

# Procurement Statement

Distribution Flexibility Services  
April 2026



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# 1. Executive Summary

**Welcome to our sixth Distribution Flexibility Services Procurement Statement, in which we outline our plans for procuring flexibility for the upcoming regulatory year.**

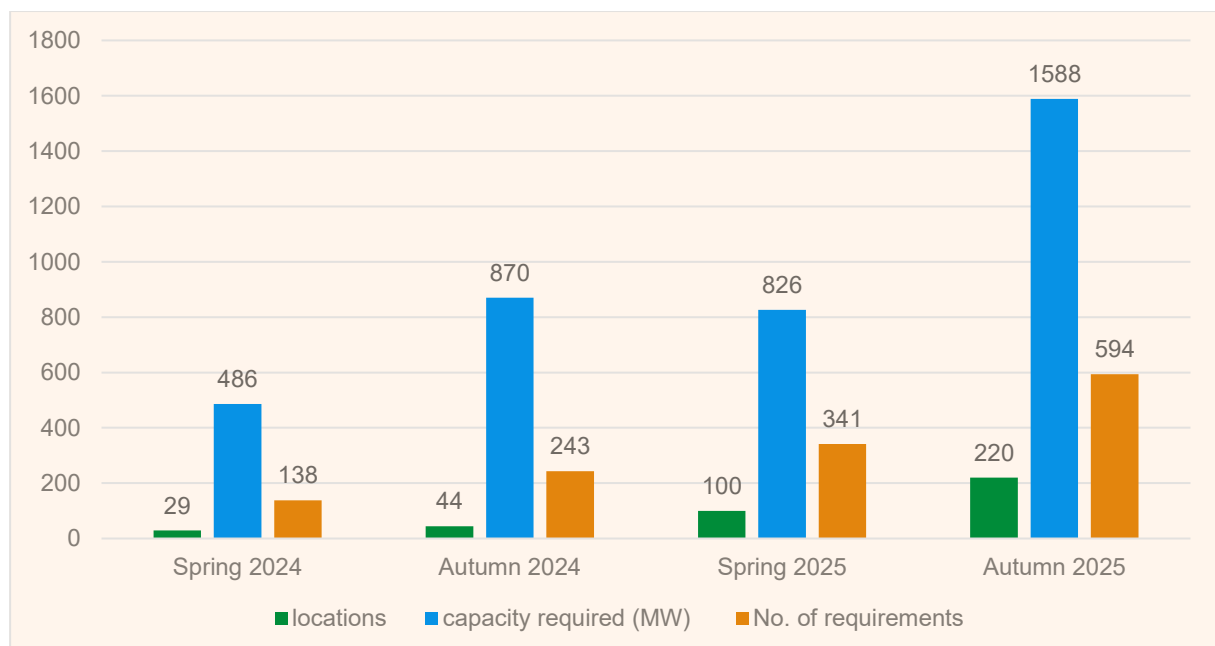
In line with the Clean Energy for all Europeans Package introduced by UK Government in December 2020 (Incentives for the use of flexibility in distribution networks), the Office of Gas and Electricity Markets (Ofgem) added a new condition to our Electricity Distribution Licence: Condition 31E: Procurement and use of distribution flexibility services. C31E sets out Distribution Network Operator's (DNOs) plans for procuring flexibility services for the upcoming regulatory year including the methodologies used to determine the most suitable solution to meet the network needs; (i.e comparing traditional asset reinforcement to procuring flexibility services, energy efficiency measures and Active Network Management (ANM)) to ensure that DNOs and IDNOs consider procuring flexibility services when it is economic and efficient to do so, to run safe and reliable electricity distribution networks.

This statement reflects SP Electricity North West's approach for supporting and developing the flexibility market in Great Britain as we proactively engage with flexibility stakeholders and collaborate with the wider industry to deliver simplicity, commonality, accessibility and transparency throughout our flexibility processes in this developing new sector. We remain committed to the vital role that flexibility will play in the future energy system as we look ahead into ED3.

A Distribution Flexibility Procurement Report detailing the flexibility services we tendered for, contracted and dispatched in 2025/26 will be published alongside our forward-looking statement within our [document library](#) in April 2026 to provide an annual summary of our progress to date.

As figure 1 below demonstrates, our volume of flexibility requirements has increased significantly since our first tender launch in 2018, which sought 7.5MW of capacity between 2020-23, compared to our requirements in 2025 which sought 1,588MW between 2025-28. During the remainder of the RIIO-ED2 period we will continue to see an increase in the requirements for flexibility and energy efficiency across our network and we are excited about the opportunities for flexibility service providers (FSPs) and benefits to customers that this will deliver.

*Figure 1: Flexibility services requirements tender history*



Historically we have published our requirements twice a year in spring and autumn in line with the completion of our network loading analysis, [Distribution Future Electricity Scenarios \(DFES\)](#) and [Distribution Network Options Assessment \(DNOA\)](#). However, for the upcoming regulatory year 2026/27 we will shift our long term tenders to summer and winter.

We will include more low voltage (LV) requirements in our upcoming tenders as we continue to focus upon our Social DSO strategy which involves support in developing community energy assets and domestic flexibility ensuring a just transition where the benefits of net zero investment reach all communities across our region.

Below is an overview of our forecasted requirements for each tender round in 2026/27 with further details provided in Section 2.3. We also publish data tables alongside this report providing further detail.

*Table 1: Flexibility services capacity, requirements and revenue by region 2026/27*

Location	Capacity required (MW)	No. of requirements	£ available
<b>Cumbria</b>	487.84	85	4,132,487
<b>Lancashire</b>	25.75	88	1,268,509
<b>Greater Manchester</b>	170.08	239	4,895,872
<b>Totals</b>	<b>683.67</b>	<b>412</b>	<b>10,296.868</b>

*Table 2: 2026/27 Flexibility services products and values in 2026/27 regulatory year*

Product type	Sum of capacity required (MW)	Sum of ceiling price available (£)
<b>Operational Utilisation</b>	75.2	2,217,728
<b>Variable Availability + Operational Utilisation</b>	604.44	3,913,798
<b>*Peak Reduction</b>	608.47	4,039,570
<b>Scheduled Utilisation</b>	4.03	125,772
<b>Totals</b>	<b>683.67</b>	<b>10,296,868</b>

*\*Peak reduction capacity and ceiling prices include products Scheduled Utilisation and Variable Availability + Operational Utilisation.*

A Distribution Flexibility Services Procurement Report detailing the flexibility services we tendered for, contracted and dispatched in 2025/26 will be published alongside this forward-looking statement within our document library in April 2026 to provide an annual summary of our progress to date.

## 2. Introduction

### 2.1 About SP Electricity North West

Global energy leader, Iberdrola, acquired an 88% shareholding in Electricity North West in 2025, through its UK arm Scottish Power. The network has now rebranded as SP Electricity North West.

SP Electricity North West is one of Great Britain's six electricity distribution network operators that operate across the UK's 14 licence areas. We maintain and invest in our network of 61,000km

of underground cables and overhead lines, plus thousands of substations and innovative technology.

We deliver a safe and reliable power supply to 2.4 million homes and businesses from Cumbria to Cheshire, supporting electrification and clean growth.

Iberdrola and Scottish Power are committed to building smarter, greener electricity networks and now distributes electricity to 12 million people in the UK through its 170,000km network.

