



Flexibility Services Procurement Statement

Our Plans for April 2025 - March 2026

Standard Licence Condition 31E Reporting
Requirement

March 2025

Contents

Executive Summary	1
1. Introduction	3
Introduction to UK Power Networks	3
Why Flexibility?	3
Purpose of This Document	3
2. Our Flexibility Requirements	4
Planned Flexibility Procurement Over 2025/26	4
Tender Round	5
Day-Ahead Auctions	6
Utilisation Principles	7
Utilisation Forecast for 2025/26	8
3. Tendering Process	9
Progress and Trends in Flexibility Procurement	9
Pre-Tender Activities	10
Tender Stages	11
Pricing Strategy	13
Procurement Timetable and Process	13
4. Stakeholder Engagement	14
How We Engage with Stakeholders	14
Coordinating Flexibility Services Across DNOs	15
Working with the NESO to Enable Accelerated Grid Connections and Wider Whole-System Outcomes	16
5. Quantitative Assessment	17
Our Distribution Network Options Assessment	17
Ensuring Flexibility Services are the Most Economical Solution	17
Assessment of Competitive Bidding	18
6. References	19
Appendix	20
Appendix A: Distribution Future Energy Scenarios (DFES)	20
Appendix B: Tender Round 10 Site Summary	21
Appendix C: Example Bid Assessment	23
Appendix D: Flexibility Services Products	24

Executive Summary

UK Power Networks is the UK's biggest electricity distributor, delivering power to 8.5 million homes and businesses across London, the East, and South East of England. We keep the lights on across 29,250 square kilometres, serving 19 million people from Cromer in the east to Brighton on the South Coast.

Flexibility is a critical tool in enabling net zero at lowest cost for the customers we serve. In our Business Plan for RIIO-ED2 (2023-2028), we set out ambitious commitments for the procurement and use of flexibility to defer £410m of network investment. In the first year of RIIO-ED2 we realised £91m of benefits, putting us on track to deliver our overall commitment.

We are building on a track record of leadership in this space. In 2018, we were the first Distribution Network Operator (DNO) to publish a Flexibility Roadmap that described how we would develop flexibility markets. We were also the first DNO to commit to market testing all of our high voltage and extra high voltage reinforcement before we invest in any new assets; and also the first DNO to tender for LV needs. We formed a legally separate DSO in April 2023.

Over 2024/25, we streamlined and automated our flexibility processes, enabling the registration of over 170,000 flexible assets. This automation facilitated day-ahead procurement, boosting participation and competition in our markets. We conducted more than 170 daily auctions and dispatched over 4GW of flexibility. This document describes the types of flexibility we aim to procure and our approach to that procurement during 2025/26.

- **We will continue to run two long-term tenders, launching in May and October.** These will cover demand reduction and generation turn up, enabling us to continue connecting customers ahead of network reinforcement. We expect to tender for up to 140MW in May 2025, with further requirements to be confirmed in October 2025 following updates to our forecasts. We also expect to run ad-hoc tenders to support planned network outages. These will help us to reduce risks of customer interruptions during essential maintenance work.
- **We have adopted the outputs of Open Networks and will continue to push for further standardisation and a smooth transition to the Market Facilitator.** We currently procure using two standard product variants (Scheduled Availability & Operational Utilisation, and Scheduled Utilisation) and apply standard approaches for pre-qualification, contracting, and settlement. These products cover the vast majority of our requirements. We currently chair the Open Networks programme and lead six of the nine technical working groups. In 2025/26, we will look to support the new Market Facilitator in taking on and accelerating standardisation and coordination work.
- **We will continue to run regular day-ahead auctions, enabling a wider participation and improved ESO-DSO coordination.** In addition to demand reduction and generation turn-up, these auctions will also cover demand turn-up and generation turn-down in areas where we have abundant distributed generation which would otherwise likely be curtailed. Note that these auctions are utilisation-only and their result constitutes dispatch. The market will be cleared automatically according to published logic, co-optimising across day-ahead bids and availability contracts from our long-term auctions.
- **Our procurement and use of flexibility will be facilitated through the EPEX SPOT Localflex platform.** We continue to facilitate an external ecosystem of providers supplying specialist tools for flexibility. Both long-term and day-ahead participation will be facilitated by the Localflex platform, provided by EPEX SPOT, a leading operator of short-term markets. We will adopt the outcome of Dispatch Application Programming Interface (API) standardisation work as soon as it is available, while retaining existing methods for as long as required by flexibility providers.
- **We intend to review the Common Evaluation Methodology during 2025/26.** This is to ensure that our Methodology continues to drive the right decisions on when and where to apply flexibility, in light of the evolving policy, regulatory, and economic context.
- **We have begun work to better align DSO, NESO, and Wholesale Market signals.** Building on our leadership of the Stacking, Primacy, and Operational Data Sharing working groups at Open Networks, we aim to achieve the following:

- publish a blueprint and roadmap for harmonized markets that enable clear signals to flexibility providers and efficient whole system outcomes; and
 - engage with the industry to test and refine our approach.
- **We will continue to work to better understand flexibility providers.** We will ensure that our data, processes and systems enable them to participate with confidence and position themselves competitively. Engagements and iterations with stakeholders throughout 2024/25 such as simplifying and automating our processes have been a critical enabler to our progress to date. We will work with providers to understand their capacity to address emerging network needs, potentially through new products or approaches. We will continue to work closely with innovation projects (e.g. relating to heat flexibility and energy efficiency) to accelerate adoption of learnings into our flexibility procurement process.

If you are interested in learning more, or signing up for our flexibility mailing list to be kept abreast of developments, please email flexibility@ukpowernetworks.co.uk.

1. Introduction

Introduction to UK Power Networks

We are the UK's biggest electricity distributor, delivering power to over 8.5 million homes and businesses across London, the East, and South East of England. We keep the lights on across 29,250 square kilometres, serving 19 million people from Cromer in the east to Brighton on the South Coast.

A key part of our vision is to 'Enable the Net Zero Transition For All'. This means ensuring we have right electricity network capacity, at the right time and in the right place – at the lowest cost possible. Over the next decade, we expect millions of electric vehicles and heat pumps to connect to our network, along with grid-scale renewables and batteries. This is a huge shift in the volume and profile of electricity that will flow over the distribution network.



Figure 1 - UK Power Networks' vision

Why Flexibility?

Our vision is of a dynamic distribution system, with electricity demand and supply flexing in response to distribution-level conditions and wider market signals. We hope to see market-based solutions incentivising customers to utilise available network capacity efficiently, supplemented with traditional network investment, to deliver the lowest costs for consumers overall. This will lead to a smarter and more highly utilised distribution network, with faster and cheaper access to Distributed Energy Resources (DERs) for all to achieve Net Zero.

In April 2023, we established an independent Distribution System Operator (DSO), delivering clear accountability and transparency for how we unlock capacity to connect more low carbon technologies in a timely and cost-effective way. A key role of the DSO is the development of flexibility markets. In our [RIIO-ED2 Business Plan](#), we committed to market testing all future network needs for non-network asset solutions.

We have proven that flexibility works technically and commercially. In a period of change and uncertainty, flexibility enables us to right-size our investment in the network and continue to connect thousands of charge points, heat pumps, and renewables without needing to wait for additional network infrastructure. It is already delivering significant benefits, in the form of reduced customer bills and optimised management of our programme of infrastructure upgrades.

Purpose of This Document

This document sets out:

- The flexibility we intend to procure in the regulatory year 2025/26, including information on service types, volumes sought, pricing strategies, and forecasted dispatch; and,
- How we intend to comply with the licence condition by demonstrating transparency of flexibility procurement and coordination across industry participants.

2. Our Flexibility Requirements

Planned Flexibility Procurement Over 2025/26

We plan to run two long-term flexibility auctions this year, covering requirements up to Winter 2027/28. These will run alongside regular day-ahead auctions. This is in response to forecast thermal constraints and will enable us to keep connecting customers and their electric vehicles, heat pumps, and other low carbon technologies to the network ahead of network reinforcement. By incorporating a day-ahead utilisation auction, we are widening access, driving competition, providing faster market access, and enabling flexibility service providers to better consider alternative uses of their flexibility in wholesale or ancillary markets. Since April 2024 to date 66% of our flexible portfolios are participating through day-ahead markets and it has helped consistently provide around 20% of our delivered flex.

