May 2026

Distribution Flexibility Services Procurement Report

nationalgrid DSO

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Executive summary

National Grid DSO's sixth Distribution Flexibility Services Procurement Report provides an overview of the flexibility services we have contracted and operated during the 2025/26 regulatory year.

Flexibility is central to enabling the UK's transition to net zero by 2050 and delivering our Clean Power 2030 ambitions. This year marked a significant step forward in the scale and maturity of our flexibility markets. In our most recent tender, we secured our largest long-term flexibility portfolio to date, awarding 196GWh of availability, representing a ten-fold increase compared to the previous year. Our efforts over the last 12 months have led to an almost doubling of assets registered on Market Gateway to more than 309,000 and a tripling from 13 to 43 Flexibility Service Providers in our markets.

Over the year, we procured flexibility services across both our short and long-term market in 108 High Voltage (HV) zones and 409 Low Voltage (LV) zones, and transitioned from a week-ahead to a day-ahead market. We also substantially increased dispatch volumes to 6.5GWh, more than double to the previous year, with more than 110,000 dispatch events. Over the summer, we trialled our first Demand Turn-Up (DTU) scheme across three zones, dispatching 498 MWh through approximately 3,800 events. The trial demonstrated the effectiveness of DTU services in aligning demand with periods of renewable generation. This directly informed the large-scale deployment of FlexUp.

Deferral remains the primary use case for flexibility within the RIIO-ED2 price control. However, in our latest long-term flexibility tender, which closed in autumn 2025, we introduced a new flexibility use case, FlexUp, to reduce curtailment, which now seeks Demand Turn-Up services across 23 zones, covering more than 50% of our network. Our Procurement Statement sets out our forward plans for the future development of further flexibility use cases.

Stakeholder engagement remained a priority throughout the year. We held multiple stakeholder events, and also launched our new Flexibility Focus Group, whose feedback continues to inform improvements to the end-to-end user experience, product and market design. This report summarises our stakeholder engagement, sets out how we ensure our processes remain economic and efficient, and provides insights into the carbon intensity of the flexibility services delivered.

The Procurement Report complements our forward-looking Procurement Statement, published in April, which sets out our approach and plans for the year ahead. Together, these documents describe how we identify flexibility needs, procure services, and operate them in practice.

We anticipate continued growth in our flexibility markets alongside increasing competition across our zones. Our forthcoming Flexibility Roadmap, to be published in May 2026, will set out our broader strategic priorities and key deliverables for the remainder of the RIIO-ED2 price control period, and how we continue to deliver value for our stakeholders now and into the future.

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1. Introduction

National Grid Electricity Distribution (NGED) operates as both a Distribution Network Operator (DNO) and as a functionally separate Distribution System Operator (DSO), responsible for delivering electricity to over 8 million customers. At the heart of our role as DSO is ensuring the electricity system is used as efficiently as possible, maximising the capacity of the existing network while building new infrastructure only where it is genuinely required. Flexibility services are fundamental to achieving this, providing a cost-effective, agile alternative to traditional reinforcement and helping us manage evolving system needs in real time.

The core driver behind our procurement of flexibility services is the deferral of network reinforcement. By managing temporal peaks on the network, we can prevent assets from becoming overloaded and, as a result, push back the need for traditional network reinforcement. As the energy system continues to change rapidly, the role of flexibility is expanding. Over the past 12 months, we have begun exploring new use cases and have introduced a new service, FlexUp, as part of our long-term flexibility tender.

This Distribution Flexibility Services Procurement Report (along with the accompanying data template) summarises the flexibility services we have procured and utilised during the last regulatory year. It is part of an annual regulatory process that includes the publication of a forward-looking Procurement Statement, which outlines our procurement plans for the upcoming regulatory year, and a backward-looking Procurement Report, which reviews what we have procured. These publications are required under our Distribution Licence (Condition 31E) and aim to establish a minimum level of information necessary to foster a competitive market for Flexibility Services.

We have developed a comprehensive process for the assessment, procurement, and operation of Flexibility Services. This process has evolved from our experience in building services through innovation projects into a full business-as-usual operation, incorporating in-depth stakeholder feedback. This report seeks to highlight these processes and direct readers to existing data sources where applicable, providing an overview of our activities to date while allowing for detailed exploration when desired.

The report covers:

- Summaries of where we have procured and operated flexibility services,
- A review of the stakeholder engagement carried out in the last year,
- The processes used to assess the economic viability of Flexibility Services, and individual bids,
- A view on the carbon intensity of delivered flexibility services,
- Further details to help understand the supplementary data, &
- A summary of the related publications and data sources.

Should you have any queries about the contents of this report please contact: NGED.Flexiblepower@nationalgrid.co.uk.

2. Flexibility Procurement and Use Summary

2.1. The Services we have procured and operated

As detailed in section 2 of our Procurement Statement, we have established a comprehensive process for identifying, communicating, procuring, and operating flexibility services. The tables below provide a concise summary of the HV and LV services we procured during the last regulatory year, as outlined in the supporting data. This includes a combination of legacy ENA products obtained through our weekly short-term trades and new standardised Market Facilitator products from our recent long-term procurement round defined in Flexibility Market Rule: Product Definition. Due to the extensive nature of the LV service dataset, it has been organised by license area. For a more in-depth analysis, please refer to the accompanying Supporting Data Sheet.

This reporting year was the first where we have dispatched Demand Turn-Up flexibility at scale. We dispatched 498MWh across three zones to defer generation network constraints.

Summaries of the services we have **procured for delivery during this reporting year** are presented below. Peak values refer to the maximum requirements within a zone at a point in time, rather than the total. Total values represent the cumulative sum of all weekly trades, while peak values reflect the highest figure from that series. Because of the time element involved in the presented values, they may not add up precisely, as they could pertain to different time periods.

Comprehensive details about the services we have procured and operated are available in the accompanying Supporting Data, which includes services contracted during this reported regulatory year for future delivery. Additionally, we provide extensive data on our Connected Data Portal. For complete details on the data we publish, please refer to Appendix 2: Data and Publications.

Table 1 - Summary of Flexibility Service Procurement by Product for delivery in reporting year

Product	Total Peak Contracted in Prior Years (MW)	Total Peak Forecasted in Delivery Year (MW)*	Total Peak Tendered in Reporting Year (MW)	Total Peak Contracted in Reporting Year (MW)	Total Peak Unmet in Tenders in Reporting Year (MW)
Sustain	-	-	-	-	-
Secure	-	-	-	-	-
Dynamic	93.47	-	0.02	0.02	-
Restore	-	-	-	-	-
SU_SPP	3.24	21.94	21.94	3.24	10.06
SU_SEP	-	310.57	33.91	1.66	33.67
SAOU_DA	30.88	643.91	227.21	29.67	203.35
OU_15	17.71	617.53	2,250.00	55.88	2,246.71
SU	-	619.80	224.75	10.06	223.65

Table 2: Summary of SU_SPP Service Procurement by Licence Area for delivery in reporting year

Licence Area	Total Peak Contracted in Prior Years (MW)	Total Peak Forecasted in Delivery Year (MW)*	Total Peak Tendered in Reporting Year (MW)	Total Peak Contracted in Reporting Year (MW)	Total Peak Unmet in Tenders in Reporting Year (MW)
East Midlands	1.40	9.11	9.11	1.40	7.72
West Midlands	1.11	7.42	7.42	1.11	6.31
South West	0.33	2.50	2.49	0.33	2.17
South Wales	0.39	2.92	2.92	0.02	2.54

* Sum of all peak flexibility service forecasted and reported in the Procurement Statement. These do not include new constraint zones which have been opened for procurement during the regulatory year.

Table 3 - Summary of HV Flexibility Service Procurement by Zone for delivery in reporting year

CMZ Name	Products	Postcodes**	Contracted in Prior Years (MW)	Forecasted in Delivery Year (MW)***	Total Tendered in Reporting Year (MW)	Total Contracted in Reporting Year (MW)	Total Unmet in Tenders in Reporting Year (MW)	Reasons not met	Dispatched in Delivery Year (MWh)
CMZ_T2A_SWE_0002	OU_15, SAOU_DA, SU_HV, SU_SEP, Secure	EX17 3HY, EX2 4SU, EX17 2BE, EX18 7	1.89	22.40	62.29	2.12	60.67	insufficient market volume	12.82
CMZ_T3B_SWE_0007	Dynamic, Sustain	TR19 7DP, TR149JH, TR27 5LS, TR19	9.81	0.00	0.00	0.00	0.00		0.00
CMZ_T3B_SWE_0008	SU_SEP, Secure	TR21 0NN, TR21 0HW, TR24 0QG, TR2	0.40	0.00	0.00	0.00	0.00		0.00
CMZ_T4A_EM_0010	SU_SEP, Secure	DE55 6HL, S45 9HW, S45 9QE, S45 9E	1.96	0.00	0.00	0.00	0.00		0.00
CMZ_T4A_EM_0012	Dynamic	LE67 1AP, CV13 0HA, LE9 9NT, LE67 4	8.96	0.00	0.00	0.00	0.00		0.00
CMZ_T4A_EM_0013	OU_15, SAOU_DA, SU_HV, Secure	DE45 1UF, NN5 4EL, S40 2TU, S42 5EZ, S44 6UR	4.56	22.18	56.50	1.74	55.42	insufficient market volume	12.38