Our network in the North West is one of the most reliable in the country and we are investing over £2bn between 2023-28 to ensure we continue to deliver an excellent, safe and affordable service to all our customers.

From 1 April 2023, we entered a regulatory price control period referred to as RII0-ED2, which runs until March 2028. During this period, we will see significant change in the way and amount of electricity that is generated, consumed and stored, driving innovation across the whole energy system both now and into the future.



This document sets out our flexibility requirements for the coming period between April 2026 and March 2027, and the remainder of RII0-ED2 which sees our highest ever requirements and the inclusion of LV requirements.

### 3. Distribution Flexibility Service Requirements

#### 3.1 Our approach to flexibility

The use of flexibility services is a key Distribution System Operation (DSO) function and an instrument of change, as it facilitates the North West's transition to Net Zero. The rise in low carbon technologies will ultimately result in significantly more demand being placed on our network and utilising flexible solutions is pivotal to delivering this additional required capacity.

We are therefore trialling smarter techniques to use the existing network more efficiently, which will reduce costs for all our electricity customers in the future. Some of the ways in which we can facilitate the transition to Net Zero, whilst utilising our existing network, is through the procurement of flexibility services and promotion of energy efficiency measures.

In our RII0-ED2 business plan, we used cost benefit analysis (CBA) to present how the use of flexibility services can be cost efficient for our customers.

At times of high electricity demand and when the network is operating abnormally, we are looking to enter into contracts with FSPs to adjust how much electricity they consume or generate either through flexibility or energy efficiency measures, in return for financial payment. The aim is to reduce the cost for electricity distribution networks in customer energy bills while ensuring that our network remains reliable, resilient and meets our customers' needs.

Our approach to the use of flexibility services to support a capacity requirement is two-fold; flexibility services can be a key interim solution while we assess load growth and consider options for conventional reinforcement, avoiding inefficient piecemeal network expansion and

stranded assets. Alternatively, flexibility services allow us to mitigate the risk if demand growth is accelerated and there is a long lead time associated with asset-based interventions.

In some instances, depending on the level of flexibility market in the location of the capacity requirement, and the scale of the capacity requirement, flexibility services could be considered as an enduring network solution.

We remain committed to developing flexibility services and creating an attractive marketplace for all network users with connected distributed energy resources (DERs). We will continue to adopt a neutral market position in everything we do.

Each year we aim to increase the accessibility and transparency of flexibility services opportunities. The publication of our first [Network Development Plan](#) (NDP) in 2022 was an important step in presenting best view flexibility requirements for network areas with capacity needs in the next 10 years.

We will continue to provide more breadth and depth to our flexibility procurement options to drive participation in our tenders and increase market liquidity.

We are intending to further develop our LV flexibility procurement requirements and improve alignment of our internal processes and resources to support delivery of LV procurement products.

We will also continue to incorporate energy efficiency schemes into our flexibility services tenders as we believe that encouraging more informed and intelligent energy consumption is beneficial to our regional network whilst also contributing to whole system benefits. The energy efficiency service allows system users to earn revenue from carrying out long term energy efficiency activities whilst assuring SP Electricity North West that the site demand will decrease, deferring the need for reinforcement work within the area since average consumption is reduced and/or shifted away from the peak demand creating network capacity.

## 3.2 Future requirements

During the RII0-ED2 period we are seeing an increase in the requirements for flexibility and energy efficiency across our network and we're pleased to be delivering opportunities that provide so many benefits to customers, DNOs and FSPs.

SP Electricity North West has a 'flexibility first' approach, in that we promote flexibility as an efficient solution for network capacity provision and seek to deploy at all opportunities where it is robust and economic to do so. As a result, for every capacity requirement that can be technically released via flexibility services detailed in our [Network Development Plan](#) (NDP) we have outlined the flexibility services option alongside the asset solution and indicated whether this requirement is likely to materialise immediately, or in the next 3-5, or 5-10 years. This is to ensure there is clear signposting of all future requirements and demonstrates our approach of not foreclosing a flexibility services or energy efficiency opportunity before the market has been fully tested for a response.

Half-hourly through-year capacity balancing requirements across our EHV network can be identified using the detailed assessments supported by our [ATLAS forecasting methodology](#).

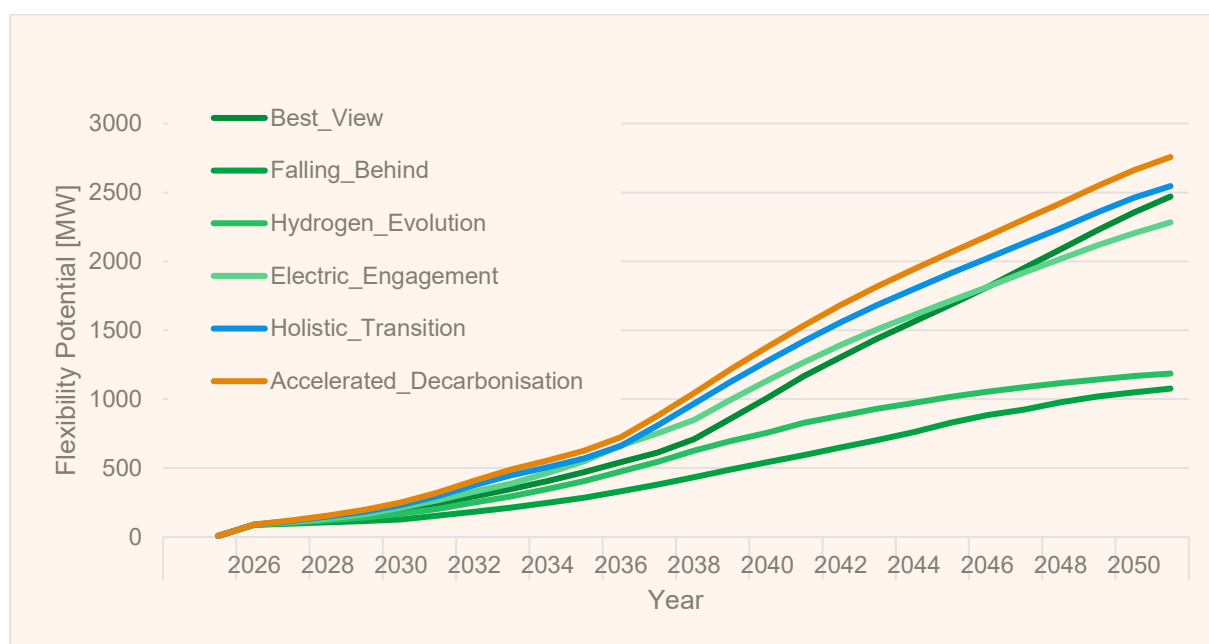
This allows us to define detailed flexibility requirements, such as number of days per month, energy requirements per day and capacity requirements per season to procure the required capacity of flexibility services only when they are needed, ensuring the efficient and economic use of customers money.

The constraints identified in the Best View scenario within the NDP are reviewed on an annual basis in alignment with the latest Distribution Future Electricity Scenarios (DFES).

Within the NDP we have quantified the minimum level of flexibility required using the Best View scenario up to 2050. We have also presented what levels of flexibility may be required by 2050 under the Consumer Transformation and System Transformation scenarios to highlight the range of future uncertainty.

As our current requirements are based on Best View scenario, we have included the below graph from our recently published [2025 DFES report](#) with the Best View scenario showing the highest certainty trend. This scenario reflects the limited role of hydrogen for domestic heating, which is expected to drive higher electrification of heating especially beyond 2030.