Additionally, we plan to run up to five smaller tenders throughout the year to secure flexibility for supporting planned network outages. These enable us to conduct essential work on the network while cost-effectively managing the risk of customer interruptions. We are typically protecting against a second, unplanned, outage during the maintenance work, which would result in customers losing supply. Requirements may be pre- or post-fault, depending on the necessary network running arrangements. These tenders will typically be two to four months ahead of the scheduled maintenance.

Over 2024/25 we worked alongside our DSO peers to develop a standard set of flexibility products, which were subsequently rationalised in 2024/25. For the vast majority of our requirements (i.e. all those related to network capacity), we procured via the newly standardised flexibility products. For outage tenders, we reserve the right to make minor adjustments to these products to reflect the specific needs of the network, and will clearly highlight such adjustments for clarity. Our intent is to continue to work with other DSOs to maximise standardisation of these products in future years.

Figure 2 below illustrates the replacement of our legacy flexibility products:

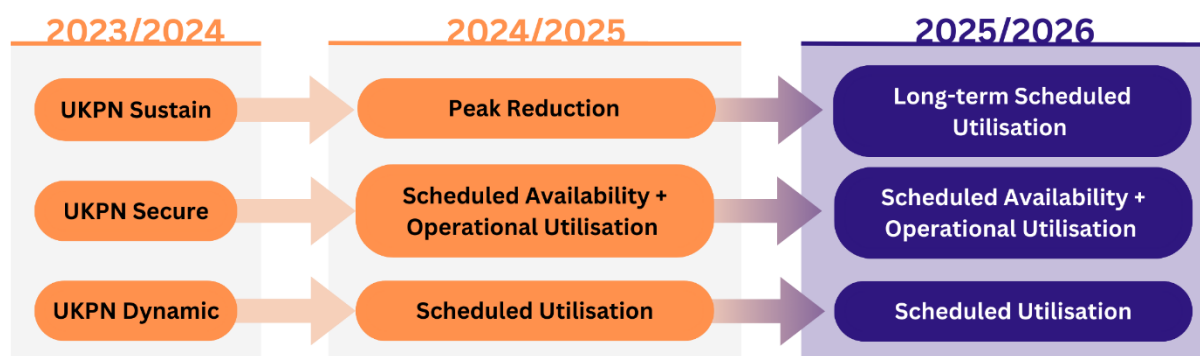


Figure 2 - Flexibility products

- 1. Long-Term Scheduled Utilisation (Replacing Peak Reduction) (LTSU):** Contracts are awarded through long-term tenders, where the provider commits to reduce their demand during contracted windows.
- 2. Scheduled Availability and Operational Utilisation (SAOU):** Contracts are awarded through long-term tenders, whereby the provider commits their availability during contracted windows, with utilisation confirmed during day-ahead auctions.
- 3. Scheduled Utilisation (SU):** Contracts are awarded through a day-ahead auction where the provider agrees to deliver their flexibility for the following day.

Further details on these products is included in Annex D, or through the [ENA website](#).

From provider feedback, we know it is important to offer a short list of products that enables broad participation, but will not overwhelm users with too many choices or complexity. For this reason, we do not plan to procure any additional products this regulatory year, instead to replace Peak Reduction with LTSU. We have made this

change in consultation with providers with the aim to improve the way we pay our participants and to align better with other DSOs to make the customer experience more straightforward. Currently, we are also leading the Flexibility Products and Stackability workstream at Open Networks, and are committed to further simplification of DSO flexibility products.

Tender Round

Tender Round 12 (May 2025 to September 2025)

The intention of this tender is to ‘top-up’ against system needs that have not been fulfilled by the previous tender. We plan to tender up to 300MW of requirements. This may vary depending on the signing of contracts from the current tender and new connection requests. We will procure multi-year contracts to address thermal constraints until Winter 2027/28. This contracting approach is aligned with contract end dates for our last tender and balances the certainty of multi-year contracts with opportunity to drive down costs through re-competition of requirements as market participation increases during RIIO-ED2.

We have identified sites based on the following drivers (described further in our [Distribution Network Options Assessment](#) [DNOA]):

- Retendering sites where we have not received enough flexibility contracts to cover the full system needs from the previous tender round;
- Capacity shortfalls expected based on recent network load data; and,
- Risks of capacity shortfall in the next year, including uncertainty in timing of uptake of accepted new connections load.

We may also tender for flexibility at additional sites with high volumes of recent connection requests (particularly related to enroute electric vehicle charging).

We will meet the above needs by procuring a combination of SAOU and LTSU. We will also allow providers to compete at day-ahead using the SU product. By offering a range of products with different levels of commitment, we hope to attract a more diverse cohort of flexibility providers.

We have provided a summary of the sites, including MW requirements in Appendix B. We estimate an average of 100 hours of utilisation per year for a typical site although actual utilisation levels may vary from this level depending on real-time network conditions. We have previously applied a ceiling utilisation price of £600/MWh at each site, though we intend to review this ahead of Tender Round 12. Providers can vary their utilisation price provided it remains below the ceiling price.

Prior to Tender Round 11, we had introduced limits on the participation of ‘planned’ assets (i.e. flexible assets which are not yet operational). These limits were intended to provide UK Power Networks with greater confidence in forecast flexibility.

We received feedback from providers that we should be clearer and more stringent on the requirements for new assets and offer flexibility above the 1MW limit. Following this, we are consulting in March 2025 on further refinements to our policy ahead of Tender Round 12.

To run both tenders, we will use the [EPEX SPOT Localflex platform](#), which is openly accessible to all stakeholders. We will share participation guidance and run training webinars to make it as easy as possible for providers to participate. Further information will be published on the Localflex platform and on the UK Power Networks website in May 2025 regarding the confirmed capacity requirements, voltage levels, and forecasted utilisation for all sites, as summarised in Appendix B.

Tender Round 13 (September 2025 to March 2026)

The second tender will also be a multi-year tender where we will seek flexibility services to meet our needs over the next two to three years. We will use the latest data on network load and connections pipeline, along with our latest forecast under the Holistic Transformation scenario, to inform where flexibility will be procured. This scenario represents our best view of future network load and is the basis of our long-term planning as outlined in [our Long Term Development Statement \(LTDS\) and Network Development Plan \(NDP\)](#). Due to the timing of the LTDS and NDP reports, relative to the inputs below, we cannot publish our specific flexibility requirements. We will identify sites based on the following drivers:

- Peak demand forecasts and firm capacities used in the production of the NDP which is published on the Open Data Portal¹. Peak demand forecasts consider the four Distribution Future Energy Scenarios (DFES) as outlined in Appendix A;
- Related forecasts for groups and circuits which are not published in the NDP substation list;
- Retendering sites where we have existing flexibility contracts, to increase reliability and drive competition for utilisation;
- Capacity shortfalls based on recent network load data and modelled Low Voltage utilisation not covered in the NDP; and,
- Risks of capacity shortfall in the next year, including uncertainty in timing of uptake of accepted new connections load.

Day-Ahead Auctions

Since we began flexibility procurement via day-ahead auctions in 2024, we have procured more than 4.4 GWh of flexibility through this route, with more than 40 zones now open and 170 competitions completed.

We introduced the day-ahead procurement to widen our access to flexibility and enable greater competition for utilisation. One of the main benefits with the day-ahead timeframe is that it aligns with the other key markets, such as the wholesale market and NESO ancillary services markets, giving the flexibility provider the ability to move between markets.

We currently procure the SU product through the day-ahead market. This enables competitions in our long-term SAOU contracts. Making a utilisation (i.e. dispatch) decision at day-ahead allows a wide range of providers to participate, as well as unused flexible capacity to be used in subsequent markets.

¹ <https://www.ukpowernetworks.co.uk/open-data-portal>.

Utilisation Principles

In the past two years, we have codified our principles for dispatch within our [Flexibility Dispatch Framework](#). These are carried out by our DSO Operations team, which sit within our control room, alongside DNO colleagues. Our objective is to ensure security of supply, by dispatching efficiently, transparently, and with the whole system in mind.

In making dispatch decisions, we consider a wide range of data about the network requirement, the flexible unit, and wider system conditions (e.g. from the NESO):

- Network conditions;
- Weather conditions for dispatch involving wind or solar;
- Forecasts of demand, generation and constraints;
- Type of constraint (turn up or turn down);
- Availability of service;
- Price of available unit;
- DER characteristics and constraints, which includes minimum characteristics such as minimum and maximum windows, minimum and maximum ramp rates, asset type e.g. solar and the time taken to respond to a service;
- NESO operational plans where available (for e.g. day ahead or intra-day info on NESO services); and,
- Primacy Rules in place to minimise service conflicts between the DSO and NESO & the associated data exchanges.

