

Market Facilitator Governance Consultation Response Form

Publication date: 18 September 2025

Please use this response form to respond to the Market Facilitator Governance Consultation which was published on Thursday 18 September 2025.

Please submit your response to flexibility@ofgem.gov.uk by 5pm on Thursday 16 October 2025.

Respondent details
Contact name: Thomas McGoey
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Company name: Nord Pool
Company type (e.g. DNO, flexibility service provider): Power exchange / Relevant Electricity Market Operator
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Date of submission: 16 October
Confidentiality

Market Facilitator Governance Consultation Response Form

We will publish non-confidential responses on our website. However, You can ask us to keep your response, or parts of your response, confidential.

Do you want all or part of your response treated as confidential? If yes, please confirm if all or part of the response should be treated as confidential and if so, which part

No

Questions

Annex A – Draft Governance Framework Document

Q1. Do you agree that the Draft Governance Framework Document clearly defines the scope, roles & responsibilities and deliverables of the Market Facilitator? If not, what would you change and why?

From Nord Pool's perspective, we do not have concerns with what is set out for the roles and responsibilities for Elexon during the first delivery period and consider the document to be clear in setting them out.

However, while the document is clear in setting out that the governance framework is for the first delivery plan, it is not clear on what the relationship will be for the governance arrangements between the first and second delivery plan. Our concern is that the principles and specific roles set out for the first delivery plan will be taken as is and extended to wholesale market for the second delivery phase. As Ofgem previously communicated in its June [2025 decision document](#) (para 3.27) "no new powers to Elexon or further governance changes will be required for the second delivery phase."

We would therefore encourage Ofgem and Elexon to work with wholesale market participants and power exchanges well in advance of the second delivery phase to ensure a new set of appropriate governance arrangements can be set out collaboratively, rather than a continuation of those set out for the first delivery phase. Furthermore, as it has not been clear on which elements of the governance arrangements, if any, will continue into the second delivery phase, there should be

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opportunity for these to be meaningfully consulted on in advance of the second delivery phase. As there will be no new powers or further governance to Elexon for the second delivery phase, we would anticipate that it be possible for greater clarity on the governance arrangements for the second delivery phase to be provided well in advance of its 2028 commencement.

Overall, greater clarity on the process for the second delivery phase, the governance principles and its associated timelines would be beneficial in providing market participants and industry with greater understanding of what can be anticipated.

Q2. Do you agree with the appeals process and the proposed performance arrangements for Elexon as the Market Facilitator? If not, what would you change and why?

No disagreement to what is set out in terms of process, but aligned with the feedback in question 1, there needs to be clarity on whether the appeals process set out will be used for the second delivery plan or if there will be another opportunity to comment on the appeals process specific to the second delivery plan.

Q3. Do you have any other comments on the Draft Market Facilitator Governance Framework Document?

No further comments beyond those set out in questions 1 and 2.

Annex B – Draft Market Facilitator Impact Assessment

Q1. Do you agree that we have, to a reasonable extent, identified and understood the potential costs and benefits of implementing the Market Facilitator?

N/A

Q2. Do you agree that we have, to a reasonable extent, identified and understood the potential impacts of the introduction of the Market Facilitator? Are there any unintended consequences of implementing the Market Facilitator that we have not identified?

N/A

Annex C – Licence Changes

Q1. Do you agree with the updated proposed Definitions to be added to the Standard Conditions of the Electricity Distribution Licence and the ESO Licence? Are any changes required?

N/A

Q2. Do you agree with the updated proposed licence condition clauses for Flexibility Market Rules to be added to both licences? Does the current drafting deliver the policy intent? Do you have any suggested changes?

N/A

Q3. Do you agree with the updated proposed licence condition clauses for implementation monitoring to be added to both licences? Does the current drafting deliver the policy intent? Do you have any suggested changes?

N/A

Q4. Do you agree with the updated proposed licence condition clauses for Market Facilitator input into NESO service design to be added to the ESO Licence? Does the current drafting deliver the policy intent? Do you have any suggested changes?

N/A

Q5. Do you have any additional comments or suggestions?

We remain available to discuss the approach ahead of the second delivery phase.