*Figure 2: Future potential of active power available for flexibility services*



The actual flexibility requirements presented in a tender may be higher than that detailed in the [Network Headroom Report](#) (NHR) tables associated with the NDP as it accounts for connections pipeline uncertainty and delivery risk mitigation. The intention of the NDP is to provide the future view of flexible requirements in terms of location and baseline quantities, but future tender information will substantiate the volumes and service categorisation.

Since 2024/25, we have successfully dispatched flexibility services using Active Network Management (ANM) via the Remote Terminal Unit (RTU) to which the customer is connected, as well as through the [ElectronConnect](#) platform. Under normal circumstances, flexibility services will be dispatched via API from the ElectronConnect system. Where an API connection is not configured or an FSP does not have API capability, dispatch will instead be issued via email notification.

For Peak Reduction and Scheduled Utilisation products, API-based dispatch from SP Electricity North West is not required, as the Flexibility Service Provider (FSP) will deliver according to an agreed forward-looking schedule.

In the future our ANM system will interact with the ElectronConnect system so that ANM co-ordinates what ElectronConnect dispatches. The ability to dispatch via an RTU is important for sites that do not wish to expose their control systems to an API, such as critical national infrastructure sites. Proving that ANM accurately dispatches via RTU was a pre-cursor to the full-scale implementation of ANM to ElectronConnect to FSPs via API.

As per our commitment to open data sharing published via our Open Data Portal, we have updated the dispatch data on the portal to reflect the flexible services dispatched which captures all flexibility dispatched to date with a lag of circa 60 days.

We also anticipate further roll out of smart meters with additional monitoring at High Voltage (HV) and Low Voltage (LV). This data coupled with aggregated smart meter data will provide increased visibility of our HV and LV networks, allowing us to better understand utilisation of the network, identify both existing and upcoming constraints and expand our opportunities for flexibility services to these lower voltage levels. With approximately 34,000 distribution substations located across the North West, it is estimated that we will have up to 200 opportunities available each year, facilitating the growth of residential flexibility and energy efficiency markets and fulfilling our obligations as a neutral market facilitator.

We will continue to act in the best interest of our customers and procure flexibility and energy efficiency where it is economic and efficient to do so. With these advancements we will be continuously developing the flexibility market in the Northwest in short, medium and longer term.

A detailed breakdown of our 2026/27 requirements including locations, volumes (MW), ceiling prices (£) and products (including response times) can be found [here](#).

### **3.3 2026/27 tenders**

Our flexibility procurement processes are common across the DNOs and continue to be refined and standardised through dedicated technical working groups led by the Market Facilitator.

For the regulatory year of 2026/27 SP Electricity North West has introduced monthly tenders alongside our core (longer term) biannual tenders. The diagram below outlines the end-to-end process from tender creation to contract award and overall, how we deliver our flexibility services process, it also details the actions that are required and executed by both SP Electricity North West and the FSP.

#### **3.3.1 Long-term tenders**

This year we are revising the scheduling of our core (biannual) flexibility tenders, shifting them from spring and autumn to winter and summer..

The revised winter and summer tender rounds will incorporate our long-term flexibility requirements through to the end of the RIIO-ED2 period on 31 March 2028. These tenders will utilise the four standardised flexibility products (see Section 3.3.3) and will be designed to address identified needs across our LV, HV, and EHV networks.

Figure 3: Flexibility services process map

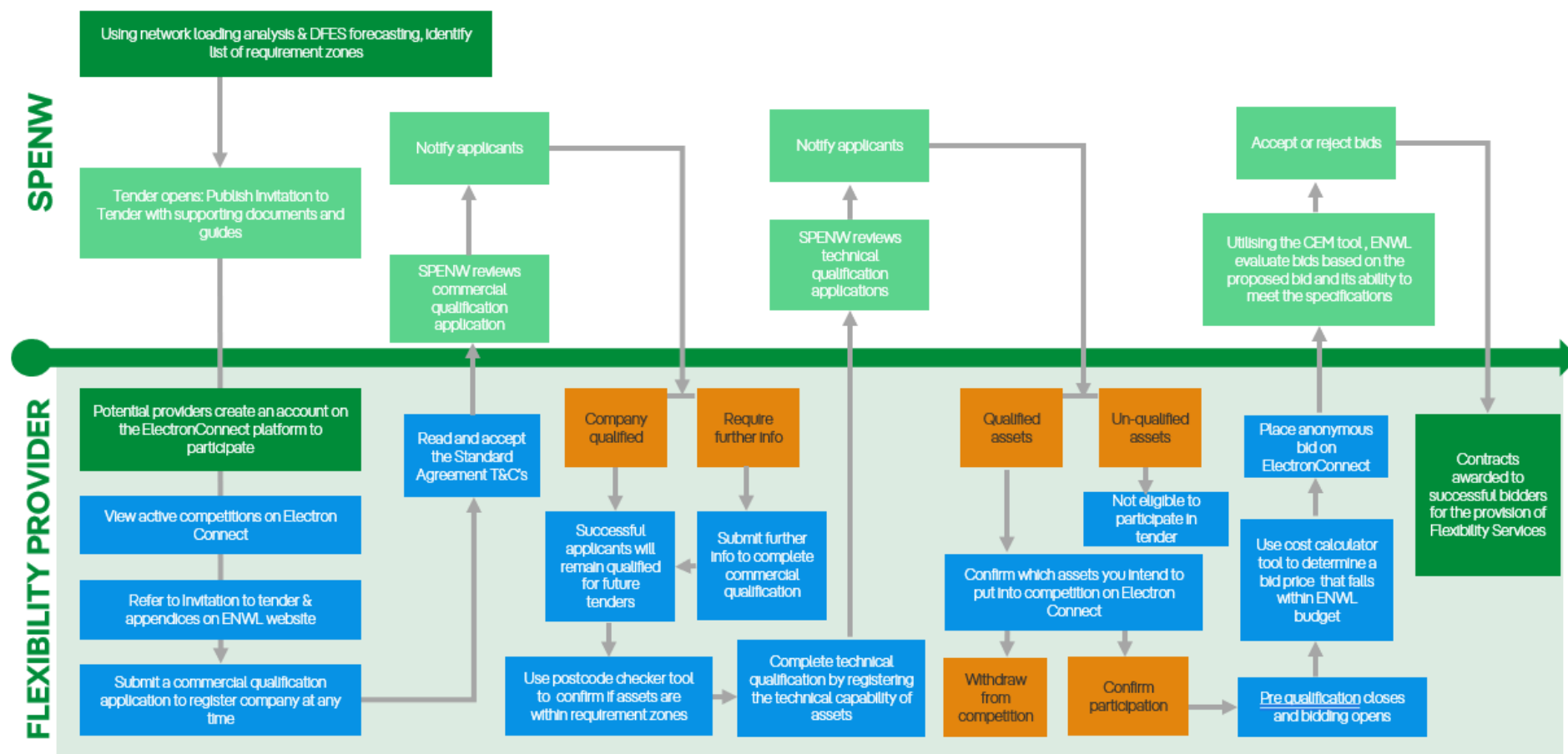


Figure 4: Summer 2026 Flexibility services tender timelines



### 3.3.2 Monthly tenders

SP Electricity North West will deliver monthly recurring flexibility tenders as a new procurement route that complements our existing long-term auction processes. This month-ahead mechanism will operate alongside our bi-annual long-term tenders and will provide more agile and responsive opportunities for Flexibility Service Providers (FSPs) to support our flexibility needs.