We facilitate the participation of individual flexible assets as well as aggregations by defining Flexible Units. This is a single controllable unit consisting of one or more flexible assets aggregated together.

Decisions on which Flexible Units to dispatch are automated as part of the day-ahead market clearing. The detailed approach to this optimisation is described in our published [Flexibility Market Clearing Logic](#). We enable competition in dispatch by allowing existing providers under long-term agreements (LTSU and SAOU) to update their utilisation pricing (up to an agreed cap) and new providers to enter the market at day-ahead. By aligning the timescales for utilisation decisions, we ensure fairer and more efficient dispatch decisions.

We communicate dispatch instructions via email or Application Programming Interface (API). Providers may choose to integrate to a Localflex API or one that also supports [MW Dispatch](#)². UK Power Networks continues to lead work at Open Networks to establish a cross-DNO standard API for dispatch. In the medium-term, we intend to support both our existing and any new API.

In August 2023, we began to publish [monthly dispatch data](#) (in addition to the annual returns through Licence Condition 31E [LC31E]) to improve market transparency. It has become one of the most popular datasets on our Open Data portal, with more than 100,000 downloads. In line with stakeholder requests, we expect to refresh this data more regularly during 2025/26.

² For further information on MW Dispatch, please refer to the section 'Working with the NESO to Enable Accelerated Grid Connections and Wider Whole-System Outcomes' (p.16).

Utilisation Forecast for 2025/26

In 2024/25, dispatch volumes have grown once again, to above 11GWh. This is in line with our forecast within our 2024 Procurement Statement. We will provide final dispatch volumes for 2024/25 within our 2025 Flexibility Report. In 2025/26, we expect dispatch volumes to grow significantly again, to between 16GWh and 21GWh. Given the significant increase in volumes, we now update our network demand forecasts to reflect the ‘pre-dispatch’ position so that our current use of flexibility does not obscure ongoing capacity requirements. Consequently, if maximum demand at a site was 10MW during 2024/25 but only 1MW of demand reduction was dispatched, we will take the 11MW ‘natural’ demand into account within our forecasts.

Flexibility payments have increased in line with increased dispatch volumes, and will continue to do so during 2025/26. We expect to see some reduction in average prices, reflecting a more mature and competitive utilisation market, facilitated through day-ahead procurement.

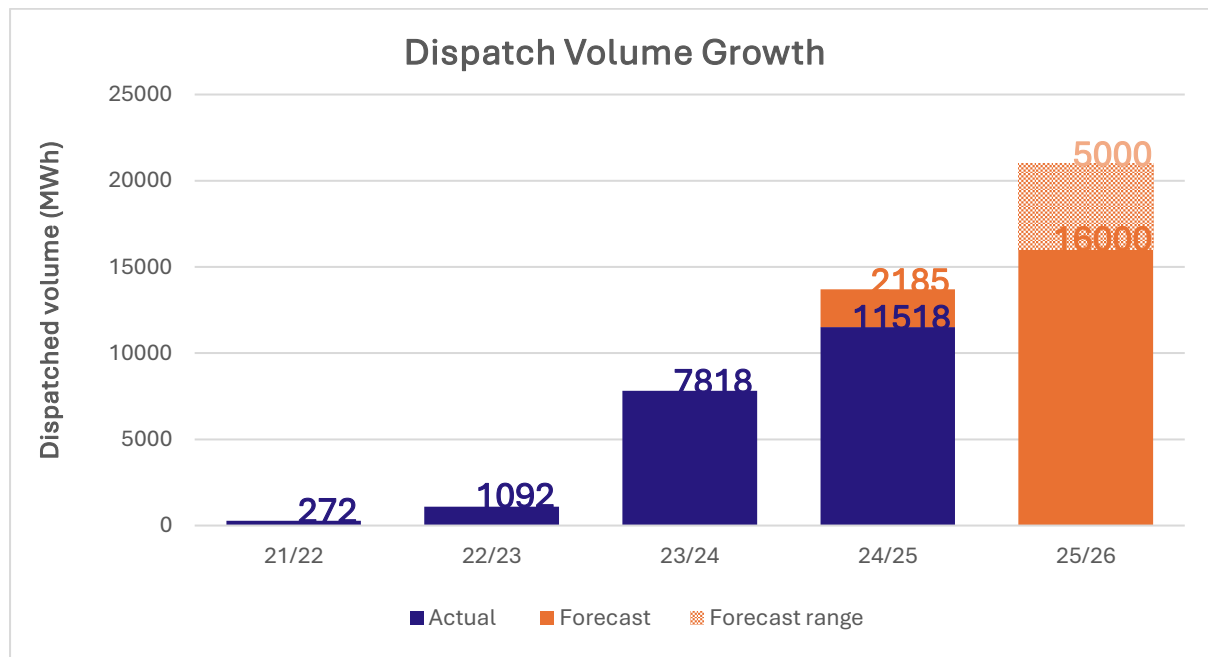


Figure 3 - Flexibility dispatch volumes

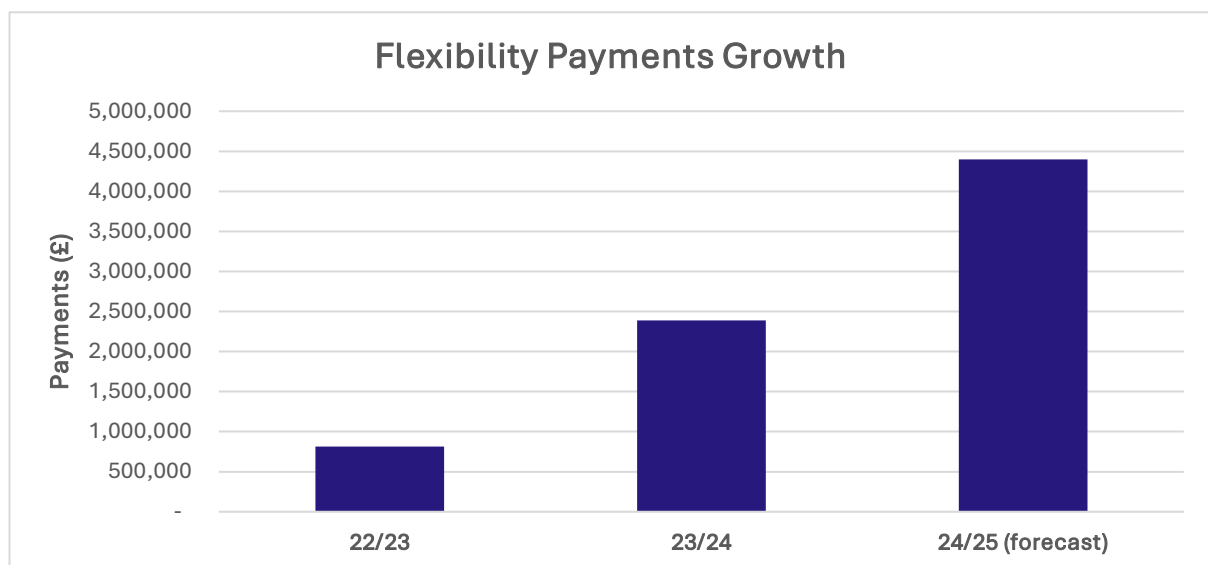


Figure 4 - Flexibility spend

3. Tendering Process

Progress and Trends in Flexibility Procurement

The key trends and customer priorities from 2024/25 and how we are responding in 2025/26 are as follows:

1. Increasing need for flexibility at national level

The Government's Clean Power 2030 Action Plan has made clear that flexibility will play a critical role in the delivery of a low carbon electricity system. In particular, consumer-led flexibility is expected to grow from around 2.5GW to 12GW by 2030 to help balance a national system increasingly powered by renewables.

We will work with NESO, Elexon, and wider system actors to ensure that the DSO's procurement of flexibility for local needs supports the increased need for flexibility at the national level. In particular, we intend to share our vision of how DSO, NESO, and wholesale electricity markets can be aligned to deliver efficient whole system outcomes and clear market signals to flexibility providers.

2. Continued simplification and automation, enabling increased participation

We currently have more than 400MW of flexibility available for dispatch by the DSO Operations team. To grow this operational flexibility and deliver more benefits, we will continue to invest to simplify and automate participation processes – from registration through to settlement. We will work with participants and potential participants to prioritise and shape improvements.

