).
Annual benefits reporting publications (Benefits Quantification Methodology + Performance reporting)	April 2025 (Annual)	Ongoing	Embeds transparency and replicability on how system benefits are calculated and distributed.
Funding and advocacy for HOMEflex	August 2025	Ongoing	Continues sector momentum for consumer protections while the market matures.
Engagement with Market Facilitator on standardisation of contracts & baselining	2025 - 2027	Ongoing	Supports consistent approaches across the sector without creating unintended barriers to participation.
Development towards day-ahead / closer-to-real-time procurement	2026	Ongoing	Improving procurement efficiency and better reflects provider feedback about participation barriers.
Engagement across industry/government on consumer-led flexibility awareness and trusted information routes	2026	Ongoing	Contributing insight and supporting credible routes to improve awareness and confidence in flexibility.
Explore evidence-led trials where they can unlock network and consumer benefits (storage heater-led Demand Turn-Up trial)	February 2026	Exploration	Proportionate trial-based approach to test whether interventions (e.g., smart controls) can unlock inclusion and flexibility value.
Develop a more targeted support approach informed by participation insights (including better support for PSR customers)	February 2026	Exploration	Uses evidence to focus support where under-representation is greatest.
Formalise an external KPI tracking participation by households in vulnerable circumstances; encourage wider industry adoption	2026	Exploration	Moves inclusion from one-off analysis to ongoing accountability and consistent measurement across the sector.

Glossary

Term	Description
Constraint Managed Zone (CMZ)	A defined area of the distribution network where flexibility services are procured to manage network constraints instead of (or ahead of) traditional reinforcement.
Flexibility	The capability of energy resources, such as generators, storage and consumers, to shift their generation or consumption of energy.
Flexibility Service Provider (FSP)	An organisation aggregating and offering flexibility services to networks, often through assets like EV chargers, batteries, heat pumps or industrial loads.
HOMEflex	The Domestic flexibility compliance scheme supported by UK DSOs to strengthen consumer protections, trust and good-practice standards.
Low-Carbon Technologies (LCTs)	Technologies such as electric vehicles and heat pumps that underpin many domestic flexibility opportunities.
Meter Point Administration Number (MPAN)	The unique 13-digit meter identifier code for every electricity supply point in Great Britain.
Priority Services Register (PSR)	The free support register for consumers in vulnerable situations, giving them extra help from their energy company and network operator.
Smart Energy Action Plan (SMEAP)	A programme that provides tailored, actionable advice to help households and businesses transition to a low-carbon, cost-effective energy system.

Demand Turn-Up (DTU)

Flexibility service enabling increased consumption or reduced generation during periods of system surplus.

Demand Turn-Down (DTD)

Flexibility service enabling reduced consumption or increased generation to relieve local constraints during peak periods.