Tender requirements will be issued each calendar month, with contracted flexibility delivery expected in the subsequent month. All tender requirements and associated ceiling prices will be published on our [Open Data Portal](#) and made available through the ElectronConnect platform.

The introduction of monthly tenders reflects feedback from both existing and prospective FSPs, who have indicated that shorter-term procurement windows offer additional value and may encourage greater participation. Monthly tender requirements will cover identified needs across our LV, HV, and EHV networks.

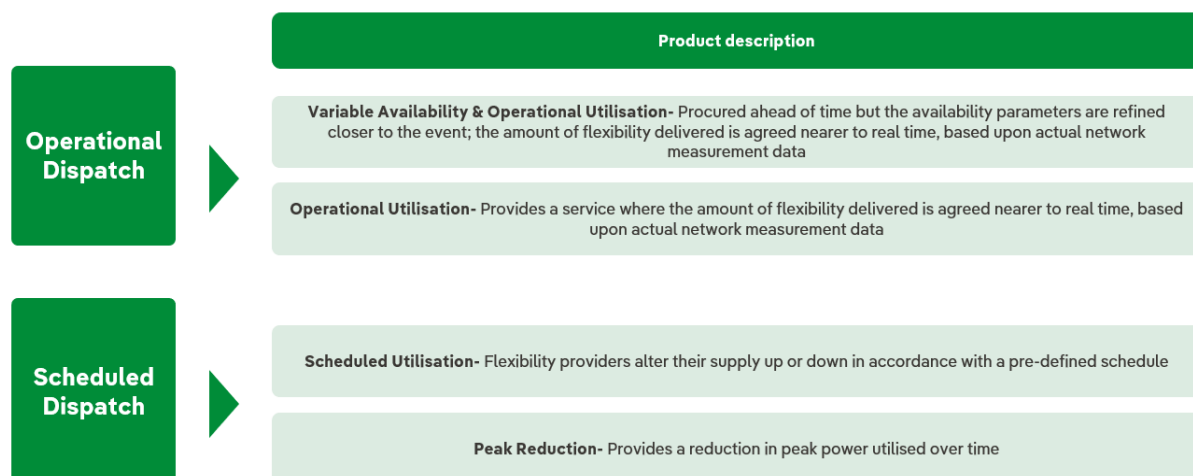
The flexibility products to be utilised within the monthly tenders are:

- Peak Reduction
- Scheduled Utilisation
- Operational Utilisation

### 3.3.3 Products

Each Invitation to Tender that we publish on our website details the type of response (product) that is required within its specified location. Our four types of responses are: Peak Reduction, Operational Utilisation, Scheduled Utilisation, and Variable Availability + Operational Utilisation. These are industry standardised products developed through the ENA Open Networks Project in collaboration with all UK DNOs and the NESO.

Figure 5: Flexibility services products



Both operational dispatch products (Variable Availability & Operational Utilisation and Operational Utilisation) are specified as requiring a maximum response time of fifteen minutes. As part of the technical pre-qualification process, prospective FSPs are required to confirm whether they can meet a response time of two (2) minutes or fifteen (15) minutes. Where an FSP does not explicitly confirm its capability to respond within two (2) minutes, the contractual response time will default to fifteen (15) minutes. This requirement is also set out in Appendix 3 of the tender documentation.

**Peak Reduction:** This product seeks a reduction in peak power utilised over time. This response can manage peaks in demand and could be provided by long-term energy efficiency activities.

**Use case example:** This product could be used where energy efficiency measures are planned that would reduce a site's overall electricity consumption across the year but specifically during high peak periods.

**Scheduled Utilisation:** In this product, the time that flexibility is delivered has been pre-agreed in advance with the provider. This product will primarily benefit FSPs that cannot respond in real-time or near to real-time. This product is deployed to fulfil our LV requirements.

**Use case example:** This service can be used by a DNO to manage seasonal peak demands and defer network reinforcement, for example.

**Operational utilisation:** This product allows for the use case where the amount of flexibility delivered is agreed nearer to real time. This can be utilised to facilitate a change in demand profile from FSPs based on network conditions close to real-time. The assets will be dispatched for the required level of service that is required based upon actual network measurement data thus managing the cost. For this product the response times for contracted flexibility will be either two (2) or fifteen (15) minutes.

**Use case example:** A DNO may utilise this product to restore network supplies following an unplanned outage.

**Variable availability & operational utilisation:** This product allows for DNOs and the ESO to procure a level of contracted capacity but then refine the requirements in terms of availability closer to the event. The assets will be dispatched for the required level of service that is required based upon actual network measurement data, meaning that the DNO/ESO is only paying utilisation payments based upon the actual needs of the network. For this product the response times for contracted flexibility will be either two (2) or fifteen (15) minutes.

**Use case example:** A DNO is planning for sufficiency of flexibility services contracts based upon long range forecasting of network constraints.

A full product parameter table can be found [here](#).

### 3.3.4 Open Data Portal

Open and accessible data is a central theme across our commitments under our RIIO-ED2 Business Plan, the Open Networks Project and the Smart Systems and Flexibility Plan. We will publish our tender information on the company's [Open Data Portal](#). Users of this portal are already able to access the [Embedded Capacity Register](#) and the [Network Capacity Headroom Data](#), in a multitude of different data formats. Flexibility Services data hosted on the Open Data portal can be downloaded in a range of common industry standard forms including API, KML, CSV, JSON, Shapefile, and XLSX.

This allows users to incorporate the data into their own modelling and mapping systems and overlay other data sets they may already have, including their own asset maps. We are keen to hear from users of the Portal if there are additional data sets or formats of data that would be helpful, particularly those relating to flexibility services, and regularly encourage stakeholder feedback through various interactions, consultations and webinars.

This year we are enhancing how our flexibility data is presented on both our open data portal and our [Flexibility Hub](#). The enhancements will focus upon supporting our stakeholders and FSPs to better navigate our flexibility tenders and help identify opportunities to participate.

The main objective of this work is to develop our existing information provision by improving accessibility of data by collating information into a single view. We will seek to highlight LV opportunities by creating map layers/filters for different voltages, using indicators that are accessible to both technical and non-technical users. We'll also develop and include visualisations in the open data portal to explicit LV flexibility geographies and related financial opportunities.

The intended future state of this data is multifaceted, and we are intending to deliver the following functionality:

- Create a single view that integrates data from our [Flexibility Hub](#) and postcode checker data
- Support non-technical stakeholders (community energy groups, small businesses and domestic users) in identifying flexibility opportunities
- Provide visual aids that easily identify LV opportunities for different voltage levels
- Include/implement a HV/LV filter for users to identify opportunities at each voltage level
- Data enhancements to existing datasets for enriched insights
- Provide descriptive and prescriptive data and improve navigation, delivering a better user experience

This work is currently underway and is expected to be completed and accessible to stakeholders in April 2026.

We're also creating a technical tool that will allow FSPs to input their Half Hourly data in order to identify what volume of flexible capacity they might be able to deliver. This volume will be indexed against specific CMZ's ceiling prices and calculate potential revenues from flexibility services. The intention is that we can be more proactive with helping FSPs quantify value when participating in our tenders. This tool should be complete in April 2026.