CMZ Name	Products	Postcodes**	Contracted in Prior Years (MW)	Forecasted in Delivery Year (MW)***	Total Tendered in Reporting Year (MW)	Total Contracted in Reporting Year (MW)	Total Unmet in Tenders in Reporting Year (MW)	Reasons not met	Dispatched in Delivery Year (MWh)
CMZ_T4A_EM_0020	Dynamic, SAOU_DA	DN22 0HT, DN22 0FQ, DN22 0BH, DN22	0.80	0.00	0.00	0.00	0.00		0.00
CMZ_T4A_SWA_0001	Dynamic, SAOU_DA, Sustain	LD7 1NS, SY18 6QU, LD1 6BA, LD6 5L	1.33	0.00	0.00	0.00	0.00		0.00
CMZ_T4A_SWE_0009	Dynamic	TQ13 8FB, TQ13 8NY, TQ13 8 LP, TQ13 8 LG, TQ13 8JA	0.92	0.00	0.00	0.00	0.00		0.00
CMZ_T4A_SWE_0010	Dynamic, OU_15, SAOU_DA, SU_HV, SU_SEP, Sustain	EX15 3HR, EX16 7NT, TA21 0QB, EX14 4SR, EX5 5LW	12.30	112.17	71.99	1.53	70.81	insufficient market volume	123.53
CMZ_T4A_SWE_0013	Dynamic, OU_15, SAOU_DA, SU_HV	BS23 3TB, BS24 9SH, TA8 2RT, BS26 2PB, BS29 6HL	8.99	51.68	57.33	2.27	55.90	insufficient market volume	4.77

CMZ Name	Products	Postcodes**	Contracted in Prior Years (MW)	Forecasted in Delivery Year (MW)***	Total Tendered in Reporting Year (MW)	Total Contracted in Reporting Year (MW)	Total Unmet in Tenders in Reporting Year (MW)	Reasons not met	Dispatched in Delivery Year (MWh)
CMZ_T4A_SWE_0014	SU_SEP, Secure	EX16 8LD, EX36 4RD, EX17 4TU, EX18 7EF, EX17 6RQ	0.81	0.00	0.00	0.00	0.00		0.00
CMZ_T4B_EM_0002	Secure	LN1 3HL, LN2 4ED, LN5 7PH, LN2 2DN, LN1 1EZ	4.71	0.00	0.00	0.00	0.00		0.00
CMZ_T4B_WM_0001	OU_15, SAOU_DA, SU_HV, SU_SEP, Secure	GL18 2AX, GL19 3JY, HR8 1AA, HR1 4HZ, WR13 6II	8.31	27.40	60.02	2.23	58.45	insufficient market volume	40.92
CMZ_T5A_EM_0024	Dynamic, OU_15, SAOU_DA, SU_HV, SU_SEP	LE6 0AL, LE67 1EG, LE11 1DH, LE67 1FW, LE3 3NW	12.67	633.34	154.95	5.75	154.95	insufficient market volume	1680.95
CMZ_T5A_SWE_0016	Dynamic, SAOU_DA	TR1 2PZ, TR16 5QG, TR16 5LP, TR1 9	2.59	0.00	0.00	0.00	0.00		0.00

CMZ Name	Products	Postcodes**	Contracted in Prior Years (MW)	Forecasted in Delivery Year (MW)***	Total Tendered in Reporting Year (MW)	Total Contracted in Reporting Year (MW)	Total Unmet in Tenders in Reporting Year (MW)	Reasons not met	Dispatched in Delivery Year (MWh)
CMZ_T5B_EM_0028	Dynamic, OU_15, SAOU_DA, SU_HV	DE7 4FJ, DE75 7HN, DE8 8EX, NG16 3JE, PE24 4TW	2.94	0.00	0.00	0.00	0.00		0.00
CMZ_T5B_SWA_0008	Dynamic, Sustain	SY23 5HT, SA46 0BP, SA48 7PY, SY23 5AJ, SA46 0LD	0.39	1.65	0.02	0.02	0.00		0.00
CMZ_T5B_SWA_0009	Dynamic, SAOU_DA	SA36 0EB, SA34 0JN, SA34 0DS, SA37	0.36	0.00	0.00	0.00	0.00		0.00
CMZ_T5B_SWE_0017	Dynamic, SAOU_DA, Sustain	EX39 5EW, EX33 2NL, EX33 2AJ, EX39 9	37.70	0.00	0.00	0.00	0.00		0.00
CMZ_T5B_SWE_0018	Dynamic, OU_15, SAOU_DA, SU_HV, Sustain	EX14 4LG, EX15 2AH, EX16 3DN, EX2 4RH, TA21 9PD	1.17	4.23	50.59	0.23	50.56	insufficient market volume	0.45

CMZ Name	Products	Postcodes**	Contracted in Prior Years (MW)	Forecasted in Delivery Year (MW)***	Total Tendered in Reporting Year (MW)	Total Contracted in Reporting Year (MW)	Total Unmet in Tenders in Reporting Year (MW)	Reasons not met	Dispatched in Delivery Year (MWh)
CMZ_T5B_SWE_0019	OU_15, SAOU_DA, SU_HV, SU_SEP, Secure, Sustain	TR12 7AH, TR11 3JE, TR13 6JZ, TR13 8TU, TR12 6TD	0.16	4.39	50.78	0.20	50.60	insufficient market volume	1.85
CMZ_T6B_SWE_0022	OU_15, SAOU_DA, SU_HV, SU_SEP, Secure, Sustain	PL17 8BL, PL17 8FB, PL18 9NX, PL18 9F	0.10	7.38	50.12	0.10	50.03	insufficient market volume	0.05
CMZ_T6B_SWE_0025	Dynamic, OU_15, SAOU_DA, SU_HV, SU_SEP, Sustain	EX23 9QQ, EX22 7RD, EX23 9SD, EX23	0.18	10.13	51.13	0.19	51.12	insufficient market volume	10.55
CMZ_T7A_EM_0033	SU_SEP, Secure, Sustain	NG23 6HH, NG23 5BG, NG23 6RN, NG31 8	3.49	54.39	1.50	1.65	1.00	insufficient market volume	188.55

CMZ Name	Products	Postcodes**	Contracted in Prior Years (MW)	Forecasted in Delivery Year (MW)***	Total Tendered in Reporting Year (MW)	Total Contracted in Reporting Year (MW)	Total Unmet in Tenders in Reporting Year (MW)	Reasons not met	Dispatched in Delivery Year (MWh)
CMZ_T7A_SWE_0028	OU_15, SAOU_DA, SU_HV, SU_SEP, Secure, Sustain	TQ12 1BN, TQ1 5UA, EX39 2RG, TQ9 6FW, TQ13 0HN	0.46	8.60	50.69	0.47	50.23	insufficient market volume	0.07
CMZ_T7A_WM_0010	OU_15, SAOU_DA, SU_HV, SU_SEP, Secure	LD7 1AD, SY7 8QY, SY7 0DD, LD1 6YE, LD7 0AA	0.10	4.10	51.79	0.28	51.69	insufficient market volume	36.00
CMZ_T7B_SWA_0012	OU_15, SAOU_DA, SU_HV, SU_SEP, Secure	CF11 8TX, CF14 1AP, CF15 8BF, CF14 6HU, CF14 2LF	0.35	26.06	64.60	0.38	64.51	insufficient market volume	550.36
CMZ_T8A_EM_0035	Dynamic, OU_15, SAOU_DA, SU_HV, SU_SEP	CV33 9QQ, B95 5LH, CV35 8NY, TR19 6BN, CV34 6PY	2.27	206.66	111.13	3.18	110.32	insufficient market volume	1247.20

CMZ Name	Products	Postcodes**	Contracted in Prior Years (MW)	Forecasted in Delivery Year (MW)***	Total Tendered in Reporting Year (MW)	Total Contracted in Reporting Year (MW)	Total Unmet in Tenders in Reporting Year (MW)	Reasons not met	Dispatched in Delivery Year (MWh)
CMZ_T8A_EM_0038	OU_15, SAOU_DA, SU_HV, SU_SEP, Secure	DE4 3RP, DE55 6BY, DE6 4NU, DE56 2LP, DE22 5JJ	0.44	30.40	54.27	0.51	53.83	insufficient market volume	28.80
CMZ_T8A_EM_0040	Secure	NN5 4EB, NN7 3NT, NN5 6LT, NN7 4BX, NN5 5AL	0.05	4.12	0.03	0.03	0.00		1.06
CMZ_T8A_EM_0042	OU_15, SAOU_DA, SU_HV, SU_SEP, Secure	DN22 9JU, DN22 7WD, DN22 6TH, DN22	0.04	12.78	53.28	0.08	53.21	insufficient market volume	5.31
CMZ_T8A_EM_0043	OU_15, SAOU_DA, SU_HV, SU_SEP, Secure	LE15 9QR, PE29 3DX, PE8 6BS, PE9 0EE, PE9 4TF	0.91	34.02	58.45	1.04	57.54	insufficient market volume	82.35
CMZ_T8A_SWE_0032	SU_SEP, Secure	EX3 0JB, EX6 8XW, EX6 8UB, EX6 8A	0.06	1.59	0.03	0.03	0.00		5.31

CMZ Name	Products	Postcodes**	Contracted in Prior Years (MW)	Forecasted in Delivery Year (MW)***	Total Tendered in Reporting Year (MW)	Total Contracted in Reporting Year (MW)	Total Unmet in Tenders in Reporting Year (MW)	Reasons not met	Dispatched in Delivery Year (MWh)
CMZ_T8A_SWE_0033	OU_15, SAOU_DA, SU_HV, Secure	BS31 1NS, CF81 8ND, CF82 8ED, NP12 3LD, NP82 7NF	0.61	8.09	53.30	0.64	52.70	insufficient market volume	16.57
CMZ_T8A_SWE_0034	OU_15, SAOU_DA, SU_HV, SU_SEP, Secure	BA5 3QA, BS28 4UZ, TA10 9BL, TA11 6	1.43	14.92	55.59	1.67	54.07	insufficient market volume	26.25
CMZ_T8A_SWE_0035	OU_15, SAOU_DA, SU_HV, Secure	BA6 9LJ, BA6 8DY, BA6 8EZ, BA6 9B	0.09	0.65	50.48	0.10	50.38	insufficient market volume	0.18
CMZ_T8A_SWE_0037	OU_15, SAOU_DA, SU_HV, Secure	EX15 1RX, EX4 0AT, EX5 3HD, EX7 9EP, EX2 8SW	0.49	11.31	56.29	0.58	55.75	insufficient market volume	47.28
CMZ_T8A_SWE_0039	Dynamic, OU_15, SAOU_DA, SU_HV	BS1 6RT, BS14 8AN, BS4 5BT, BS5 9PT, BS99 7AU	0.62	102.20	60.48	0.74	59.86	insufficient market volume	52.58