3. Implementing standards and driving further

Standardisation is a key enabler for wider participation in local flexibility, and we support the appointment of Elexon in 2024 as Market Facilitator of DSO and NESO markets. In 2024/25, we have updated our products, contract and registration questions in line with the agreed outputs of the Open Networks programme. We will implement additional standards as they are agreed this year – including a standard dispatch API, standard baselines, and potential changes to the standard contract.

We will continue to support Elexon in picking up and accelerating standardisation and coordination, particularly for workstreams where UK Power Networks has previously led efforts at Open Networks.

4. New use cases for flexibility

While the majority of our flexibility procurement relates to the management of expected thermal network constraints, we will explore additional use cases for flexibility, leveraging the standard products and processes wherever possible. Where we develop new products or learning, we commit to sharing this with the Market Facilitator to facilitate wider roll out.

Pre-Tender Activities

In our [RIIO-ED2 Business Plan](#), we had committed to deferring £410m of load related expenditure through use of flexibility. This was supported by a commitment to market test all network needs.

In 2023/24, we published our first DNOA, providing transparency of our flexibility first strategy within our strategic decision making. This included information on the various stages including network data and load forecasting, substation area selection, and flexibility requirements assessment. We intend to publish an updated DNOA methodology and outcome in early 2025/26. The updated methodology will include refinements to how we forecast capacity needs.

The forecasts which identify capacity needs and drive our DNOA process are informed by extensive engagement with local authorities, as well as the national Future Energy Scenarios (FES) and other data such as connections. Our Local Net Zero team engages closely with the 133 local authorities served by our network, providing data and tools and gaining valuable insight on the likely parameters of local decarbonisation.

For each site with additional capacity needs, we assess the value of flexibility. This involves completing a cost-benefit analysis (CBA) that estimates the net present value of deferring the reinforcement capital expenditure (CAPEX) by a certain number of years. We use the ENA's Common Evaluation Methodology (CEM), developed through the Open Networks project, to carry out the CBA. The Net Present Value (NPV) of the deferral becomes the available funding pot for flexibility services. Further details are provided in Section 5.

We intend to review the CEM during 2025/26 to ensure that it appropriately reflects:

1. Any consequential impact of our decisions on the cost of meeting national flexibility requirements; and,
2. The benefits of flexibility in accelerating customer connections in instances where network reinforcement may have a longer lead time.

Any changes will be subject to appropriate consultation and coordination with other DSOs.

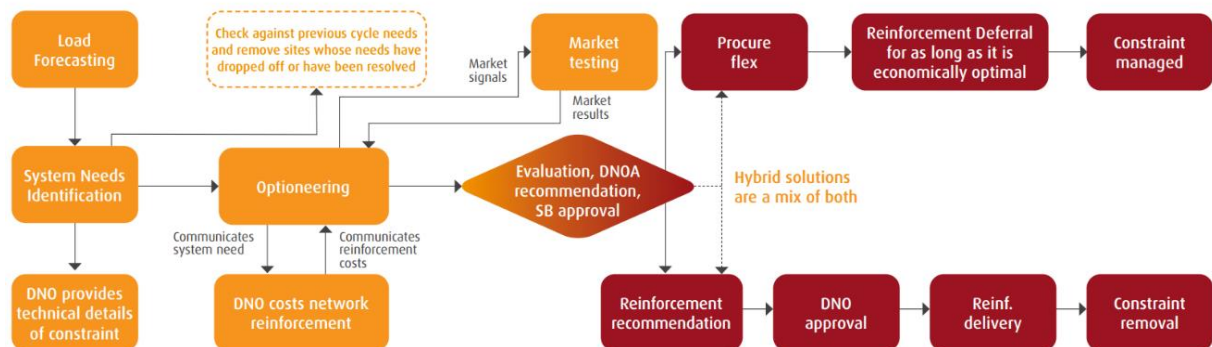


Figure 5 - Simplified DNOA recommendation decision flow.

Tender Stages

Tenders take place through an open and independent procurement platform operated by EPEX SPOT - [Localflex](#). The process is as follows:

- **Tender Initiation:** We publish network locations and needs. Providers register their resources and capabilities free of charge. Tender documents setting out technical and commercial requirements, such as the Participation Guidance, standard contract, and available flexibility revenues, are published on our [webpage](#) and are openly accessible to any interested stakeholder.
- **Pre-Qualification (Registration):** The provider submits details of their company and flexible assets. We then check whether providers and resources are commercially and technically capable of delivering the service. The most common reason for failing pre-qualification is that assets are not electrically connected to the right part of the network. We already provide postcode information to allow an initial check to be made, and in early 2025, we introduced automated overnight checks covering the connectivity of newly registered assets. These automated checks currently cover assets connected to the low voltage network, excluding those on Independent Distribution Network Operator (IDNO) networks for which we currently lack data from.
- **Competition:** Pre-qualified parties can then submit offers into a competitive tender via Localflex. We assess bids based on three criteria i.e. value, volume, and budget. Flexibility budgets are determined through the standard ENA CEM with more detail provided in Section 5. We announce the results and award successful bidders the standard ENA contract. Full tender results are published on our website and through Localflex.

We are committed to transparency in our flexibility procurement and have led the way with the publication of key tender information since 2019. This includes making our tender documentation openly accessible on our website and publishing granular competition results³. These competition results are presented as a consolidated dataset covering all long-term auctions – dating back to 2019.

The competition result information includes:

- The tender to which the bid relates;
- Bid information by competition area;
- The volume of flexibility accepted and rejected;
- Names of flexibility providers that have bid;
- The total volume of the flexibility contracts in place; and,
- The availability and utilisation prices received.

³ An example is our Autumn 2024 Post Tender Report – <https://d1lf1oz5vvd9r.cloudfront.net/app/uploads/2024/10/Competition-Data-Autumn-2024-Tender-v1.6.xlsx>.

Table 1: An objective, transparent and market-based tendering process

Objective	Transparent	Market-based
<ul style="list-style-type: none"> Flexibility requirements and related guide prices are set objectively through our DNOA, which applies the Common Evaluation Model All providers are first assessed according to their responses to a standard set of financial and technical questions For day-ahead auctions, bidding information is assessed programmatically through EPEX SPOT's Localflex platform For long-term auctions, we currently assess anonymised bids manually. We intend to migrate this process to the Localflex platform All providers are awarded contracts in line with the agreed standard ENA flexibility contract (v3.0 for 2025/26, historically v2.1) 	<ul style="list-style-type: none"> All information related to long-term tenders is published at the start of the tender, and publicised through a range of channels, including email newsletters, LinkedIn and our DSO website This includes the process and assessment criteria we will follow, along with our detailed requirements and guide prices We offer a webinar at the start of each long-term tender to explain the process and answer any questions. We publish the slides and recordings Day-ahead tenders follow a regular pattern, with requirements published by 10am day-ahead and utilisation decisions confirmed by 1:30pm Where we providers or bids are not accepted, we notify them of the reason and work with them to address issues, to the extent possible within the agreed process. We allow flexibility providers to challenge the results of our long-term tenders We publish the results of tenders, and the detail of flexibility subsequently dispatched in a timely way through our website. This includes the names of flexibility providers and details of their flexibility 	<ul style="list-style-type: none"> Any provider can create an account and register assets on the market platform free of charge We offer low thresholds for participation to maximise the number of assets eligible, including 10kW minimum flexible capacity, minimum of 30-minute run time, different metering solutions and dispatch methods Providers can bid into a variety of products with varying levels of commitment, including both long-term and day-ahead products Both existing and planned assets can participate in long-term tenders We use regular auctions with clear cut-off times to maximise market access and our ability to make economic decisions

Pricing Strategy

For long-term products linked to High Voltage constraints, flexibility providers submit competitive bids. We provide site-specific ceiling prices to providers to inform their business plan and bidding. These ceiling prices are directly linked to the value of reinforcement deferral at each site established through the CBA (see Section 5 for more detail).

For the Day-Ahead SU product, we provide site-specific ceiling prices. This pricing reflects the direct and opportunity costs faced by providers delivering flexibility close to real-time. Long- and short-term flexibility providers will compete against each other at day-ahead, i.e. we request dispatch from providers of SAOU and Day-Ahead SU products in order of increasing utilisation price. As we evolve towards closer to real-time markets in RIIO-ED2 and market liquidity increases, utilisation prices are expected to fall as providers compete to be dispatched.

For flexibility tendered to address low voltage network constraints (via LTSU), a fixed price per kW is set by UK Power Networks. This simplification reflects the large number of sites covered in this way. The price (currently around £26/kW/year) is calculated based on the deferment of low voltage reinforcement projects and an estimate of average required flexibility volume.