### 3.3.5 Invitation to Tender

Our core requirements for the regulatory year 2026/27 will be published twice a year, in summer and winter, in addition to our monthly recurring tenders. The summer and winter tenders will follow on from the completion of our network loading analysis as described within the Distribution Future Electricity Scenarios (DFES) and Distribution Network Options Assessment (DNOA) processes. Details for each site will be published within our Invitation to Tender appendices (detailed below), on the ElectronConnect platform, on our website and on our Open

Data Portal including location, response type, capacity required, availability window, ceiling price and conditions precedent of each tender.

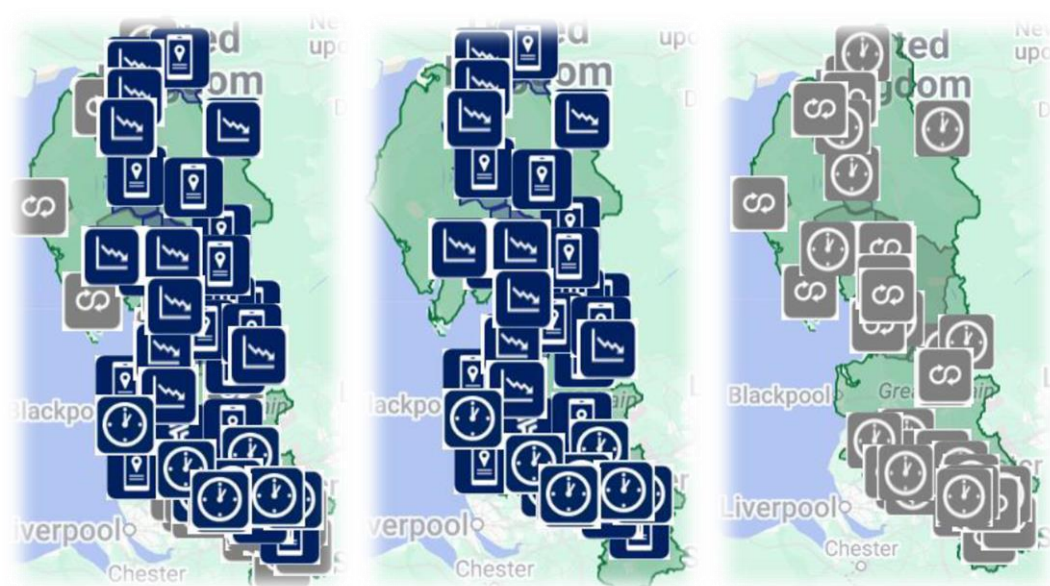
To generate confidence in the North West flexibility market, we publish half hourly forecasts of our requirements for the next two years within Appendix 4 of our tenders. This allows us to offer longer term flexibility contracts to providers and demonstrates our commitment to transparency and market engagement. This half hourly data will be published within all future tender appendices on our latest requirements page.

Document name	Contents
<b>Invitation to Tender</b>	The terms and conditions of our flexibility services procurement process
<b>Appendix 1: Standard Flexibility Agreement</b>	Following submission of a successful bid, the flexibility provider will enter into a contract with SP ENW using the latest version of the Standard Flexibility Agreement
<b>Appendix 2: Technical Specification</b>	Outlines the technical requirements an asset needs to provide us with flexibility services
<b>Appendix 3: Site requirements</b>	Provides details of the individual requirement zones in table format including post codes, capacity, delivery windows, response type, estimated utilisation and availability hours and ceiling price
<b>Appendix 4: Half Hourly data</b>	Forecasted half hourly requirements for the next two years in excel spreadsheet format for each zone
<b>Postcode Checker</b>	A handy tool that allows FSPs to quickly check if their asset is located within one of our flexibility services requirement zones
<b>Cost Calculator tool</b>	Participants can use this tool to calculate a bid price for utilisation and availability that falls within our budget for that zone and service period before submitting a bid

### 3.3.6 Flexibility map

To simplify the information that we provide to stakeholders and assist them in the identification of assets within constraint zones, all of our requirements are published on an interactive flexibility map on our [Latest Requirements page](#) and on our flexibility hub homepage. The map on the homepage also shows indications of over 70 future requirements spanning the RII0-ED2 and ED3 periods out to 2033. Our current requirements are represented by navy icons and forecasted requirements over the next five to ten years are represented by grey icons to provide more notice of future tenders.

L-R: all requirements, current requirements and future requirements.



### 3.4 Data tables

This statement provides a summary of our forecasted tender requirements for the 2026/27 regulatory year. Detailed tables outlining our 2026/27 needs by product and by site are included.

We will also publish our Distribution Flexibility Services Requirements Workbook, which offers further information on our anticipated needs for the remainder of the RIIO-ED2 period and complements the requirements set out for 2026/27.

Table 3: Flexibility services capacity, requirements and revenue by region 2026/27

Location	Capacity required (MW)	No. of requirements	£ available
<b>Cumbria</b>	487.84	85	4,132,487
<b>Lancashire</b>	25.75	88	1,268,509
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Table 4: 2026/27 Flexibility services products and values in 2026/27 regulatory year

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<b>Totals</b>	<b>683.67</b>	<b>10,296,868</b>

\*Peak Reduction capacity and associated ceiling prices cover the Scheduled Utilisation product, as well as the Variable Availability and Operational Utilisation product combination.

Availability Windows	
<b>Operational Utilisation</b>	All year 24/7
<b>Variable Availability + Operational Utilisation</b>	Bespoke per requirement and are provided within the data tables submitted alongside this report. These generally are summer requirements: April-October and winter requirements: October-March. However, it is important to note that some of the seasons are different to reflect the different nature of each operational region and its bespoke requirements for services.
<b>Peak Reduction</b>	
<b>Scheduled Utilisation</b>	

The tables on the following pages set out more detail on our requirements at both primary (pp16-18) and secondary (pp19-21) substation level and per tender period. Tender periods are either by financial year ("FY", running 1 April to 31 March) or by tender period winter (W) or summer (S).

Table 5: 2026/27 Capacity and utilisation hours by product and substation (EHV and HV)

Substation	Operational Utilisation		Variable Availability + Operational Utilisation		Peak Reduction	
	MW Requirements	Max estimated utilisation hrs per tender period (per annum)	MW Requirements	Max estimated utilisation hrs per tender period (per annum)	MW Requirements	Max estimated utilisation hrs per tender period (per annum)
Agecroft-Frederick Rd Group	n/a	n/a	W: 21.88	W: 48	W: 21.88	W: 279
Ambleside-Calgarth-Mintsfeet-Windermere Group	n/a	n/a	W: 6.17	W: 48	W: 6.17	W: 372
Alston	FY: 1.40	FY:100	S: 0.257 W: 0.47	S: 48 W: 48	S: 0.257 W: 0.47	S: 4209 W: 4186
Ancoats North T11 & T12	n/a	n/a	W: 1.78	W: 24	W: 1.78	W: 124
Ancoats North T11 & T12-Cannon St-Strangeways-Ancoats North T14 Group	n/a	n/a	W: 11.12	W: 48	W: 11.12	W: 310
Ardwick	n/a	n/a	W: 3.33	W: 48	W: 3.33	W: 1963
Ashton (Golborne)	n/a	n/a	W: 1.528	W: 24	W: 1.528	W: 124
Ashton (Ribble)-Moorside-Catterall Waterworks Group	n/a	n/a	S: 1.299 W: 5.137	S: 24 W: 48	S: 1.299 W: 5.137	S: 1830 W: 4186
Ashton On Mersey	n/a	n/a	W: 12.84	W: 48	W: 12.84	W: 341
Askerton Castle	FY: 1.40	FY:100	n/a	n/a	n/a	n/a
Blackley-Harpurhey Group	n/a	n/a	W: 2.56	W: 48	W: 2.56	W: 124
Bentham	FY:3.50	FY:100	n/a	n/a	n/a	n/a
Bolton By Bowland	FY: 2.30	FY:100	W: 0.352	W: 48	W: 0.352	W: 1080
Burrow Beck	n/a	n/a	S: 4.158 W: 11.83	S: 48 W: 200	S: 4.158 W: 11.83	S: 2562 W: 4186
Capontree-Westlinton-Morton Park & Pirelli Group	n/a	n/a	W: 256.7	W: 48	W: 256.7	W: 713
Carlisle North BSP	n/a	n/a	S: 2.639	S: 24	S: 2.639	S: 1224