CMZ Name	Products	Postcodes**	Contracted in Prior Years (MW)	Forecasted in Delivery Year (MW)***	Total Tendered in Reporting Year (MW)	Total Contracted in Reporting Year (MW)	Total Unmet in Tenders in Reporting Year (MW)	Reasons not met	Dispatched in Delivery Year (MWh)
CMZ_T8A_WM_0015	OU_15, SAOU_DA, SU_HV, SU_SEP, Secure	GL20 7AQ, GL54 5PN, GL54 5DF, GL2	0.41	11.18	56.56	0.41	56.52	insufficient market volume	43.83
CMZ_T9A_EM_0050	OU_15, SAOU_DA, SU_HV	LE16 8UN, LE18 4WB, LE19 1HZ, LE2 6UL, LE3 3TP	0.08	11.91	50.15	0.09	50.07	insufficient market volume	0.02
CMZ_T9A_EM_0051	Dynamic, OU_15, SAOU_DA, SU_HV, SU_SEP	LE17 6JY, LE17 5QQ, LE17 6LX, LE17	0.34	9.60	55.24	0.41	55.18	insufficient market volume	136.75
CMZ_T9A_EM_0054_G	SAOU_DA, SU_SEP	DE11 7BA, DE12 6DB, DE13 8SN, DE12 8HJ, CV8 3QF	0.73	3.64	2.82	0.41	2.45	insufficient market volume	-1066.18
CMZ_T9A_EM_0055_G	SAOU_DA, SU_SEP	DN22 0LD, NG22 0BF, NG6 8AN, NG23 6UF, NG23 5DE	1.37	2.77	2.06	1.19	1.37	insufficient market volume	-459.08

CMZ Name	Products	Postcodes**	Contracted in Prior Years (MW)	Forecasted in Delivery Year (MW)***	Total Tendered in Reporting Year (MW)	Total Contracted in Reporting Year (MW)	Total Unmet in Tenders in Reporting Year (MW)	Reasons not met	Dispatched in Delivery Year (MWh)
CMZ_T9A_EM_0058	OU_15, SAOU_DA, SU_HV, SU_SEP	NG24 4NS, NG24 3PQ, NG24 3SD, NG24	0.07	9.85	53.71	0.13	53.59	insufficient market volume	6.00
CMZ_T9A_EM_0059	Dynamic, OU_15, SAOU_DA, SU_HV, SU_SEP	NN9 6SG, NN14 4XE, NN10 8PH, NN14 3J	0.53	108.17	95.55	0.65	95.55	insufficient market volume	11.14
CMZ_T9A_EM_0061	OU_15, SAOU_DA, SU_HV, SU_SEP	B77 4JA, LN6 8FE, MK44 1AJ, NN10 0AS, PE9 2BJ	0.57	46.70	53.38	0.59	52.80	insufficient market volume	1.79
CMZ_T9A_EM_0062	OU_15, SAOU_DA, SU_HV, SU_SEP	NN14 2QA, NN15 6DS, NN14 2WP, NN16	0.30	44.93	73.68	0.54	73.47	insufficient market volume	20.23
CMZ_T9A_EM_0064	OU_15, SAOU_DA, SU_HV, SU_SEP	PE20 3RE, PE20 3NL, PE22 7BZ, PE22 7	0.07	1.20	50.69	0.09	50.62	insufficient market volume	0.69

CMZ Name	Products	Postcodes**	Contracted in Prior Years (MW)	Forecasted in Delivery Year (MW)***	Total Tendered in Reporting Year (MW)	Total Contracted in Reporting Year (MW)	Total Unmet in Tenders in Reporting Year (MW)	Reasons not met	Dispatched in Delivery Year (MWh)
CMZ_T9A_EM_0076	Dynamic, OU_15, SAOU_DA, SU_HV, SU_SEP	MK16 0AZ, MK16 8AY, MK16 9EZ, MK16 0J	0.17	28.68	63.08	0.19	62.97	insufficient market volume	6.13
CMZ_T9A_EM_0082	Dynamic, OU_15, SAOU_DA, SU_HV, SU_SEP	B77 3AP, B78 1DW, B79 9EX, CV10 0RB, CV13 6BA	0.40	32.00	63.60	0.45	63.31	insufficient market volume	162.94
CMZ_T9A_EM_0083	OU_15, SAOU_DA, SU_HV, SU_SEP	NN12 6DS, NN12 8QD, NN12 6JW, NN12 9S	0.73	20.09	59.26	0.73	58.53	insufficient market volume	62.14
CMZ_T9A_SWA_0017	OU_15, SAOU_DA, SU_HV	SA1 1SN, SA4 4BX, SA5 4NW, SA5 7NB, SA4 3JQ	0.59	22.31	50.96	0.59	50.40	insufficient market volume	0.10
CMZ_T9A_SWE_0040	OU_15, SAOU_DA, SU_HV, SU_SEP	EX10 9HE, EX10 0RJ, EX10 0NU, EX10	0.19	7.30	52.69	0.21	52.51	insufficient market volume	18.47

CMZ Name	Products	Postcodes**	Contracted in Prior Years (MW)	Forecasted in Delivery Year (MW)***	Total Tendered in Reporting Year (MW)	Total Contracted in Reporting Year (MW)	Total Unmet in Tenders in Reporting Year (MW)	Reasons not met	Dispatched in Delivery Year (MWh)
CMZ_T9A_SWE_0041	OU_15, SAOU_DA, SU_HV, SU_SEP	TQ12 1LR, TQ13 7JW, TQ11 0JQ, PL8 1AY, PL4 9NH	16.35	188.23	63.44	59.26	56.84	insufficient market volume	45.57
CMZ_T9A_SWE_0042	OU_15, SAOU_DA, SU_HV, SU_SEP	TQ12 1AE, TQ12 2NU, TQ12 3SG, TQ12 4TY, TQ12 5NE	0.50	8.27	51.37	0.51	50.87	insufficient market volume	0.29
CMZ_T9A_SWE_0043	OU_15, SAOU_DA, SU_HV, SU_SEP	BS11 8AT, BS21 5AL, BS4 4AY, BS8 2JS, BS48 2NN	0.68	11.35	56.68	0.78	55.99	insufficient market volume	32.08
CMZ_T9A_SWE_0045	OU_15, SAOU_DA, SU_HV, SU_SEP	PL20 7SX, PL6 7DH, PL8 2AG, PL9 7BL, PL7 1QW	0.24	26.42	50.33	0.33	50.08	insufficient market volume	0.28
CMZ_T9A_SWE_0047_G	SAOU_DA, SU_SEP	PL24 2SS, PL30 5QA, PL26 8TU, PL26 7XL, PL30 5BZ	0.33	33.16	1.42	0.19	1.25	insufficient market volume	-54.19

CMZ Name	Products	Postcodes**	Contracted in Prior Years (MW)	Forecasted in Delivery Year (MW)***	Total Tendered in Reporting Year (MW)	Total Contracted in Reporting Year (MW)	Total Unmet in Tenders in Reporting Year (MW)	Reasons not met	Dispatched in Delivery Year (MWh)
CMZ_T9A_SWE_0049	OU_15, SAOU_DA, SU_HV, SU_SEP	EX14 9AL, TA19 9LW, TA3 7EF, TA1 4PE, BA22 8JF	0.69	28.57	51.98	0.83	51.29	insufficient market volume	0.91
CMZ_T9A_SWE_0050	OU_15, SAOU_DA, SU_HV, SU_SEP	EX20 4NZ, PL16 0HU, PL19 8EW, PL20 7DN, TR6 0PB	0.36	27.19	52.58	0.44	52.22	insufficient market volume	9.98
CMZ_T9A_SWE_0052	OU_15, SAOU_DA, SU_HV, SU_SEP	BA20 2HQ, BA22 9PB, TA18 7QY, BA21 3RL, DT8 3LE	0.33	33.16	53.19	0.41	52.85	insufficient market volume	4.10
CMZ_T9A_WM_0016	OU_15, SAOU_DA, SU_HV, SU_SEP	B17 0DE, B32 4LR, B31 5SA, B29 5QU, B13 0HU	0.45	41.01	60.99	0.60	60.54	insufficient market volume	27.90

CMZ Name	Products	Postcodes**	Contracted in Prior Years (MW)	Forecasted in Delivery Year (MW)***	Total Tendered in Reporting Year (MW)	Total Contracted in Reporting Year (MW)	Total Unmet in Tenders in Reporting Year (MW)	Reasons not met	Dispatched in Delivery Year (MWh)
CMZ_T9A_WM_0017	Dynamic, OU_15, SAOU_DA, SU_HV, SU_SEP	BA2 7WW, GL11 6AD, GL12 8AE, GL9 1AE, SN14 6QT	0.81	43.89	59.96	0.91	59.07	insufficient market volume	55.06
CMZ_T9A_WM_0018	Dynamic, OU_15, SAOU_DA, SU_HV, SU_SEP	GL10 2BD, GL2 7JH, GL20 7QB, GL2 2RG, GL10 8AY	0.26	32.85	64.47	0.27	64.40	insufficient market volume	151.14
CMZ_T7A_SWE_0029	OU_15, SAOU_DA, SU_HV, Secure	TR14 0AG, TR14 8LT, TR20 9AA, TR27 5BU, TR4 8PA	0.00	2.26	0.01	0.02	0.01	insufficient market volume	0.00

*** This is a high level view of the post codes, condensed to allow for visibility on this table. The list of full postcodes is available in our requirements publications on the connected data portal.*

**** Tender & Contracted volumes may show zero where tenders were for subsequent delivery years. Full details can be found in the supporting data*

It should be noted that due to our process for the identification of network needs, and assessing the value of flexibility services, we expect deviations from the forecasts in our Procurement Statement. This could be due to a number of reasons including:

- The identification of new network requirements,
- Customer driven works,
- Under subscription of the services,
- Over subscription of the services (especially where volume is only available in large increments),
- Over/under delivery by participants,
- Pricing changes due to competition, &
- Inherent forecasting inaccuracies.