Procurement Timetable and Process

The procurement timetable for the current tender and retender are outlined below.

Table 2: Tender timelines

Stage	Activity	Tender Round 12	Tender Round 13
Stage 1: Tender Initiation	Flexibility zones signposted	May 2025	October 2025
Stage 2: Pre-Qualification (PQ)	PQ Open	May 2025	November 2025
	PQ Submission Deadline	June 2025	December 2025
	PQ Results	July 2025	December 2025
Stage 3: Competition	Competition Open	July 2025	December 2025
	Competition Close	July 2025	December 2025
	Competition Results	September 2025	March 2026
Stage 4: Pre-delivery	Signed Contract deadline	September 2025	March 2026
	Solutions delivered in accordance with Post Tender Milestones	Per contract	Per contract
Stage 5: Delivery	Solutions complete and delivering flexibility	Per contract	Per contract

4. Stakeholder Engagement

Stakeholder engagement is crucial to inform product, process, and system refinements, and encourage participation in local flexibility markets. We engage through multiple channels to reach as wide an audience as possible and engage in the most appropriate way for the desired outcome. Some examples of stakeholder engagement in 2024/25 include:

- Refining the rules around participation of planned and speculative assets in long-term flexibility tenders. We refined our policy to incorporate feedback from providers, before consulting on our proposed changes with a wider set of stakeholders;
- Running a survey of Localflex users to establish their satisfaction with the systems we use and priorities for improvement; and,
- Shaping our automation programme with feedback from our 'Flexibility Council' – a quarterly meeting of our operational flexibility providers.

By working closely with National Grid Electricity Distribution (NGED) in 2024/25, we share experiences on flexibility and consulting jointly on several key areas where we saw potential for alignment. As a result of our collaboration, NGED committed to following our approach to day-ahead procurement and demand turn-up while we simplified our baselining approach to facilitate easier participation for domestic heat pumps. Throughout the process, we worked with colleagues across Open Networks and other DSOs to ensure they could also benefit from the insight and shape the work.

We continue to work with other DSOs and the NESO to establish standardised approaches for the procurement and utilisation of flexibility, thus creating an open and accessible market which delivers optimal whole system outcomes for the end-consumer.

How We Engage with Stakeholders

We engage with a diverse population of stakeholders, with fundamentally different business models, underlying technologies, and understanding of flexibility markets. We strive to create a level playing field for all, which entails recognising that we must engage in a way that will reach each segment and allow them to input meaningfully – we understand that what works for a large energy supplier does not necessarily work for a start-up aggregator or a local authority. This is why we also adapt our choice of channel according to the purpose of engagement, for example, in raising awareness or co-designing products, to ensure that the market is as accessible as possible.

The channels we use include:

- **Flexibility Forums⁴:** We will continue to hold two in-person forums during the year– one in the summer and one in the winter. These events are open to everyone and are an excellent opportunity for us to engage with new and existing providers, to share challenges and opportunities and spark new collaborations. We advertise our Flexibility Forums via LinkedIn, our DSO website, and our flexibility newsletter.
- **Flexibility Council:** In 2024/25, we invited our active flexibility providers to quarterly workshops, where we invited input and debate on key strategic choices. We intend to maintain and refine this engagement in 2025/26.

⁴ Winter and summer forum slides in the events section - [Upcoming events - UKPN DSO \(ukpowernetworks.co.uk\)](https://ukpowernetworks.co.uk/upcoming-events/).

- **Webinars:** We will continue to organise webinars to talk through tender requirements and give providers an opportunity to ask questions. We continue to run regular training sessions with our market platform provider EPEX SPOT.
- **Presenting at Industry Events:** We recognise that to grow the supply of local flexibility, we must increase awareness. We will continue to present at industry events focused on key customer segments e.g. storage, renewables, electric vehicles, energy suppliers, local authorities, and industrial energy users.
- **One-to-One Meetings:** We offer calls with interested providers throughout the year. These are particularly popular during flexibility tenders. Stakeholders can request a meeting via flexibility@ukpowernetworks.co.uk.
- **Surveys:** We will monitor and enhance the flexibility journey, supplementing the channels above with systematic survey data to better understand provider expectations and frustrations. We will provide feedback to stakeholders on the actions we take as a result of these surveys.
- **Flexibility Mailing List⁵:** We will continue to send monthly updates and calls for input during the year. Our mailing list currently has over 400 stakeholders subscribed. We also communicate tender requirements through third-party mailing lists such as the ADE and Power Responsive.
- **Open Data Portal⁶:** This gives greater visibility of the opportunity for participation. It also allows interested parties to link multiple data sets, which are relevant to the individual to understand the bigger picture.
- **Social Media:** We will launch LinkedIn campaigns for each tender to capture attention from potential future flexibility providers.

Coordinating Flexibility Services Across DNOs

UK Power Networks chairs the Open Networks project – a collaboration between all the UK and Irish distribution and transmission networks – aimed at standardising flexibility products, processes, and contracts to enable increased participation in local flexibility markets. Further, we are also leading six of the nine technical working groups, reflecting our commitment to delivering a simpler and more standard experience for stakeholders.

We are supporting Elexon to mobilise as the new ‘Market Facilitator’ and will increasingly coordinate with them our industry engagement on issues of DSO standardisation and NESO coordination. As we did with NGED in 2024/25, we will look for opportunities to work with other DSOs to advance particular issues in a coordinated way.

⁵ Providers can sign up to the Flexibility Mailing list by contacting the Flexibility Mailbox (flexibility@ukpowernetworks.co.uk).

⁶ <https://www.ukpowernetworks.co.uk/open-data-portal>.

Working with the NESO to Enable Accelerated Grid Connections and Wider Whole-System Outcomes

The MW Dispatch project, in collaboration with NESO, is now fully operational. Underpinned by extensive IT infrastructure and data exchange with NESO, MW Dispatch creates new opportunities for DER customers to offer services to NESO and connect sites sooner, while helping to tackle transmission constraints. We have unlocked over 1.5GW of capacity for 50 customers against transmission constraints in the south coast and we have already delivered accelerated connection of seven projects, totalling 43MW.

We have enabled five DER assets to register in NESO's Single Market Platform allowing them access to the NESO's Transmission Connection Management market, one of the first DSOs to facilitate participation in these transmission markets. We have closely collaborated with our DER customers and their technology partners to onboard the first assets to our Dispatch Platform via Web APIs. MW Dispatch has laid the foundations for us to quickly rollout of the ENA flexibility API dispatch standard in the future by establishing the common technology infrastructure.

Our data sharing solution has now been rolled out by NESO and NGED in their licence areas, demonstrating wider industry standardisation and knowledge transfer. Having already established ICCP links with NESO in all three of our licence areas, for the first time in the industry, bilateral data was exchanged between NESO and DSO from week-ahead to day-ahead and intra-day time horizons using automated web API technology. On the back of this success in 2023/24, we have continued to collaborate with NESO to explore expansion of this approach to improve whole system optimisation and address more operational challenges. This allowed for the alignment of our Day-Ahead procurement timings with NESO and NGED.

In 2024/25, we have transitioned the technical solution to business-as-usual. This has involved mapping the end-to-end DER customer journey from the initial connection acceptance, market registration and dispatch onboarding. We have developed joint operational procedures with the NESO control room to ensure security and reliability of the network at all operational scenarios. This ensures correct manual processes are enacted to support the service in the event of failure of system or communication links.

We have heard from DER customers that they want to stack the MW Dispatch service with other transmission services, and are working with the NESO team to explore potential solutions. We will also consider how the service could be rolled out to more areas beyond those on the south coast.

5. Quantitative Assessment

Our Distribution Network Options Assessment

We identify the system needs through focussing on areas where forecast network demand is greater than the firm capacity of the network. We use measured or inferred data about current network usage, overlaying expected customer connections and wider long-term forecasts. We then publish details of the available headroom under different scenarios within our Network Development Plan.

For sites where we have forecast capacity constraints, we then consider network and flexibility options.

Ensuring Flexibility Services are the Most Economical Solution

We undertake CBA using the CEM and supporting Excel based CEM tool, which was developed through the Open Networks project to deliver consistency in how DNOs evaluate different network investment options used to market test flexibility solutions. The CEM is based on the Ofgem CBA, which we used in earlier tender rounds.

The methodology sets out to analyse the NPV of discounted cash flows of each solution. The difference between the NPV of the network reinforcement and the NPV of the deferred reinforcement represents the amount that could be spent on flexibility services to achieve the deferral. *Figure 6* below shows this calculation where reinforcement has been deferred by three years.