Substation	Operational Utilisation		Variable Availability + Operational Utilisation		Peak Reduction	
	MW Requirements	Max estimated utilisation hrs per tender period (per annum)	MW Requirements	Max estimated utilisation hrs per tender period (per annum)	MW Requirements	Max estimated utilisation hrs per tender period (per annum)
Catterall Waterworks	FY: 7.50	FY:100	S: 5.05 W: 6.296	S: 400 W: 400	S: 5.05 W: 6.296	S: 4209 W: 4186
Cheetham Hill	n/a	n/a	W: 1.568	W: 48	W: 1.568	W: 460
Church	FY: 5.70	FY:100	n/a	n/a	n/a	n/a
Claughton	FY: 2.90	FY:100	n/a	n/a	n/a	n/a
Coniston	FY: 2.10	FY:100	S: 0.718 W: 1.25	S: 48 W: 300	S: 0.718 W: 1.25	S: 4209 W: 4186
Didsbury-Withington-Fallowfield Group	n/a	n/a	W: 4.51	W: 48	W: 4.51	W: 93
Easton	n/a	n/a	W: 0.314	W: 48	W: 0.314	W: 4186
Egremont	n/a	n/a	W: 1.96	W: 48	W: 1.96	W: 276
Flat Lane	FY: 4.10	FY:100	n/a	n/a	n/a	n/a
Frederick Rd BSP	n/a	n/a	W: 32.63	W: 48	W: 32.63	W: 2114
Gillsrow	FY: 3.40	FY:100	n/a	n/a	n/a	n/a
Hattersley	n/a	n/a	W: 2.255	W: 48	W: 2.255	W: 840
Helwith Bridge	FY: 3.60	FY:100	n/a	n/a	n/a	n/a
Ingleton	FY: 2.20	FY:100	n/a	n/a	n/a	n/a
Kendal	n/a	n/a	W: 1.75	W: 24	W: 1.75	W: 62
Longsight	n/a	n/a	W: 1.63	W: 48	W: 1.63	W: 810
Longsight BSP	n/a	n/a	W: 11.445	W: 48	W: 11.445	W: 1661
Marple	FY: 4.70	FY:100	n/a	n/a	n/a	n/a
Melling	FY: 2.30	FY:100	n/a	n/a	n/a	n/a
Mintsfeet	n/a	n/a	S: 3.99 W: 7.27	S: 48 W: 48	S: 3.99 W: 7.27	S: 2562 W: 4186
Moss Side (Leyland) & Seven Stars	n/a	n/a	W: 0.25	W: 48	W: 0.25	W: 1812
Moss Side (Longsight)	n/a	n/a	W: 0.25	W: 48	W: 0.25	W: 2760
Newbiggin on Lune	FY: 0.90	FY:100	n/a	n/a	n/a	n/a
Newby	FY: 5.30	FY:100	n/a	n/a	n/a	n/a
Newton	n/a	n/a	S: 9.07 W: 9.85	S: 200 W: 200	S: 9.07 W: 9.85	S: 4209 W: 4186
Newtongate T11 & T12	n/a	n/a	W: 2.28	W: 48	W: 2.28	W: 1812
Newtongate T13	n/a	n/a	S: 1.88 W: 3.8	S: 48 W: 100	S: 1.88 W: 3.8	S: 300 W: 2184
Phillips Lane	n/a	n/a	W: 0.714	W: 48	W: 0.714	W: 968
Queens Park	n/a	n/a	S: 2.93 W: 5.107	S: 48 W: 48	S: 2.93 W: 5.107	S: 2013 W: 2548
Risley	n/a	n/a	W: 4.347	W: 48	W: 4.347	W: 1812

Substation	Operational Utilisation		Variable Availability + Operational Utilisation		Peak Reduction	
	MW Requirements	Max estimated utilisation hrs per tender period (per annum)	MW Requirements	Max estimated utilisation hrs per tender period (per annum)	MW Requirements	Max estimated utilisation hrs per tender period (per annum)
Romiley	n/a	n/a	W: 2.217	W: 48	W: 2.217	W: 453
Rossall	FY: 2.70	FY:100	n/a	n/a	n/a	n/a
Strawberry Bank-Hyndburn Rd-Church-Kay St-Blackburn Rd Clayton-Great Harwood Group	n/a	n/a	W: 1.55	W: 24	W: 1.55	W: 217
Scarisbrick	FY: 3.70	FY:100	n/a	n/a	n/a	n/a
Sebergham	FY: 4.10	FY:100	n/a	n/a	n/a	n/a
Sedbergh	FY: 4.40	FY:100	n/a	n/a	n/a	n/a
Settle	FY: 4.10	FY:100	S: 0.766 W: 1.58	S: 48 W: 100	S: 0.766 W: 1.58	S: 2379 W: 2548
Spring Garden St 11kV-Burrow Beck-Spring Garden St 6.6kV Group	n/a	n/a	W: 103.87	W: 48	W: 103.87	W: 713
Stuart St	n/a	n/a	W: 3.25	W: 48	W: 3.25	W: 2366
Victoria Park	n/a	n/a	S: 5.219 W: 4.445	S: 48 W: 48	S: 5.219 W: 4.445	S: 2562 W: 2184
Whasset	n/a	n/a	S27: 1.575	S27: 48	S27: 1.575	S27: 1092
Wigan BSP	n/a	n/a	W: 6.69	W: 48	W: 6.69	W: 1080
Yealand	FY: 2.90	FY:100	S: 2.59 W: 3.85	S: 200 W: 300	S: 2.59 W: 3.85	S: 4209 W: 4186
<b>Grand Totals</b>	<b>75.2</b>	<b>2200</b>	<b>603.191</b>	<b>4368</b>	<b>603.191</b>	<b>109,354</b>

All products within the tables above are requirements at the primary substation 33/HV except for Fredrick Road BSP where the requirements are on the 132/33kV substation. For the primary substation requirements these can be fulfilled by LV or HV DERs, for Fredrick Road these can be also fulfilled by 33kV DERs.