2.2. When we procured services

As outlined in section 3 of our Procurement Statement for 2025/26, we planned to undertake one annual procurement round for long-term flexibility within the calendar year, alongside our weekly short-term trades. Availability was secured through the long-term procurement broadly in line with the timelines outlined in the Procurement Statement, with minor amendments to the response deadlines and the timing of award notifications. These adjustments reflected changes to our processes as long-term trades transitioned from the Flexible Power Portal (FPP) to the Market Gateway (MG) platform simplifying end-to-end trading and improving the user experience to support scalable, efficient participation in our flexibility markets. Long-term trades were published as planned, and the extended response window provided FSPs with additional time to familiarise themselves with the new processes and to submit bids.

Table 4 - Long Term trade calendar

8th Sept 25[1]	We published flexibility locations and requirements for: - Long Term Scheduled Availability-Operational Utilisation (SAOU_DA) service - Low Voltage Scheduled Utilisation (SU) service - Operational Utilisation (OU_15) service
29th Sept 25	Trade Opportunities for FSPs open
1st Dec 25	Deadline for Trade Responses
26th Jan 26	Trade Awards announced

2.3. Short term procurement

In addition to the Long-Term procurement, our Short-Term trades functioned within a week-ahead timeframe. FSPs provide us with their assets' availability, capacity, and utilisation prices. These offers are matched against requirements to supplement the long-term volumes already procured to address the relevant network needs, and are manually cleared in accordance with our dispatch principles outlined in 4.2. Flexibility Service Selection. The key dates for short-term procurement are set out below. In March 2026, we began transitioning short-term procurement from week-ahead to day-ahead, initially launching day-ahead

[1] We published requirements on our Connected Data Portal on 8th September and on Market Gateway on 15th September.

procurement in a small number of zones alongside the existing week-ahead process. From April 2026, week-ahead procurement was fully retired, with day-ahead procurement becoming the primary mechanism for short-term flexibility.

Table 5 - Weekly Short-term flexibility procurement timeframe

Gate opens on Market Gateway	Delivery Day	Final bid cut off	Bid deadline	Trades outcomes communicated via Market Gateway and Flexible Power Portal
Thursday the week before (From 11:00)	Tuesday - Friday	Day before (D-1)	Every day by 12:00	Same day from 15:00
Thursday the week before (From 11:00)	Saturday	Friday	Friday by 12:00	Friday from 15:00
Thursday the week before (From 11:00)	Sunday	Friday	Friday by 12:00	Friday from 15:00
Thursday the week before (From 11:00)	Monday	Friday	Friday by 12:00	Friday from 15:00

This year we have also introduced the Joint Utilisation Competition (JUC), enabling providers to participate through both long-term and short-term markets, reducing costs through smarter market design. Previously, FSPs with long-term contracts could not offer the same assets at lower prices in short-term markets, limiting competition and raising costs. The JUC enables increased competition and better asset use and is estimated to have saved consumers £20,700 in the regulatory year. This scalable mechanism also builds market confidence via improved price discovery and increased efficiency. It provides FSPs with confidence to commit to long term contracts without losing access to short term market opportunities, benefitting both consumers and FSPs.

3. Stakeholder Engagement

3.1 Engagement around Flexibility requirements

Our tendering processes have been designed to be objective, transparent, and market-based. They aim to be as straightforward as possible while ensuring compliance with the Utilities Contract Regulations, which impose strict requirements on how utilities procure services. Since 2019, we have utilised a Dynamic Purchasing System (DPS) to maintain a register of all pre-qualified parties, allowing them to tender for all our published procurement cycles.

In April 2023, we enhanced our tendering processes to align with the framework contract approach adopted by the NESO. As a result, we have implemented a system where market participants are pre-qualified and awarded an overarching contract before they can bid for trade opportunities. This change has enabled us to procure services across both long and short-term timeframes and will facilitate even closer to real-time procurement in the future.

This process continues to utilise a DPS and is divided into an initial qualification phase, during which formal procurement is conducted to award an overarching contract. Following this, ongoing technical qualification and trading can occur at any time. This process is managed through our online Market Gateway, which we launched in April 2023 to digitise our end-to-end procurement process and enhance platform and marketplace interactions.

In September 2025 trades have been migrated to our Market Gateway leaving the Delivery in Flexible Power. The whole process and its associated platforms can be seen in more detail in Figure 1.

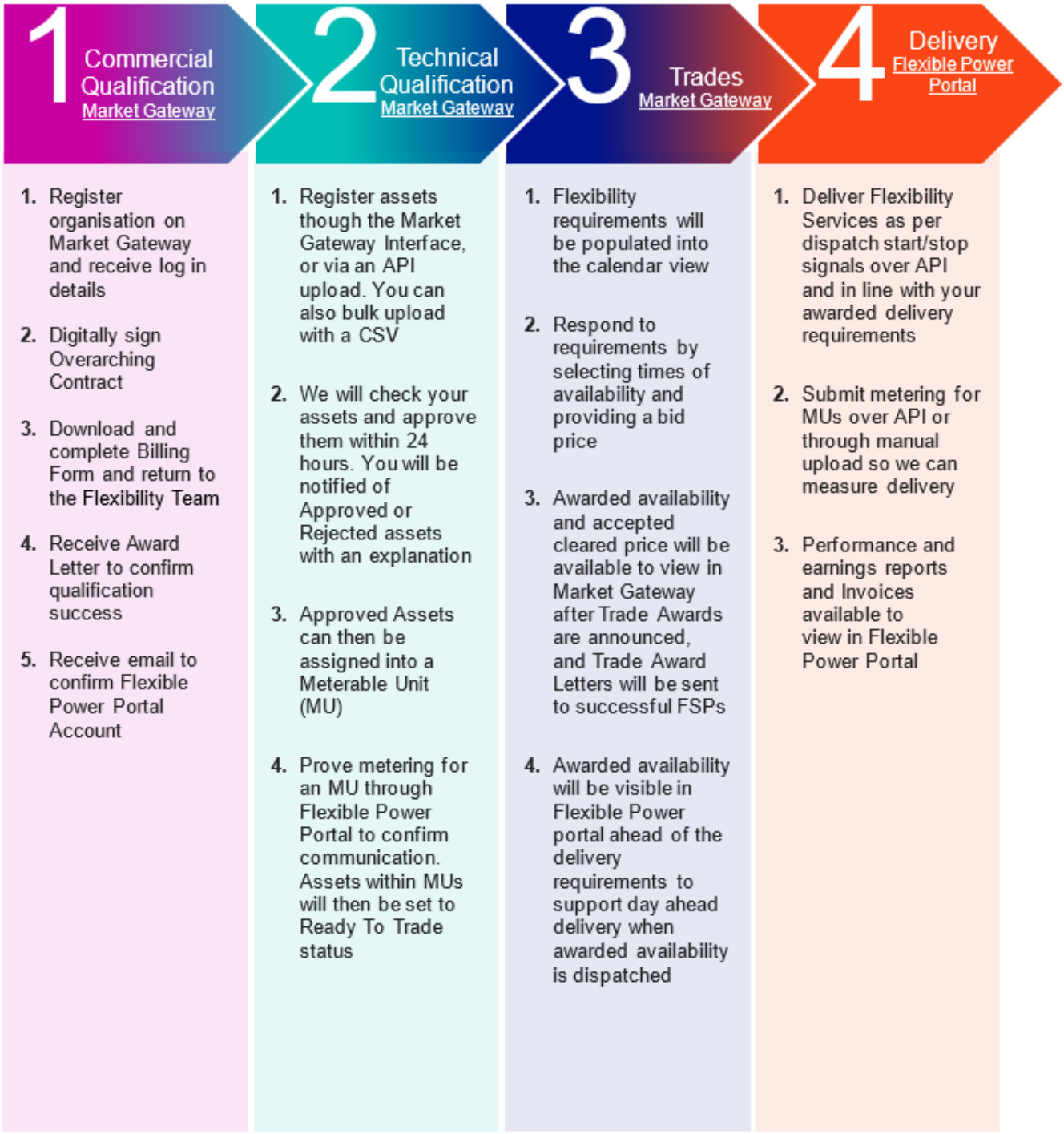


Figure 1: Overview of our qualification and trading processes

Our procurement activities were supported by various promotional initiatives aimed at maximising participation, along with feedback processes that enable us to continually enhance our procedures. Information regarding our pre-qualification requirements, as well as all other relevant details, were made available on the Flexible Power Website. We have summarised the complete list of relevant documents in Appendix 2: Data and Publications.

The publication of our requirements was accompanied by promotional efforts to raise market awareness and encourage participation. This included outreach through our update service list, social media posts, webinars, surgeries, one to one engagement, and the attendance of relevant events. These efforts target a diverse range of stakeholders to ensure that all interested parties are informed about the trade opportunities and the necessary responses required.

Over the past year we have delivered 3 flexibility webinars, over 40 flexibility surgery and market introduction meetings and 7 meetings with local authorities. We also hosted two industrial roundtables in South Wales and West Midlands with our DNO counterparts where we provided information on how industrial sites could participate in our markets.
This engagement has included a broad range of stakeholders, including, aggregators, energy suppliers, Market Facilitator, regulatory bodies, technology providers, energy managers and local authorities.

We have also launched a new flexibility focus group, and have held 3 events (1 online and 2 in person), which have been met with positive feedback, with one participant noting that “The feedback loop of focus group discussions being implemented or updated and then presented in further focus groups is great to see.”

Our efforts over the last 12 months have led to a tripling of market participation levels (number of FSPs responding to trades within the regulatory period) versus the previous year, and the doubling of assets registered by FSPs.

To achieve this success, this year’s engagement programme had three focuses:

- To motivate FSPs to enter our markets.
- To find and remove barriers to entry.
- To boost the profile of flexibility services throughout the sector.