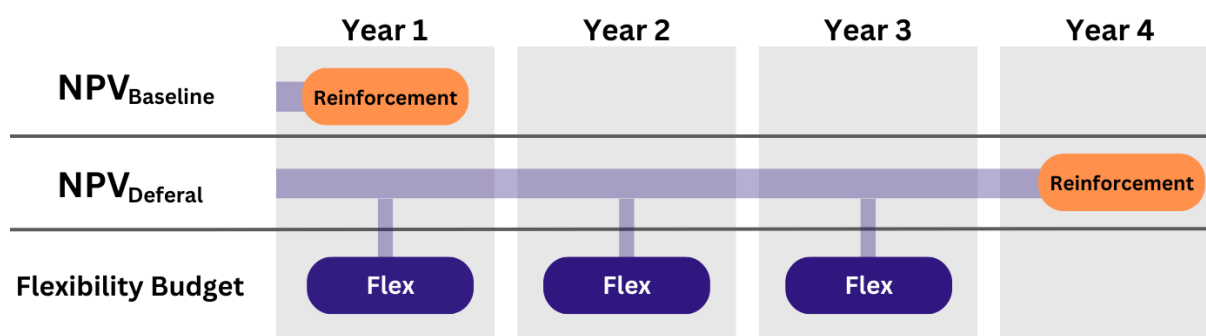


Figure 6 - Overview of NPV comparison

Note that the actual CBA is more complex since it models the total expenditure (TOTEX) cash flow DNO funding model where a proportion of the expenditure is recovered from bill-payers in the year it is incurred, and the rest is recovered over time. The CEM tool also enables consideration of multiple scenarios and deferral periods.

The flexibility budgets, which we publish to the market prior to each tender, are converted into indicative prices to help the market translate value into offers by dividing the budget by the required availability and utilisation volumes. These volumes are determined from site-specific load profile analysis and forecasts. Site-specific budgets and prices can be found in the Competition Data spreadsheet that we publish on [our website](#).

Where we use flexibility to reduce the risk of customers losing supply, our counterfactual is based on the penalty associated with the potential customer interruptions and minutes lost⁷ along with the likelihood of a second (unplanned) outage triggering that interruption.

⁷ Minutes lost is based on the number of customers connected and estimated time to restore supply.

Assessment of Competitive Bidding

We publish our bid assessment methodology within the participation guidance for each tender. This is available on [our website](#). We seek to meet the volume requirement, at a cost that is within budget and as economically as possible as shown in *Figure 7*.

The comparable rate (in £/MWh) is derived from the availability fee and utilisation fee and allows comparison between bids. The detailed formulation can be found in the participation guidance. We provide an example of the bid assessment in Appendix C.

For Day-Ahead SU, the auction is cleared automatically for each half-hourly market period, based on minimising cost of meeting the required capacity with offers above the max price rejected. If the total remaining offered capacity is less than zone requirement, then all offers are accepted. Where more capacity is offered than required the clearing is processed in line with our published [Market Clearing Logic](#).

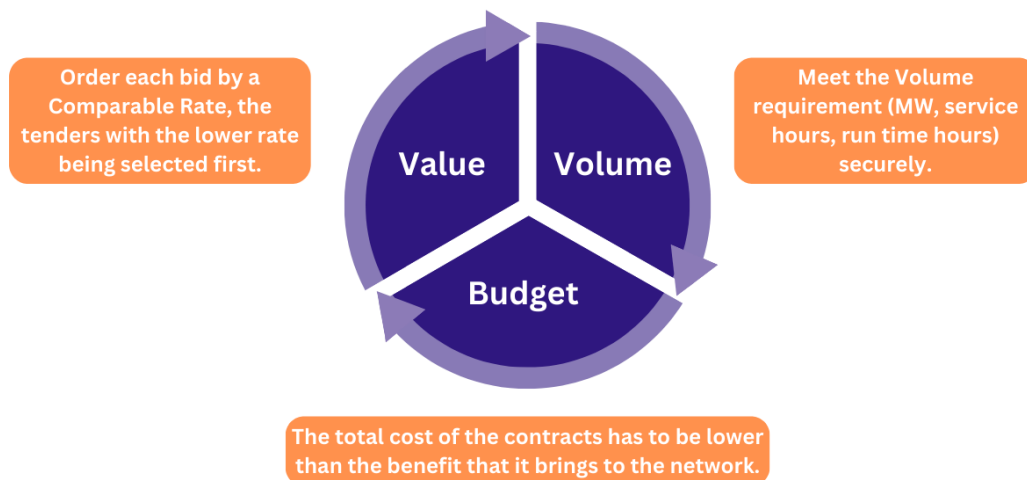


Figure 7 - Assessment of bids

6. References

Reference

[RIIO-ED2 Business Plan](#)

Describes UK Power Networks' plans and commitments for 2023-28

[RIIO-ED2 DSO Strategy](#)

Describes our plans to establish an independent DSO and maximise its benefits over 2023-28

[Distribution Network Options Assessment \(DNOA\)](#)

Describes the decision-making process for assessing infrastructure vs flexibility when increasing network capacity, along with the results of that assessment

[Flexibility Dispatch Framework](#)

Describes how we make flexibility dispatch decisions in the control room, including coordination with the NESO

[Long-Term Development Statement and Network Development Plan](#)
[Network Headroom Report](#)

Outlines how we expect network capacity requirements to evolve over the next 5-10 years and where we plan to build additional network infrastructure

Indicates the amount of unused network capacity for demand and generation up to 2050, across our Bulk Supply Points and Primary substations

Key Websites

[UKPN DSO website](#)

Outlines the services the DSO offers and the latest news and events

[Flexibility Data Catalogue](#)

Catalogues data on flex requirements, contracts, dispatches and case studies

[Open Data Portal](#)

Provides APIs and downloads for key UK Power Networks datasets

[EPEX Localflex](#)

Enables flexibility providers to register, commit to contracts and receive payments

Engagement

[Slides and recordings from flexibility events](#)

Provides materials for previous engagement events

[DER and Customer Forum](#)

Provides details of upcoming engagement events relating to connection and operation of generators and storage

Market Information

[Live and historic tenders](#)

Provides descriptions and data for all ongoing and completed flexibility tenders

[Tender Hub - UKPN DSO](#)

Provides the standard terms for flexibility service commitments

Appendix

Appendix A: Distribution Future Energy Scenarios (DFES)

The table below summarises the key system drivers which characterise four DFES.

Parameter	Counterfactual	Hydrogen Evolution	Electric Engagement	Holistic Transition
Net Zero by 2050?	No	Yes	Yes	Yes
Core Demand				
Energy efficiency	Low	Medium	High	High
Building stock growth	Medium	Medium	Medium	Medium
Low-Carbon Transport				
Cars and vans: electrification	Limited Uptake	ZEV Mandate	ZEV Mandate	Reduced Demand
Heavy duty vehicles: decarbonisation	Baseline	Hydrogen world	High electricity	Fast rollout
Decarbonised Heating				
Heat pumps	Low	Medium	High	High with hybrids
District heat uptake	Low	Medium	High	High
Distributed Generation				
Rooftop solar PV	Low	Medium	Medium	High
Large-scale solar PV	Low	Medium	Medium	High
Onshore wind	Low	Low	High	Medium
Renewable engines	Low	Medium	High	High
Decentralised biomass	High	Medium	Low	Low
Energy from waste	High	Medium	Low	Low
Non-renewable CHP / engines / gas turbines	High	Medium	Medium	Low
Hydrogen generation	Low	High	Medium	Medium
Battery Storage				
Domestic battery storage	Low	Medium	High	High
I&C behind-the-meter battery storage	Low	Medium	High	Medium
Co-located battery storage	Low	Medium	Medium	High
Grid-scale storage	Low	Medium with early phase out	Medium with late phase out	High
Flexibility				
Flexibility	Low	Medium	High	High

Appendix B: Tender Round 10 Site Summary

The table below summarises the 46 demand constraint flexibility zones which we expect to include in the first tender of 2024/25. There will also be an additional 219 flexibility zones at the LV level. In May, we will publish the final details of sites on our website and on the Localflex platform.