Table 6: 2026/27 Capacity and utilisation hours by product and substation (LV)

Substation	MW Requirements	Max estimated utilisation hrs per tender period (per annum)	Substation	MW Requirements	Max estimated utilisation hrs per tender period (per annum)
Aire Dr (adj No 2)	W: 0.03	672	Johns Ave	W: 0.06	672
Alder Rd	W: 0.03	672	Kendal Dr	W: 0.02	672
Andrew St	W: 0.03	672	Kingslea Rd	W: 0.03	672
Armistead St	W: 0.05	672	Kingston Ave	W: 0.03	672
Ash Gr	W: 0.04	672	Kingston Ave	W: 0.04	672
Ashley Rd (No 125)	W: 0.04	672	Kirkman Cl	W: 0.03	672

Substation	MW Requirements	Max estimated utilisation hrs per tender period (per annum)	Substation	MW Requirements	Max estimated utilisation hrs per tender period (per annum)
ATE Grimsargh	W: 0.01	672	Langley	W: 0.03	672
Back Bowness Rd	W: 0.03	672	Leyland Rd	W: 0.01	672
Back Hulton Ln S	W: 0.02	672	Lincoln Cl	W: 0.01	672
Back Tottington Rd	W: 0.01	672	Lyons Fold	W: 0.02	672
Barley Hall	W: 0.06	672	Mafeking St	W: 0.01	672
Barnfield Rd	W: 0.03	672	Maple Rd	W: 0.05	672
Barton Grange	W: 0.01	672	Marlborough Rd Eng Wks	W: 0.01	672
BCWW Duncombe Rd	W: 0.02	672	May St	W: 0.02	672
Bell Cl	W: 0.03	672	Mayorlowe Ave	W: 0.04	672
Berwick Ave	W: 0.02	672	Middleton Old Rd	W: 0.06	672
Birtwistle St	W: 0.03	672	Midway Hotel	W: 0.05	672
Bk Harold St	W: 0.03	672	Mill St Ashton	W: 0.03	672
Bk Manchester Rd	W: 0.04	672	Milton Gr	W: 0.01	672
Boars Head	W: 0.02	672	Moss Ln Swinton	W: 0.03	672
Bolefoot	W: 0.01	672	Moss St	W: 0.06	672
Bradford St	W: 0.02	672	Norbury St	W: 0.01	672
Brandlesholme Rd N	W: 0.02	672	North Scale	W: 0.04	672
Bridgewater St	W: 0.01	672	Nuthurst Rd 193	W: 0.06	672
Broadfield St	W: 0.03	672	Old Hall Ln Worsley	W: 0.01	672
Brook Terr	W: 0.05	672	Parkend Rd	W: 0.01	672
Brookes Ln	W: 0.03	672	Pickmere Rd	W: 0.01	672
Brookfield St	W: 0.01	672	Pilling Ln	W: 0.02	672
Broomfield Rd	W: 0.03	672	Pimhole Rd	W: 0.01	672
Brownley Rd	W: 0.01	672	Pinewood Rd	W: 0.05	672
Buck St	W: 0.01	672	Pippit Ln	W: 0.04	672
Bulls Head (Wilpshire)	W: 0.04	672	Pitt St	W: 0.03	672
Carlton Ave	W: 0.04	672	Platt Ln Holy Trinity	W: 0.01	672
Cedar St	W: 0.02	672	Pope Ln	W: 0.09	672
Chelsea Rd	W: 0.09	672	Queensway (Warton)	W: 0.02	672

Substation	MW Requirements	Max estimated utilisation hrs per tender period (per annum)	Substation	MW Requirements	Max estimated utilisation hrs per tender period (per annum)
Chorley St	W: 0.03	672	Redesmere Dr	W: 0.01	672
Church Hill	W: 0.02	672	Rosewood Ave	W: 0.02	672
Cleveland Dr	W: 0.02	672	Russell St	W: 0.01	672
Clifford St	W: 0.05	672	Sale Rd	W: 0.02	672
Clifton Arms(Blackpool)	W: 0.04	672	Sandhurst Ave	W: 0.01	672
Copley No 1	W: 0.01	672	Saville Rd	W: 0.02	672
Cromwell St	W: 0.06	672	Scott Dr	W: 0.01	672
Dialstone Ln	W: 0.07	672	Shawfield Ln	W: 0.01	672
Dorset St	W: 0.02	672	Slade Hall Rd	W: 0.04	672
Dunkirk Ave	W: 0.01	672	Spa Rd	W: 0.03	672
Empire Mill	W: 0.04	672	Spendmore Ln W	W: 0.02	672
Eskrick St	W: 0.01	672	Springfield	W: 0.02	672
Fairsnape Dr	W: 0.01	672	St Andrews Ave	W: 0.05	672
Far Moor	W: 0.02	672	St Andrews St	W: 0.02	672
Fleet St	W: 0.01	672	St Annes Rd	W: 0.01	672
Fulstone Mews	W: 0.04	672	St Judes	W: 0.01	672
Girls Grammar School	W: 0.01	672	Stock Gr	W: 0.04	672
Glenmoor Rd	W: 0.02	672	Sycamore Est	W: 0.04	672
Goldsmith Rd	W: 0.02	672	Tate St	W: 0.06	672
Goodshaw Ave	W: 0.02	672	Tramway Rd	W: 0.05	672
Grange Park Rd	W: 0.01	672	Turnberry Dr	W: 0.02	672
Grasscroft Clough	W: 0.07	672	Twining Brook Rd	W: 0.04	672
Graymarsh Dr	W: 0.04	672	Ullswater Rd	W: 0.02	672
Greenacres Rd	W: 0.01	672	Union Bridge	W: 0.03	672
Greenbrook St Bury	W: 0.05	672	Union Rd	W: 0.04	672
Greenwood Hs	W: 0.01	672	View Rd	W: 0.01	672
Hawksley Terr	W: 0.03	672	Walmsley Ave	W: 0.01	672
Hawthorne Ave	W: 0.02	672	Wash Brow	W: 0.05	672
Haynes St	W: 0.02	672	Washington St	W: 0.01	672
Healeys Corner	W: 0.02	672	Wellington Rd	W: 0.01	672

Substation	MW Requirements	Max estimated utilisation hrs per tender period (per annum)	Substation	MW Requirements	Max estimated utilisation hrs per tender period (per annum)
Hemsworth Rd	W: 0.02	672	White Horse Yard	W: 0.02	672
Highfield Ave (Rr 28)	W: 0.03	672	Windsor Way	W: 0.04	672
Hunters Rd	W: 0.02	672	Woodhouses O/D	W: 0.03	672
Hunt Rd	W: 0.03	672	Woodlands Dr (B)	W: 0.04	672
Ilford St	W: 0.06	672	Wordsworth Rd	W: 0.03	672
Incline Rd	W: 0.01	672			
<b>Totals</b>	<b>2.07</b>	<b>47,712</b>	<b>Totals</b>	<b>1.96</b>	<b>47,040</b>
<b>(MW Requirements) Grand Total 4.03</b>			<b>(Utilisation Hours) Grand Total 94,752</b>		

*All products within the tables above are requirements at the secondary substation. These requirements can be fulfilled by LV DERs or LV customers.*

### 3.5 Dispatch of flexibility services

#### 3.5.1 Dispatch platform

We plan to deliver all elements of our 2026/27 bi-annual and monthly tenders through the ElectronConnect platform. In March 2024, we successfully contracted and onboarded ElectronConnect as our core market platform, supporting procurement, availability declarations, scheduling, baselining, dispatch, and settlement activities.

The initial contract term was 24 months, with an optional one-year extension. We have exercised this extension and will continue our partnership with ElectronConnect to March 2027.

Ahead of this contract end date, we will undertake a new procurement process for the provision of flexibility platform services from March 2027 onward. The SP Electricity North West flexibility team has begun developing the scope of requirements to support the creation of a tender for future platform services.