Core to our approach is direct engagement, which we delivered through targeted webinars for our FSPs ahead of major milestones (including our day-ahead launch and long-term procurement round), event hosting or attendance, and focus on bilateral meetings.

Figure 2 illustrates the publication pathway that supports the RIIO-ED2 deferral use case. The process begins with models and forecasts, which feed into network analysis. Engineers then identify and assess potential options, from which schemes suitable for flexibility are selected. Flexibility-related publications sit at the end of this process and are brought together in a single location on the Connected Data Portal.

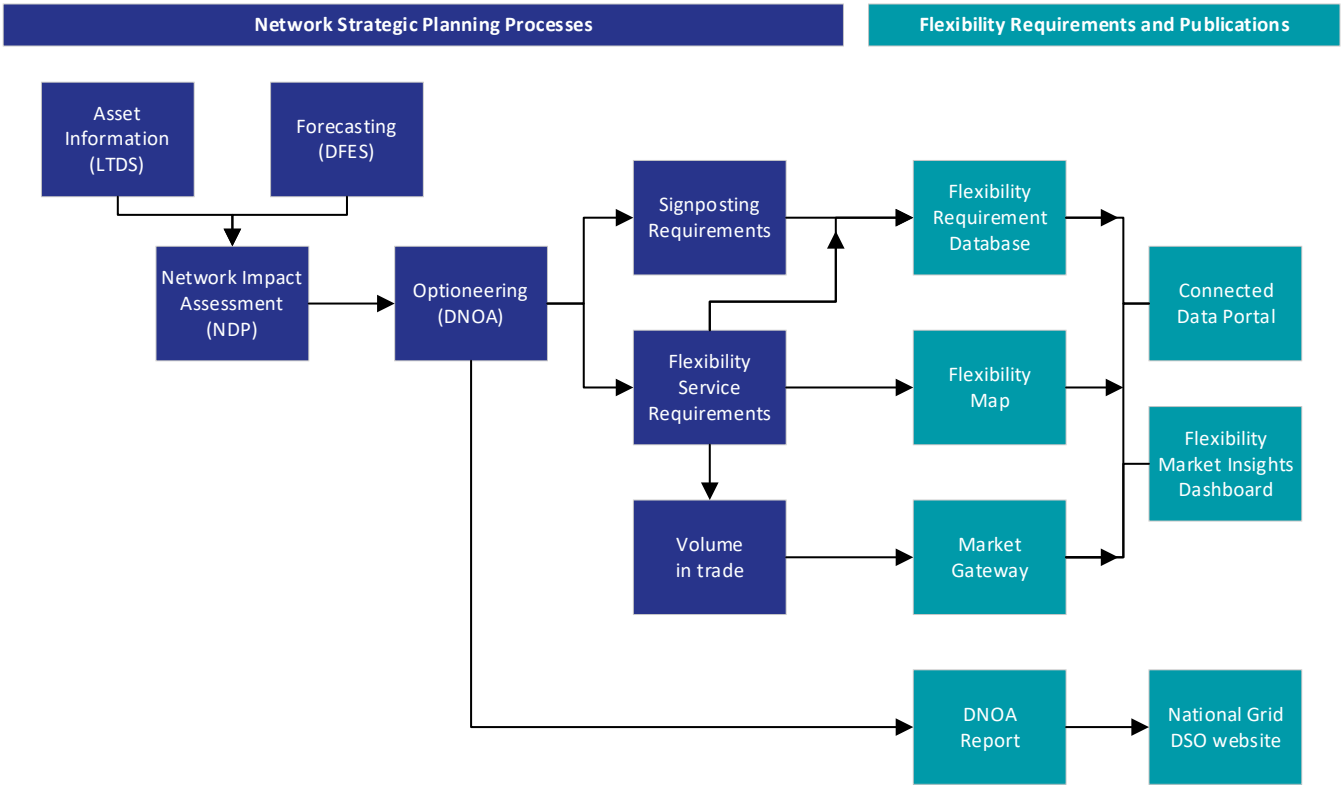


Figure 2: Network Requirement Publications

Once the long-term procurement round is completed, we focus on gathering feedback on how we can enhance our publication of requirements and the DNOA process.

Stakeholder Engagement outlines the engagement we undertook regarding the services we procure.

We are always seeking ways to improve this process and ensure that our engagement is accessible and meaningful. If there are any suggestions we should consider, please let us know.

3.2 Engagement with Market Facilitator, NESO and DNOs

We recognise that we are one participant within an increasingly complex energy market and therefore place strong emphasis on collaboration with other system operators. A key part of this is our active involvement in the implementation of the Flexibility Market Rules developed by the Market Facilitator. Elexon, in its role as Market Facilitator, has established a set of rules, initially agreed through the Open Networks programme, to standardise flexibility markets and simplify participation for Flexibility Service Providers (FSPs).

Over the past year, NGED has contributed to consultations on both the Flexibility Market Rules and the associated governance arrangements, and continues to support their ongoing development and improvement. NGED complies with all Flexibility Market Rules, with approved derogations currently in place for elements of the Pre-Qualification Criteria and the Standard Baseline Methodologies.

Through enhanced coordination and real-time data sharing with NESO we have achieved reduced conflicts, increased DER participation in national markets, improved operational visibility, and underpinned more secure, optimised whole-system operation across transmission and distribution networks.

Engagement highlights across this regulatory year include:

- **Market coordination and revenue stacking:** We have progressed coordination and stacking by setting out a clear roadmap for market alignment and a framework that enables a single asset to stack revenues across multiple markets. NGED has actively contributed to the ENA Revenue Stacking Working Group and continues to lead discussion through the newly launched Market Facilitator stacking working group.

- **ED3 Approach to Flex:** NGED chairs the ED3 Approach to Flex Task & Finish Group, leading the development of robust, outcome-focused flexibility use cases for ED3.

- **FMAR working group participation:** NGED is sharing its expertise from the development of Piclo integration and the Market Gateway, actively shaping future direction based on this experience.

- **Primacy and conflict management:** We have led the Open Networks Primacy Working Group, which has transitioned into the Market Facilitator. During 2025/26 we continued to provide thought leadership and support delivery of Market Facilitator objectives. This includes the launch of an enhanced Risk of Conflict (RoC) report, extending its application beyond MW Dispatch assets.

- **MW Dispatch and NESO collaboration:** The MW Dispatch initiative, launched with NESO in the South West, enables NESO to instruct distribution-connected DER for national system operation. Building on this, we are developing wider use cases across our network, including the joint Reactive-power Injection Operability Trial (RIOT) to address voltage challenges at the transmission–distribution boundary.

- **FlexUp development:** Following the launch of FlexUp, we engaged bilaterally with DESNZ on applicability to Scotland and shared insights with NESO on incorporating the full value of carbon into dispatch decisions, supporting the development of its own turn-up service.

- **Crowdflex (NESO):** NGED supported Crowdflex, a NESO-led project providing control room insight into the behaviour of flexibility services. The project supported improved understanding of peak demand, network constraints and balancing challenges, contributing to lower customer bills, reduced system costs, increased demand-side participation, greater use of renewables and lower carbon emissions.

- **Leadership and recognition:** NGED's Head of Flexibility Markets was appointed to the Market Facilitator Stakeholder Advisory Board, and our Managing Director, Cathy McClay, was appointed National Flexibility Commissioner—recognising NGED's leadership and commitment to scaling flexibility markets.

3.3. Engagement about products and process

In addition to our engagement with NESO and other DNOs, we actively sought direct feedback from a broad range of stakeholders on our service procurement and operational processes. This included market participants involved in procurement, delivery and operations, as well as wider industry stakeholders. Feedback received has directly informed enhancements to our systems, processes and market design.

Over the last year, this has included the following:

- **Flexibility Focus Group:** We established a new Flexibility Focus Group to strengthen structured, ongoing engagement with industry stakeholders. The group has directly influenced market design decisions, including alignment of the Day Ahead trade closure timeline with UKPN, improving cross-DNO consistency and supporting whole-system efficiency. The Focus Group is now a core part of our engagement model and evidence base for future market development.

- **Making flexibility Accessible:** We partnered with the Centre for Sustainable Energy (CSE) to better understand barriers faced by households in vulnerable circumstances. This work identified and published a set of situational barriers to participation and informed our landmark Making Flexibility More Accessible report, drawing together 18 months of evidence, analysis and delivery actions. Key outcomes included the introduction of storage heating as a new asset category and the establishment of the first participation baseline for households in vulnerable circumstances, providing a foundation for ongoing monitoring and improvement.

- **Market Gateway improvements:** Enhancements to our Market Gateway, including bulk asset upload, the ability to decommission assets, and migration of all trades, were delivered in direct response to stakeholder feedback, reducing friction and improving operational efficiency.

- **Market Insight Reports:** We published Market Insights reports (an interim Winter report and a full Summer report), providing transparency on market performance and actionable insights for participants.

- **FlexPortal launch**: Building on the Market Insights reports, we launched the FlexPortal in collaboration with Squid. Using interactive maps and a narrative-led approach, the portal brings underlying data to life, encouraging deeper engagement and enabling stakeholders to extract greater value from our reporting.

- **Flexibility Market Dashboard:** We introduced a new Flexibility Market Insights Dashboard within our Data Portal, providing up-to-date snapshots of market activity. This enables Flexibility Service Providers and other stakeholders to access the latest information, supports informed decision-making, and improves ongoing engagement with our markets.

3.4. Contact details

We have a wide range of options for engaging with stakeholders as highlighted above and more information can be found on our website with links and guides on how to become a provider, comprehensive guides and help and guidance documents.

To join our Update Service please sign up using our contact form: Contact NGED.

You can also contact us directly at NGED.Flexiblepower@nationalgrid.co.uk.