Flexibility Zone	Licence area	Maximum Connection voltage (kV)	Capacity required (MW)
Aldreth	EPN	11	1.66
Barming	SPN	11	2.38
Bow	LPN	11	3.40
Bramford Diss Thetford Circuits	EPN	132	8.96
Brington	EPN	11	4.56
Capel Switching Station	SPN	33	4.52
Cobham (Kent) T1	SPN	11	3.44
Cockfosters	EPN	11	6.26
Croydon	EPN	11	3.17
Croydon B	SPN	33	1.56
East Enfield	EPN	11	0.63
Edenbridge	SPN	11	1.01
Godmanchester	EPN	11	1.62
Guyhirn	EPN	11	0.96
Halstead	EPN	11	2.22
Hendon Way	EPN	11	5.45
Kenninghall	EPN	11	3.02
Kimbolton	EPN	11	2.08
Kimms Belt	EPN	11	1.85
Laxfield	EPN	11	0.24
Leysdown	SPN	6.6	0.53
Lithos Road	LPN	11	2.17
Little Chart	SPN	6.6	0.87
March Primary	EPN	11	0.63
Rainbow Lane	EPN	11	0.20
Reed	EPN	11	5.69
Ripe	SPN	11	0.50
Selwyn Road	EPN	11	1.81
Smeeth	SPN	11	1.02
St Anthony St	EPN	11	1.11
St Helier	SPN	11	1.62
Steel Cross	SPN	6.6	0.78
Stickfast Lane	EPN	11	2.50
Takeley	EPN	11	0.58
Thaxted Local	EPN	11	4.30
Uplands Park	EPN	11	0.49
W. Weybridge 132/11	SPN	11	6.52
Warehorne	SPN	11	0.53

Flexibility Zone	Licence area	Maximum Connection voltage (kV)	Capacity required (MW)
Warehorne-Kenardington-Tenterden_Wittersham 33kV Group	SPN	33	8.18
West Horndon	EPN	11	2.57
Whiston Road	LPN	11	4.55
Willesden Grid GSP	LPN	132	25.00
Wingham	SPN	11	4.87
Wittersham	SPN	6.6	1.15
Worstead	EPN	11	0.41
Wrotham	SPN	11	1.76

Appendix C: Example Bid Assessment

Bid Grouping	Company	Capacity (MW)	Bid Avail Fee (£/MWh/h)	Bid Util Fee (£/MWh)	Service Start Date	Service End Date	Service Window From	Service Window To	Avail spend	Util hours	Util spend	Total spend	Energy delivered (MWh)	Total contract cost	Total contract energy (MWh)	Contract comparable rate (£/MWh)	Result
Bid 7	Ohme Operations UK Ltd	15.70	18	270	01/12/2022	11/03/2023	07:00	20:30	£ 385,325	5	£ 21,195	£ 406,520	78.5	£ 1,519,683	350.6	£ 4,334	Accepted
Bid 7	Ohme Operations UK Ltd	17.40	16	270	01/12/2023	11/03/2024	07:00	20:30	£ 383,357	5	£ 23,490	£ 406,847	87	£ 1,519,683	350.6	£ 4,334	Accepted
Bid 7	Ohme Operations UK Ltd	18.51	14	270	01/12/2024	11/03/2025	07:00	20:30	£ 353,408	5	£ 24,993	£ 378,402	92.5685	£ 1,519,683	350.6	£ 4,334	Accepted
Bid 7	Ohme Operations UK Ltd	18.51	12	270	01/12/2025	11/03/2026	07:00	20:30	£ 302,921	5	£ 24,993	£ 327,915	92.5685	£ 1,519,683	350.6	£ 4,334	Accepted
Bid 12	Tesla Motors Netherlands B.V.	0.04	15	270	01/12/2021	11/03/2022	07:00	20:30	£ 855	5	£ 56	£ 911	0.209	£ 911	0.2	£ 4,361	Accepted
Bid 8	Ohme Operations UK Ltd	0.06	15	270	01/12/2021	11/03/2022	07:00	20:30	£ 1,289	5	£ 85	£ 1,374	0.315	£ 6,881	1.6	£ 4,369	Accepted
Bid 8	Ohme Operations UK Ltd	0.06	15	270	01/12/2022	11/03/2023	07:00	20:30	£ 1,289	5	£ 85	£ 1,374	0.315	£ 6,881	1.6	£ 4,369	Accepted
Bid 8	Ohme Operations UK Ltd	0.06	15	270	01/12/2023	11/03/2024	07:00	20:30	£ 1,301	5	£ 85	£ 1,386	0.315	£ 6,881	1.6	£ 4,369	Accepted
Bid 8	Ohme Operations UK Ltd	0.06	15	270	01/12/2024	11/03/2025	07:00	20:30	£ 1,289	5	£ 85	£ 1,374	0.315	£ 6,881	1.6	£ 4,369	Accepted
Bid 8	Ohme Operations UK Ltd	0.06	15	270	01/12/2025	11/03/2026	07:00	20:30	£ 1,289	5	£ 85	£ 1,374	0.315	£ 6,881	1.6	£ 4,369	Accepted
Bid 3	Cambridgeshire County Council	0.06	15	270	01/12/2022	11/03/2023	07:00	20:30	£ 1,227	5	£ 81	£ 1,308	0.3	£ 5,245	1.2	£ 4,371	Accepted
Bid 3	Cambridgeshire County Council	0.06	15	270	01/12/2023	11/03/2024	07:00	20:30	£ 1,239	5	£ 81	£ 1,320	0.3	£ 5,245	1.2	£ 4,371	Accepted
Bid 3	Cambridgeshire County Council	0.06	15	270	01/12/2024	11/03/2025	07:00	20:30	£ 1,227	5	£ 81	£ 1,308	0.3	£ 5,245	1.2	£ 4,371	Accepted
Bid 3	Cambridgeshire County Council	0.06	15	270	01/12/2025	11/03/2026	07:00	20:30	£ 1,227	5	£ 81	£ 1,308	0.3	£ 5,245	1.2	£ 4,371	Accepted
Bid 10	Orange Power Ltd	0.50	48	380	01/12/2022	11/03/2023	07:00	20:30	£ 32,724	5	£ 950	£ 33,674	2.5	£ 135,020	10.0	£ 13,502	Accepted
Bid 10	Orange Power Ltd	0.50	48	380	01/12/2023	11/03/2024	07:00	20:30	£ 33,048	5	£ 950	£ 33,998	2.5	£ 135,020	10.0	£ 13,502	Accepted
Bid 10	Orange Power Ltd	0.50	48	380	01/12/2024	11/03/2025	07:00	20:30	£ 32,724	5	£ 950	£ 33,674	2.5	£ 135,020	10.0	£ 13,502	Accepted
Bid 10	Orange Power Ltd	0.50	48	380	01/12/2025	11/03/2026	07:00	20:30	£ 32,724	5	£ 950	£ 33,674	2.5	£ 135,020	10.0	£ 13,502	Accepted
Bid 11	Orange Power Ltd	0.50	68	380	01/12/2022	11/03/2023	07:00	20:30	£ 46,359	5	£ 950	£ 47,309	2.5	£ 189,695	10.0	£ 18,970	Accepted
Bid 11	Orange Power Ltd	0.50	68	380	01/12/2023	11/03/2024	07:00	20:30	£ 46,818	5	£ 950	£ 47,768	2.5	£ 189,695	10.0	£ 18,970	Accepted
Bid 11	Orange Power Ltd	0.50	68	380	01/12/2024	11/03/2025	07:00	20:30	£ 46,359	5	£ 950	£ 47,309	2.5	£ 189,695	10.0	£ 18,970	Accepted
Bid 11	Orange Power Ltd	0.50	68	380	01/12/2025	11/03/2026	07:00	20:30	£ 46,359	5	£ 950	£ 47,309	2.5	£ 189,695	10.0	£ 18,970	Accepted
Bid 1	Bankenergi limited	0.50	111	577	01/12/2021	11/03/2022	07:00	20:30	£ 75,674	5	£ 1,493	£ 77,167	2.5	£ 386,533	12.5	£ 30,923	Accepted
Bid 1	Bankenergi limited	0.50	111	597	01/12/2022	11/03/2023	07:00	20:30	£ 75,674	5	£ 1,493	£ 77,167	2.5	£ 386,533	12.5	£ 30,923	Accepted
Bid 1	Bankenergi limited	0.50	111	597	01/12/2023	11/03/2024	07:00	20:30	£ 76,424	5	£ 1,493	£ 77,916	2.5	£ 386,533	12.5	£ 30,923	Accepted
Bid 1	Bankenergi limited	0.50	111	597	01/12/2024	11/03/2025	07:00	20:30	£ 75,674	5	£ 1,493	£ 77,167	2.5	£ 386,533	12.5	£ 30,923	Accepted
Bid 1	Bankenergi limited	0.50	111	597	01/12/2025	11/03/2026	07:00	20:30	£ 75,674	5	£ 1,493	£ 77,167	2.5	£ 386,533	12.5	£ 30,923	Accepted
Bid 9	Orange Power Ltd	1.00	118	580	01/12/2022	11/03/2023	07:00	20:30	£ 160,893	5	£ 2,900	£ 163,793	5	£ 656,765	20.0	£ 32,838	Alternative efficient fee offered
Bid 9	Orange Power Ltd	1.00	118	580	01/12/2023	11/03/2024	07:00	20:30	£ 162,486	5	£ 2,900	£ 165,386	5	£ 656,765	20.0	£ 32,838	Alternative efficient fee offered
Bid 9	Orange Power Ltd	1.00	118	580	01/12/2024	11/03/2025	07:00	20:30	£ 160,893	5	£ 2,900	£ 163,793	5	£ 656,765	20.0	£ 32,838	Alternative efficient fee offered
Bid 9	Orange Power Ltd	1.00	118	580	01/12/2025	11/03/2026	07:00	20:30	£ 160,893	5	£ 2,900	£ 163,793	5	£ 656,765	20.0	£ 32,838	Alternative efficient fee offered
Bid 4	Conrad Energy Limited	6.00	275	450	01/12/2021	11/03/2022	07:00	20:30	£ 2,249,775	5	£ 13,500	£ 2,263,275	30	£ 11,338,650	150.0	£ 75,591	Alternative efficient fee offered
Bid 4	Conrad Energy Limited	6.00	275	450	01/12/2022	11/03/2023	07:00	20:30	£ 2,249,775	5	£ 13,500	£ 2,263,275	30	£ 11,338,650	150.0	£ 75,591	Alternative efficient fee offered
Bid 4	Conrad Energy Limited	6.00	275	450	01/12/2023	11/03/2024	07:00	20:30	£ 2,272,050	5	£ 13,500	£ 2,285,550	30	£ 11,338,650	150.0	£ 75,591	Alternative efficient fee offered
Bid 4	Conrad Energy Limited	6.00	275	450	01/12/2024	11/03/2025	07:00	20:30	£ 2,249,775	5	£ 13,500	£ 2,263,275	30	£ 11,338,650	150.0	£ 75,591	Alternative efficient fee offered
Bid 4	Conrad Energy Limited	6.00	275	450	01/12/2025	11/03/2026	07:00	20:30	£ 2,249,775	5	£ 13,500	£ 2,263,275	30	£ 11,338,650	150.0	£ 75,591	Alternative efficient fee offered
Bid 6	Just Charging Ltd	0.35	290.17	71.4	01/12/2022	11/03/2023	07:00	20:30	£ 138,476	5	£ 125	£ 138,601	1.75	£ 555,776	7.0	£ 79,397	Rejected
Bid 6	Just Charging Ltd	0.35	290.17	71.4	01/12/2023	11/03/2024	07:00	20:30	£ 139,847	5	£ 125	£ 139,972	1.75	£ 555,776	7.0	£ 79,397	Rejected
Bid 6	Just Charging Ltd	0.35	290.17	71.4	01/12/2024	11/03/2025	07:00	20:30	£ 138,476	5	£ 125	£ 138,601	1.75	£ 555,776	7.0	£ 79,397	Rejected
Bid 6	Just Charging Ltd	0.35	290.17	71.4	01/12/2025	11/03/2026	07:00	20:30	£ 138,476	5	£ 125	£ 138,601	1.75	£ 555,776	7.0	£ 79,397	Rejected
Bid 13	ev.energy	0.01	295	100	01/12/2021	11/03/2022	07:00	20:30	£ 4,022	5	£ 5	£ 4,027	0.05	£ 478,724	5.9	£ 80,661	Rejected
Bid 13	ev.energy	0.04	295	100	01/12/2022	11/03/2023	07:00	20:30	£ 16,089	5	£ 20	£ 16,109	0.2	£ 478,724	5.9	£ 80,661	Rejected
Bid 13	ev.energy	0.17	295	100	01/12/2023	11/03/2024	07:00	20:30	£ 69,463	5	£ 86	£ 69,548	0.855	£ 478,724	5.9	£ 80,661	Rejected
Bid 13	ev.energy	0.32	295	100	01/12/2024	11/03/2025	07:00	20:30	£ 129,519	5	£ 161	£ 129,680	1.61	£ 478,724	5.9	£ 80,661	Rejected
Bid 13	ev.energy	0.64	295	100	01/12/2025	11/03/2026	07:00	20:30	£ 259,038	5	£ 322	£ 259,360	3.22	£ 478,724	5.9	£ 80,661	Rejected
Bid 5	Green Energy Options (geo) Ltd	0.01	540	540	01/12/2021	11/03/2022	07:00	20:30	£ 7,363	5	£ 27	£ 7,390	0.05	£ 7,390	0.1	£ 147,798	Rejected
Bid 2	Bankenergi limited	2.00	737	111	01/12/2021	11/03/2022	07:00	20:30	£ 2,009,799	5	£ 1,110	£ 2,010,909	10	£ 10,074,444	50.0	£ 201,489	Rejected
Bid 2	Bankenergi limited	2.00	737	111	01/12/2022	11/03/2023	07:00	20:30	£ 2,009,799	5	£ 1,110	£ 2,010,909	10	£ 10,074,444	50.0	£ 201,489	Rejected
Bid 2	Bankenergi limited	2.00	737	111	01/12/2023	11/03/2024	07:00	20:30	£ 2,029,698	5	£ 1,110	£ 2,030,808	10	£ 10,074,444	50.0	£ 201,489	Rejected
Bid 2	Bankenergi limited	2.00	737	111	01/12/2024	11/03/2025	07:00	20:30	£ 2,009,799	5	£ 1,110	£ 2,010,909	10	£ 10,074,444	50.0	£ 201,489	Rejected
Bid 2	Bankenergi limited	2.00	737	111	01/12/2025	11/03/2026	07:00	20:30	£ 2,009,799	5	£ 1,110	£ 2,010,909	10	£ 10,074,444	50.0	£ 201,489	Rejected