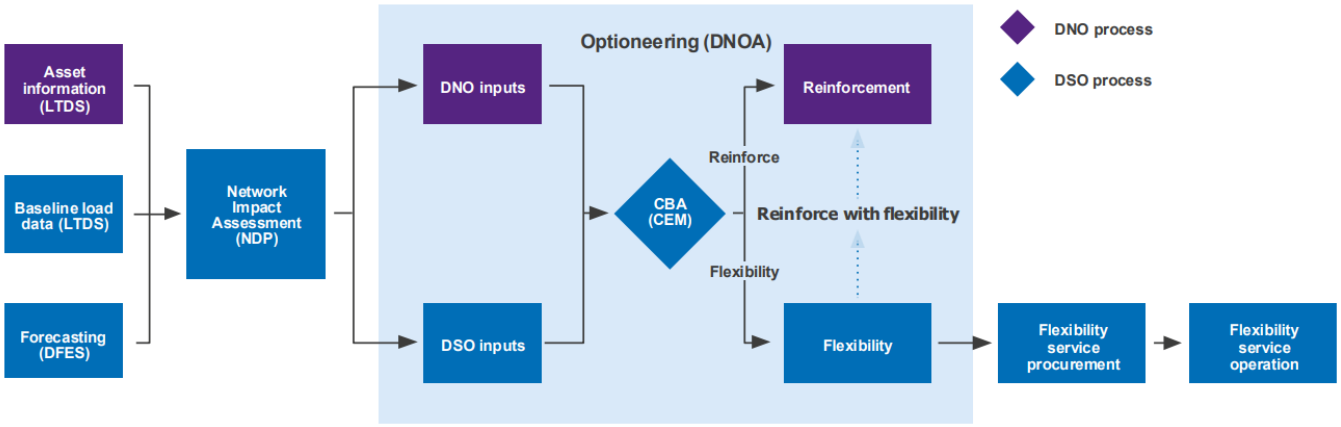
A full list of documents is covered in Appendix 2: Data and Publications.

4. Economic Viability

4.1 Flexibility Service Requirements

As highlighted in section 5.1 of our Procurement Statement, we have a robust process for the assessment of Flexibility Needs.

Our Long Term Development Statement (LTDS) highlights the assets that make up our network. Feeding in the forecasting of Load Growth from our Distribution Future Energy Scenarios (DFES) allow us to understand how the loadings on the network will change. This feeds into an evaluation of the limitations on the network in the Network Development Plan (NDP). The Distribution Network Options Assessment (DNOA) process then compares the options for managing any potential constraint. Built around the ENA's Common Evaluation Methodology, this assesses the most effective routes forwards. The optimum solutions from the DNOA then feeds into our Procurement of Flexibility Services.



Key

LTDS: Long Term Development Statement
DFES: Distribution Future Energy Scenarios
NDP: Network Development Plan
DNO: Distribution Network Operator
DSO: Distribution System Operator
CBA: Cost Benefit Analysis
CEM: Common Evaluation Methodology

Figure 3: Determining Flexibility Requirements

The summary in Figure 4 highlights the breakdown of the investment decisions for all the schemes from our latest DNOA document.

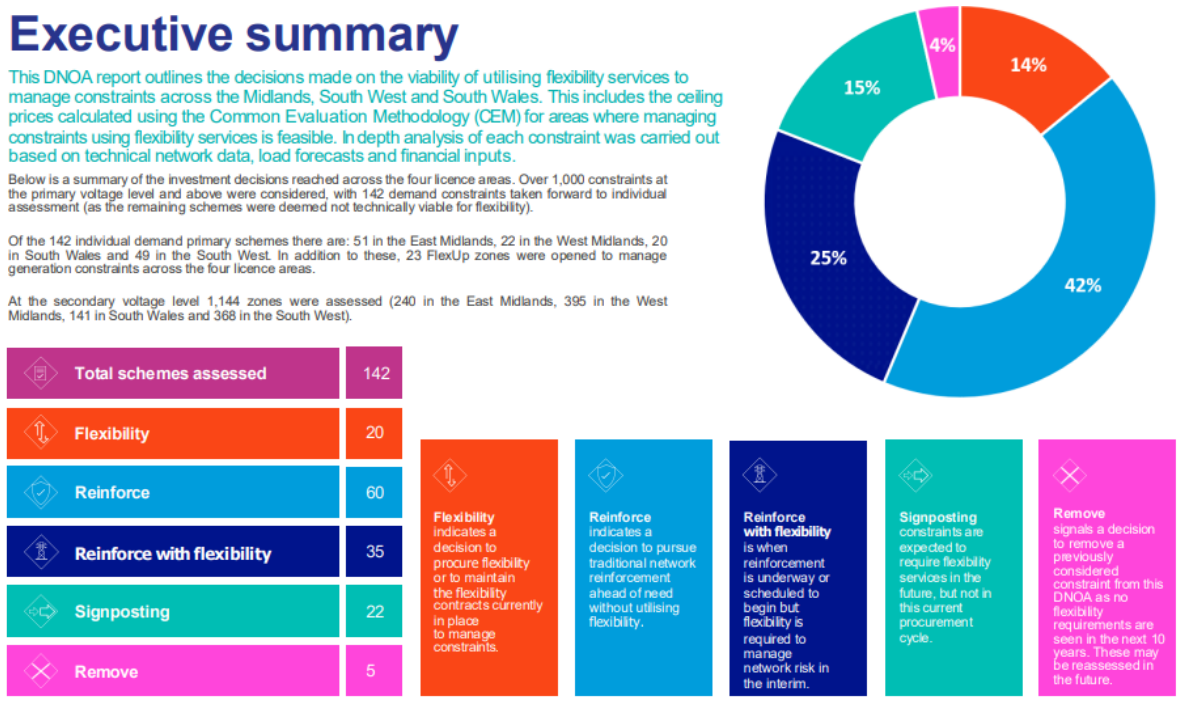


Figure 4: Latest DNOA summary

Further details are available in the latest DNOA document (Distribution Network Options Assessment), including the areas selected for procurement.

4.2. Flexibility Service Selection

As highlighted in section 5.2 of our Procurement Statement, we have a detailed process for procurement of Flexibility Services, including a clear methodology for how we select which services to procure and then instruct for dispatch.

Our approach to dispatching flexibility services is based on the guiding principles established by the ENA through the Open Networks Project. These principles were initially developed by NGED in 2019 and shared within Open Networks in 2020 for collaborative enhancement, aiming to standardise dispatch and settlement processes across DNOs. We have been instrumental in shaping these principles, which have since been incorporated into our operational practices.

Our Operational Decision Making Framework (ODMF), updated in March 2026, provides transparency to our customers of our dispatch logic and delivers efficient and consistent decision making by considering our technical, operational, and commercial needs together with those of our customers.

Service Selection Principles - Demand Constraints

For demand constraints, where network equipment capacity is insufficient to meet peak demand, the priority is to reduce demand or increase generation to relieve stress on network assets. This helps mitigate the risk of equipment failure and prevents potential faults and supply interruptions.

Table 6: Demand constraints Service Selection Principles

Priority	Name	Description
1	Network Capability	Network and system frequency integrity requirements must be met, supported by appropriate flexibility services.
2	Customer Security	The ability to meet customer demand and accept customer export under both normal and outage network conditions.
3	Value	Flexibility services will be procured and operated to deliver cost-effective outcomes.
4	Market Resilience	Where multiple suitable services are available at similar costs, dispatch will be shared among providers.

Service Selection Principles – Generation Constraints

For Generation constraints, where network demand is insufficient to consume the volume of generation, the priority is to increase demand to maximise the consumption of local clean energy at the times when it is most abundant, reducing the likelihood of clean generation being curtailed.

Table 7 - Generation Constraints Service Selection Principles

Priority	Name	Description
1	Network Capability	Network and system frequency integrity requirements must be met, supported by appropriate flexibility services.
2	Customer Security	The ability to meet customer demand and accept customer export under both normal and outage network conditions.
3	Use-Case Merit	Where multiple suitable services are available, we will prioritise those that best address the constraint use case.
4	Value	Flexibility services will be procured and operated to deliver cost-effective outcomes.
5	Market Resilience	Where multiple suitable services are available at similar costs, dispatch will be shared among providers.

As we introduce new flexibility use cases, our dispatch principles continue to evolve to ensure they remain fit for the future. These principles play an increasingly critical role in supporting efficient, reliable, and scalable flexibility delivery. They are designed to provide:

- **Consistency and Scalability:** A consistent decision-making approach across diverse scenarios, enabling effective application as both our operational experience and the range of flexibility use cases grow.
- **Scenario Analysis:** A structured framework that supports testing of hypothetical scenarios to improve system understanding and continuously refine fixed rules.

- **Transition to Automation:** The development of rules-based decision-making processes as our operational knowledge matures, enabling faster, more consistent dispatch decisions and streamlined operations.

By embedding these principles into our flexibility decision-making frameworks, we can deploy flexibility more effectively to meet our objective of reliably delivering the electricity our customers need, when they need it. At the same time, this approach supports the development of a fair, transparent, and competitive flexibility market that is attractive to providers and encourages participation. Increased competition drives down the cost of operating flexibility, delivering improved value and supporting our objective of an efficient electricity system through reduced overall flexibility costs.

4.3 Market Assessment

As outlined in the Stakeholder Engagement section, we have engaged regularly with stakeholders to ensure that our flexibility products, processes and data remain relevant, accessible and valuable.

Our engagement activities during the year included:

- Providing opportunities for feedback following publication of the Distribution Network Options Assessment (DNOA).
- Enabling Flexibility Service Providers (FSPs) to engage directly with market development and product design through our newly launched Flexibility Focus Group.
- Inviting feedback following our long-term procurement round.
- Participating in Market Facilitator Rules consultations, working groups and wider industry engagement.
- Delivering dedicated flexibility webinars and hosting flexibility surgeries.

This engagement has directly informed a number of market developments, including:

- Full end to end delivery of Market Gateway, from commercial qualification through to trade execution.
- The introduction and scaling of our new FlexUp service, extending flexibility procurement to our largest geographic footprint to date, covering around 50% of our network.
- Enhancements to Market Gateway functionality, including bulk asset uploads and asset decommissioning.
- Improved data visualisation through the Connected Data Portal, alongside collaboration with Squid to provide alternative GIS and flexibility market views, helping FSPs more easily identify opportunities and assess the potential to stack services across zones.
- Alignment of Day Ahead trade closure times with UK Power Networks, following Flexibility Focus Group feedback, improving market consistency and supporting whole system efficiency.

In-depth stakeholder engagement has also shaped our Flexibility Roadmap**,** with feedback gathered through the Flexibility Focus Group and structured discussions at our March DSO flagship event providing clear evidence of stakeholder priorities and customer needs.

We have also taken into account the impact on the Total System by:

- Collaboratively developing and implementing the Market Facilitator Rules with other System Operators, the Market Facilitator and wider industry.
- Proactively engage with Elexon through the Stakeholder Advisory Board.
- Engage with the Clean power 2030 Advisory Commission by having our Managing Director as the Flexibility Commissioner

5. Carbon Reporting

Following our initial quantification of the carbon impact on our services, a common methodology was developed by the Open Networks project in WS1A P7 and lately adapted to a Flexibility Market Rule by Elexon. The latest rule can be found here.

This uses a similar basis to our previous methodology, but adds an additional consideration of the consequential carbon impact. These are summarised in the Methodology below:

5.1 Methodology

Below follows the methodology according to the Flexibility Market Rule: Carbon Reporting Methodology. DNOs will perform the calculation by technology category without input from providers, except to confirm the technology category where required.

The calculation includes direct (such as fuel combustion) and consequential carbon impacts (such as battery charging) but excludes indirect impacts (such as embedded emissions in the materials).
The general formula varies by generation, storage (export), and demand / storage (imports).

In the formulae:

- **kWh** is the energy delivered (as opposed to requested) measured at the site of the resource;
- **η** is the energy conversion efficiency of the generator *g* or storage *s;*
- **EF** is the fuel emission factor;
- **GI** is the grid intensity factor at import i, export e, or at turndown td; and
- **Payback %** is the consequential increase in load or generation following a turn-down or turn-up event respectively.

Table 8 - Formulae for generation, storage (export), and demand/storage (import)

Solution	Export increase / import decrease	Export decrease / import increase
Generation	Combustion of fuel (direct) = **+kWh/η_g x EF** displace grid generation (consequential) = **-kWh x GI**	Reduced combustion of fuel (direct) = **-kWh/η_g x EF** replaced by more grid generation (consequential) = **+kWh x GI**
Storage (export)	Input energy (consequential) = **+kWh/η_s x GI_i** (if from grid), or **+(kWh/η_s)/η_g x EF** (if from generator) displace grid generation (consequential) = **-kWh x GI_e**	Replaced by more grid generation (consequential) = **+kWh x GI** displace grid generation (consequential) = **-kWh x GI**
Demand or Storage (import)	Reduced grid imports (direct) = **-kWh x GI_{td}** increased grid imports (consequential) = **+kWh x payback% x GI_i**	Increased grid imports (direct) = **+kWh x GI** reduced grid imports (consequential) = **-kWh x payback% x GI**

Notes

Generation

- When a generator is instructed to export it burns more fuel and displaces the marginal grid generation.
- When a generator is instructed to reduce exports, it burns less fuel with the reduction replaced by an increase from the marginal grid generation. For a renewable generator assume a zero EF.
- If the generator is displacing imports, the carbon impact is the same as the equivalent amount exported directly to the grid.
- For bioenergy, report on both inclusive and exclusive of biogenic CO2 released during burning of biomass and biofuels by using the relevant emission factors.

Storage (export)

- When storage is instructed to increase exports, it displaces the marginal grid generation. The source of that energy and the efficiency of energy conversion is also counted.
- When storage is instructed to reduce exports, the calculation assumes a temporal shifting of that export.
- If storage input energy is physically supplied from a renewable generator assume zero carbon, this does not apply to non-physical supplies of low carbon electricity, which should assume grid intensity.
- If storage discharge is displacing imports, the carbon impact is the same as the equivalent amount exported directly to the grid.
- Where DNOs are unsure whether storage is providing export increase or import reduction, use the storage calculation. This ensures carbon impacts are not underestimated and incentivises additional information to be provided.

Demand / storage (import)

- When demand or storage is instructed to reduce imports, the avoided energy is met by a reduction in marginal grid generation. There is a consequential rebound in load known as payback.
- When demand or storage is instructed to increase imports, the additional energy is supplied by the marginal grid generation. There is a consequential reduction in imports after the event, an equivalent to “payback.”
- If demand is shifted, such as deferred EV charging, then payback% is 100%. This should be the default assumption where classification is uncertain.
- For genuine turn down (reduction) events, 21% is the assumed payback%, which should be evidenced. This ensures carbon impacts are not underestimated and incentivises additional information to be provided. For import increase the payback% assumption is 100%.
- Where DNOs are unsure whether storage is providing export increase or import reduction, use the Demand/storage (Import) calculation. This ensures carbon impacts are not underestimated and incentivises additional information to be provided.

Short-run or Long-run grid intensity

- Decide by persistence and pick the grid-intensity factor based on whether the intervention changes the baseline for years (LR) or is a temporary dispatch (SR).
- Use SR for event-based flexibility (turn-up/turn-down, battery cycles, short campaigns) where impacts don’t persist beyond the event window. If in doubt, default to SR.
- Use LR only where there’s evidence of a sustained, multi-year shift in demand or generation (e.g., efficiency measures or enduring scheduled services that alter the baseline).

Table 9 - Carbon Conversion Factors

Factor type	Source	Notes
Fuel emission factors	BEIS/Defra	CO2e, Gross CV. Updated annually.
Efficiency	BEIS Electricity Generation Costs 2020 Coal – DUKES BEIS Storage Costs and Assumptions 2018	The DUKES report is updated annually, however the others are one-off reports.
Grid intensity	Green Book data tables	Short-run: EF of natural gas divided by efficiency of an OCGT e.g. based on 2022 EF, 183gCO2e/kWh / 35% = 523gCO2e/kWh. Long-run: Average of consumption long-run marginal factors, use most recently updated value rather than forecasts (2021 at time of writing). Irregularly updated. Note, long-run refers to interventions that results in sustained change in demand/generation over years. Short-run refers to interventions that result in temporary change in demand/generation
Payback %	For demand-turn-down: Low Carbon London report For demand-turn-up: Open Network working group view	Demand-turn-down: From a one-off innovation trial. Assume 21% for reduction services, based on the average of trial events. Assume 100% for load shifting solutions. Demand-turn-up: Assume 100%

5.1 Results

The key outcomes of the analysis are presented below:

Table 10 - Carbon Impact of our Distribution Flexibility Services

LC31 Technology Category*	Requested energy (MWh)	Delivered energy (MWh)	Direct carbon impact (kgCO2e)	Consequential carbon impact (DTD/GTU) (kgCO2e)	Outside of Scope Carbon Impact (kgCO2e)
Demand**	6,444.38	5,450.51	-3,071,118.77	3,071,118.77	0
Fossil - Gas	15.81	14.65	8,379.23	-8,379.30	0
Biofuel - Biogas from anaerobic digestion (excluding landfill & sewage)	28.54	29.39	20.21	-16,809.21	18,280.55
Solar	73.80	94.51	0	43,380.58	0
Wind	0.10	0.15	0	-85.78	0
Total	**6,562.63**	**5,589.21**	**-3,062,719.33**	**3,089,225.06**	**18,280.55**

** This analysis focuses on the Primary Technology categorisation. We do have some sites with a secondary technology which would impact the carbon reporting. For this analysis we have considered the largest asset as the Primary Technology.*
*** Stored Energy is classed as demand*

There are a few key observations to pull out from this analysis:
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- All Stored Energy in the reporting year is import reduction.
- Requested and delivered energy volumes are dominated by Demand and Stored Energy. Due to the carbon reporting methodology, demand shifting has a net-neutral carbon impact, and Storage import reduction is calculated as demand, assuming shifted load (100% payback), hence Stored Energy has a net-neutral carbon impact and was incorporated into Demand reporting.
- The carbon intensity of the delivered flexibility services is 4.7 kgCO2e/MWh (total carbon impact divided by the total energy delivered). This value is mainly due to the reduced use of fossil gas and biofuel assets in reporting year.

Appendix 1: Supporting Data

Please see the associated Supporting Data for further details on the services we have procured and dispatched in the last regulatory year.

This is a common data template mandated by Ofgem and implemented across all DNOs. As such it cannot capture all the details of our service requirements. See Appendix 2 for more details about the other data we publish.

To further aid interpretation of the data see the list of clarifications below.

Procurement and Use Summary

As required within the guidance document, we have provided one worksheet per licence area. We have also provided a worksheet to present the data across all NGED's four licence areas.

We have not procured any Reactive Power services in the last year.

In this reporting year most of our products have been procured under the new Market Facilitator Rules flexibility product naming conventions such as:

- Operational Utilisation – 15-minute Instruction (OU_15)
- Scheduled Availability, Operational Utilisation - Day Ahead Notice (SAOU_DA)
- Scheduled Utilisation (SU)

Currently 99% of all flex volume is being tendered through standardised products and 93% of all flexibility is dispatched through standardised products. We are still dispatching non-standard long term legacy products which will cease in 2029.

All data in this summary aligns with the Procurement – Locational worksheet.

Total Peak refers to the total of all the peak values for contracted and tendered volumes.

Total Peak Contracted in Prior Reporting Years (MW) & Total Peak Contracted in Reporting Year (MW)

We have included all the contracted flexibility in zones where we have either tendered for flexibility during the 2025/26 regulatory year, dispatched existing contracts or simply zones where we have awarded contracts for delivery in 2025/26.

Total Peak Tendered in Reporting Year (MW)

This includes all the tendered volumes throughout the procurement tranches (T9A and T10A) and weekly trades, irrespective of response.

Total Peak Needs Not Met (MW)

This sums the needs not met. As detailed later, as they refer to the worst period of time, this will not be a strait calculation from the Peak Tendered and Peak Contracted

Dispatched in Delivery Year (MWh)

This includes all the MWh volumes dispatched throughout the reporting regulatory period. We have provided dispatch data for all zones listed for 2025/26.