The table shows details of the bid assessment carried out for the Secure (SAOU) service at Burwell Milton Arbury Hist

Appendix D: Flexibility Services Products

The following tables provide the detailed parameters for each of our Flexibility Service Products:

	Parameter name	SU (Day Ahead & Long-Term)		SAOU	
		Industry standard	UKPN notes	Industry standard	UKPN notes
Structure	Payment Structure	Utilisation Only		Availability and Utilisation	
	When prices are set (procurement timescales)	At trade	At trade (which can be long-term or day-ahead)	At trade	Utilisation prices can be reduced after initial commitment
Availability	Availability Request Mechanism	N/A		Request initiated by DNO	
	Availability Acceptance timing			At trade	
	Availability Refinement timing			Not allowed	
	Availability Changes Allowed?			No	
	Minimum Aggregate Unit Size			End state: N/A Interim: differs per DNO	10kW
	Partial Availability Acceptance Possible?			End State: Yes Interim: differs per DNO	Yes (at trade)
	Time Variable Availability Volumes Allowed			End State: Yes Interim: differs per DNO	No
	Availability Payment Unit			£/MW/H	
	Availability Period			Settlement Periods	
Utilisation	Utilisation Payment Unit	£/MWh		£/MWh	
	Utilisation Period	Settlement Periods		Minutes	
	Delivery Expectation	Continuous		Continuous	
	Maximum Response Time	N/A		N/A	
	Payments during response time?	No		No	
	Minimum Utilisation Time	30 mins		30 mins	

		SU (Day Ahead & Long-Term)		SAOU	
	Parameter name	Industry standard	UKPN notes	Industry standard	UKPN notes
	Minimum Utilisation Volume	End state: N/A Interim: differs per DNO	10kW	End state: N/A Interim: differs per DNO	10kW
	Utilisation Instruction Timings	At trade	At trade (which can be long-term or day-ahead)	Operational - Day Ahead	
	Partial Utilisation Instruction possible	End State: Yes Interim: differs per DNO	Yes	End State: Yes Interim: differs per DNO	Yes
	Time Variable Utilisation Volumes Allowed	End State: Yes Interim: differs per DNO	Yes	End State: Yes Interim: differs per DNO	No

UK Power Networks Distribution System Operator (DSO)

Registered in England and Wales.

Registered No. 14591999.

Registered Office: Newington House, 237 Southwark Bridge Road,
London, SE1 6N