Tender Rounds Summary

This data summarises the data in the Procurement worksheet, with locational tenders grouped (by Constraint Management Zone (CMZ) and procurement round).

We have included all tenders for the procurement tranches in the regulatory year as well as the weekly trades. These are aggregated up to either the tranche round or the week.

Where we have not received any bids, the “Number of Participants” columns has been filled with 0 and “Peak Contracted” (MW) with 0. It should be noted that the Peak Contracted value, covers the Peak volume contracted for 2025/26 delivery only.

Procurement
This provides individual tender outcomes by bidding party within the regulatory year. Where cells are blank, this generally refers to zones where we had no responses to the tenders.

Operational Utilisation 15-minute Instruction
We don’t tender for OU_15 as sole products in a zone, but rather as an additional product attached to the main one (SAOU_DA / SU). As such, whenever we procure a SAOU_DA or SU product, we also procure the equivalent OU_15 volumes.

Tender Reference
This is a unique ID that can be referenced across to the Tender Rounds Summary, and Dispatch worksheet.

Service Location (Grid Supply Point)
Due to the locational nature of our services, we have grouped the services by CMZ. This provides more details than GSPs which may require the aggregation of zones.

Flexible Unit Reference
This unique unit reference allows for reference with the Dispatch. Where the contract is for future delivery years, the contract may not have been added to our operational systems and will be marked as TBC. Before it gets dispatched a Flexible Unit Reference will be generated.

Maximum Connection Voltage
This refers to the maximum allowable voltage in the CMZ, rather than the highest connection voltage of an asset registered in that given CMZ.

Main Technology Type
The technology of the asset with the highest capacity in each CMZ is used. In cases where the Flexible Unit Reference is TBC, this column may not yet be populated as this is subject to change before initially being dispatched.

Dispatchable / Non-dispatchable
All services, except for SU_SPP & SU_LV, are dispatchable. These services’ Periods are pre-arranged and don’t require a dispatch signal, thus are non-dispatchable.

Number of bids received
This refers to the number of bids received for the given tender. With our trade structure this can result in a high number of bids in some cases where separate responses can be submitted with different offered capacity and available times with the same or multiple flexible units.

Committed Contracts / Non-committed Contracts
With the trade structure our contracts from 2023/24 onwards are Firm as opposed to the previous Non-Firm Contracts.
Connection Voltage
This represents the connection voltage of the assets.

Potential Service days / Service Window FROM/TO
Our CMZ requirements vary on a monthly basis, with different Service days and windows required. For this table we have used the outermost requirements (e.g. the earliest start and latest end of a service requirement throughout the regulatory year).

There are no instances of Service Window 2 FROM/TO as we only procure a single block of time for a given day for our Sustain / SU_SPP / SU_LV services.

Full details can be found in our service requirements documents (as highlighted in Appendix 2).

Service Fee
We do not utilise a service fee for any of our products.

Procurement – Locational
This worksheet provides a summary of the tender outcomes by CMZ. We have built on last year's data, kept all previous zones even if we have stopped procurement since, and added new zones where we have either tendered for or dispatched flexibility services in the reporting year.

Zones with multiple products have been included separately to differentiate between them. We have also included a total OU_15 per zone line in the table.

Peak values refer to the maximum requirements within a zone at a point in time whereas Total is a simple sum. This means that the total would sum all weekly trades, whereas peak would take the maximum of that series.
Due to this time element in the values presented; they may not neatly sum as they may refer to different time periods

Peak Contracted in Prior Years / in Reporting Year (MW)
We have calculated these based on the active contracts for delivery in the reporting year, separated by contract start date.

Peak unmet in Tender in Reporting Year (MW)
It is worth noting that the tendered MW value is a maximum difference between the tendered and contracted volume over the delivery year. This may be a different time period to the peak contracted value.

Dispatch
This data includes all the individual dispatches which occurred throughout the reporting year.

Tender reference
This is a unique ID that can be referenced across to the Tender Rounds Summary and Procurement worksheet.

Incident reference
This ID combines the CMZ code and the date of dispatch, linking all dispatches within a day and zone to a single incident.

Incident Location (Grid Supply Point)
Due to the locational nature of our services, we have grouped the services by CMZ. This provides more details that GSPs which may require the aggregation of zones.

Flexible Unit Reference
This uniquely identifies a contract rather than a specific Asset and should refer back to the procurement tab.

Service Fee
We do not utilise a service fee for any of our products.

Pricing Strategy
We have moved across to Pay as Clear pricing strategy. A few legacy contracts still operate fixed pricing.

Date/Time of Instruction
This is set to 15 minutes ahead of the Start time as our Formal Utilisation Instruction via the Flexible Power API is sent 15 minutes ahead of delivery.

Notice Time (HH:MM)
Sustain and Scheduled Utilisation - Specific Periods are pre-arranged and don’t require a dispatch signal, therefore the notice period is N/A.

Appendix 2: Data and Publications

We acknowledge there is a significant amount of data and information involved in the procurement of our services, as well as wider DSO processes.

As such we have summarised the key references in this section. This reflects the latest documentation, rather than all documentation that was relevant last year.

To provide a live view of please refer to our Document and Data Catalogue.

Distribution Flexibility Services Regulatory Reporting

Publication	Description	Location
Distribution Flexibility Services Procurement Statement	A forward-looking report on how we will procure services in the coming regulatory year.	National Grid Website & Flexible Power Website
Distribution Flexibility Services Procurement Report	A report, and supporting data table, detailing how and where we have procured flexibility services in the past regulatory year.	National Grid Website
Ofgem Guidance	The Ofgem guidance determining what should be covered in the regulatory reporting.	Ofgem Website

DSO process (and inputs)

Publication	Description	Location
Long Term Development Statement (LTDS)	The Long Term Development Statement provides an overview of the design and operation of the distribution network, together with data on the 132kV, 66kV and 33kV systems and the transformation levels down to 11kV. This is produced by DNO rather than DSO functions.	National Grid Website (registration needed)
Distribution Future Energy Scenarios (DFES)	The Distribution Future Energy Scenarios outline the range of credible futures for the growth of the distribution network out to 2050.	National Grid DSO Website
Network Development Plan (NDP)	The Network Development Plan provide stakeholders with transparency on network constraints and needs for flexibility. The NDP has been created to present the 'best view' of planned asset based and flexible network developments over the five to ten-year period	National Grid DSO Website
Distribution Network Options Assessment (DNOA)	The Distribution Network Options Assessment (DNOA) is a publication which outlines reasons behind investment decisions made in order to deal with constraints on our network.	National Grid DSO Website

Flexibility Requirements

Publication	Description	Location
Connected Data Portal	The Connected Data Portal hosts detailed and machine-readable data on our Connected Data Portal. This is a platform for the hosting of datasets across the business. It allows data to be accessed via API, allowing easy processing at scale. We have committed to publishing the data behind the above publications on the portal. This includes, the detailed requirements in each zone as well as the associated geographic postcodes and polygons. It also hosts results of Awarded Trades. Recently we have added visualisation of the CDP data in a dashboard for ease of data interpretation for stakeholders.	Connected Data Portal and Connected Data Portal Dashboard
Network Flexibility Map	The Network Flexibility Map includes the availability windows and expected market volumes required for our DFES forecast for the next year and some zones under the Signposting process for their first year of need. Visualisations of the data are available online through the mapping tool and datasets are downloadable. The Network Flexibility Map also presents our firm flexibility requirements which feed into our procurement process. This shorter-term view, gives clarity on our needs and is refreshed every six months in line with our procurement timeline.	National Grid Website
Market Gateway	Our portal for all commercial interactions.	Market Gateway
Procurement results	The results documents provide detailed information on the volumes procured through each cycle.	Flexible Power Website & Connected Data Portal
Post Code Checker	A simple look up tool to assess the allocation of postcodes to CMZs. The background data is available as and excel sheet and on the connected data portal.	Connected Data Portal
Revenue Estimator Tool	A tool to provide a view on the maximum potential revenue available to a provider.	Flexible Power Website
Market Insights Report	A look into how our markets behave and useful information for market participants.	Winter - interim report Summer - full report

Flexibility Process

Publication	Description	Location
Procurement & Engagement Timetable	This document provides the proposed procurement window dates and the surrounding market engagement	Flexible Power Website
National Grid Guidance for Electricity Distribution Service Providers	Our Consolidated guidance on how we procure flexibility services	Flexible Power Website
NGED_ENA Standard Flexibility Services Agreement	The latest version of the T&Cs applicable to our Procurement of Flexibility Services	Flexible Power Website
On Track to Trade – Webinar Short Term Trades	Slides and Recording on our Webinars on how to participate in our Short term services.	Day Ahead Webinar and Slides
On Track to Trade – Webinar Long Term Trades	Slides and Recording on our Webinars on how to participate in our Long term services.	Flexible Power Website
Flexible Power Payment Mechanics	An overview of the Flexible Power Payment Mechanics	Flexible Power Website
Flexible Power Example Event Performance Report	An example of the performance report created post a response event.	Flexible Power Website
Flexible Power Example Monthly Invoice	An example of the monthly invoice created at the end of each month.	Flexible Power Website
Flexible Power Example Event Earnings Report	An example of the payment breakdown of utilisation earnings created post a response event.	Flexible Power Website
Operational Decision Making Framework	Report that is designed to outline the approaches and strategies to support the growth of flexibility, along with proposals for development.	Flexible Power Website

Flexibility Updates

Publication	Description	Location
Flexibility Update Service	A mailing list to receive Updates on our Flexibility Services	Email Sign up at: Contact NGED (flexiblepower.co.uk)

Other relevant information

Publication	Description	Location
Elexon Market Facilitator	An overview of what the Market Facilitator rules are and how they have been written.	Elexon website
Open Networks	An overview of the previous Open Networks Project and all the relevant documentation.	ENA Website
Innovation	An overview of the National Grid Electricity Distribution innovation portfolio	National Grid Website