#### 3.5.2 Baselining

For contracted sites, the delivery of flexibility services will be measured either at an asset level or at the point of supply, depending upon the location of the metering.

The level of response will be calculated using the minute-by-minute (or an agreed equivalent e.g. half hourly) metering readings submitted by the provider; verified against half hourly settlement readings for the duration of the contracted service window. Certain products rely on minute-by-minute metering granularity for accurate performance monitoring and settlement. Where an alternative to minute-by-minute granularity is provided, the data may be disaggregated. As such, this could result in performance monitoring and calculation inaccuracies. Responses will be calculated on the number of full minutes of response.

In association with the ENA Open Network Project, we have developed a range of common baselining standards (Default Baselining Methodologies (DBMs)) which can be used across the industry when measuring and settling flexibility services dispatch contracts. This standardised approach to baselining will come into effect on 1 April 2026. The provider has the ability to request an Alternative Baselining Methodology (ABM) in the event that the DBM is not considered appropriate. SP ENW retains sole discretion over whether to approve such a request, balancing

the need for methodological consistency with the flexibility to accommodate atypical DERs or generation/demand behaviour.

The supported set of standardised baseline methodologies (DBMs) are:

Methodology Name	Definition
<b>Asset capacity</b>	Assumes the participating DER would have operated at its full rated or expected capacity during the flexibility event, irrespective of actual operational conditions
<b>Last observation</b>	Uses the most recent, actual energy consumption or generation data immediately preceding a utilisation event
<b>Meter-before meter-after (measured)</b>	Uses the meter reads immediately preceding and following the utilisation event
<b>Nomination</b>	Uses a proposed set of meter values by the FSP based on their expected or usual operations for a future availability window that then becomes a utilisation event
<b>Recent history</b>	Uses a set of recent, eligible days preceding a utilisation event. This may also include correction factors such as Same Day Adjustment (SDA) for weather variables or removal of outlier values
<b>Fixed reference</b>	Uses a fixed daily profile derived from the observed energy behaviour of a representative group of DERs that represents normal operating behaviour or a System Operator's planning scenarios
<b>Zero</b>	The baseline energy consumption or generation is set to zero, meaning no energy usage or production is assumed in the absence of the utilisation event

The Provider has the ability to request an Alternative Baselining Methodology (ABM) in the event that the DBM is not considered appropriate. SP ENW retains sole discretion over whether to approve such a request, balancing the need for methodological consistency with the flexibility to accommodate atypical DERs or generation / demand behaviour.

More information about the ENA Standardised Baselining methodologies can be found [here](#).

## 4. Tendering Process

### 4.1 Tendering platform

We utilise a single platform (ElectronConnect) to host and execute on our market requirements. The intention is to deliver a consistent experience and single source of truth to FSPs. Our core (biannual tenders) alongside our monthly recurring tenders will be structured in a consistent and recognisable format in order to remove complexity and deliver a seamless and cohesive experience to our FSPs to maximise participation and improve user experience.

ElectronConnect serves as our core market platform offering an end-to-end solution for providers to participate, from onboarding through to dispatch and settlement. Further enhancements will be explored and tested throughout the 2026/27 regulatory year.

### 4.2 Tender timelines

We will be shifting our previous spring and autumn tenders to a new summer and winter cycle, as outlined in Section 2.3. Monthly tenders will continue to run on an accelerated process, reflecting the shorter turnaround required for following-month flexibility delivery.

Our long-term tenders (winter and summer) will continue to follow an approximate four-month process, comprising the following key milestones:

Figure 4: Summer 2026 flexibility services tender timelines



### 4.3 Criteria for participation

To participate in SP Electricity North West's flexibility services, a flexibility provider will need to meet the following high-level conditions:

a) The flexible resource must either:

Be already connected to the network location being supported; providers should use the highlighted area on the maps provided on our website, or on the ElectronConnect platform as an indication of whether the resource is in the right geographic location, or

Be able to locate (i.e. install, commission, and deliver) the Flexible Resource in the locality of the network asset being supported 1 month prior to the delivery start date.

b) The minimum size for directly contracted resources should be at least 10kW on EHV and HV products. There are no restrictions on the size of sub-sites of aggregated portfolios, but the total portfolio size also needs to be at least 10kW (flexibility capability and not capacity). The minimum size for directly contracted resources should be at least 5kW for all LV products.

c) The provider should be able to deliver and manage, at SP ENW's request, a net reduction in the demand or an increase in the export, as seen by the distribution network through flexibility or energy efficiency.

d) The flexible resource should have the ability to act (i.e. provide a response) reliably and consistently, in both magnitude and duration, throughout the contracted windows.

e) Generators and electrical storage, greater than 16A per phase, looking to export to the network will need to have a long-term parallel connection and be compliant with the requirements of EREC G59 or EREC G99.

f) The provider/flexible resource should be able to deliver the service by the specified delivery start date.

Participants are required to complete Technical Qualification on ElectronConnect prior to the opening of the bidding window to allow us to confirm the prospective asset(s) are technically compliant with these requirements.

## 4.4 Procurement process

To participate in our flexibility tenders, FSPs will need to complete the following steps on ElectronConnect:

- Create an account on ElectronConnect
- Commercially qualify to participate in SP Electricity North West's tenders on ElectronConnect
- Register and upload assets on ElectronConnect - these will be marked as 'ineligible' until our competition opens. Potential providers can upload both planned and operational assets on the platform to assist in the identification of assets within constraint zones
- Confirm which assets they wish to put forward for participation on ElectronConnect. These assets will be technically assessed by SP Electricity North West to ensure they meet the technical requirements of the tender
- The status of successful assets will then change to 'eligible', and the FSP will be able to submit a bid for the provision of flexibility services on ElectronConnect.

## 4.5 Signposting

To ensure visibility and accessibility to our tenders, we signpost our requirements via:

- [Our website](#)
- [ElectronConnect platform](#)
- [Open Data Portal](#)
- Piclo Max platform
- Our flexibility services mailing list
- Our bi-annual DSO Functions webinars
- Press releases
- SPENW social media channels
- Connections engagement
- Stakeholder and Social DSO newsletters/events
- [Network Development Plan \(NDP\)](#)
- Directly to customers with assets in requirement zones
- In-person events: joint events and industry events
- 1-2-1 flexibility services discussions

## 4.6 Pricing strategy

We currently operate a pay-as-bid pricing strategy for our flexibility tenders. We utilise the [Common Evaluation Methodology \(CEM\) and Tool](#) to determine the guide price for the competition zone at the tender stage meaning that we will issue in the tender materials the price above which the use of flexibility or energy efficiency is deemed uneconomic. This encourages bidders to submit competitive prices and ensures consistency with our evaluation process whilst continuing to drive competition in the market. These prices are based on the annual deferral fee and will be subject to full evaluation post bid assessment. These prices for each requirement are published within *Appendix 3: Site Requirements* as part of our suite of tender documentation on our website, in addition to being published on our interactive flexibility map and on the ElectronConnect platform.

## 4.7 Bidding

In the pre-qualification stage of the procurement process we assess the applications received and identify bidders that meet the specified requirements in section 3.3. Only bidders that fulfil the requirements will be eligible to submit bids in the two-week bidding window. Bids will be submitted, and bidders notified of the outcome via Electron Connect.

During the assessment period, we may hold a Post Quotation Negotiation or Best and Final Offer meeting with successful bidders. Bids will be assessed using the standardised Common Evaluation Methodology (CEM) and Tool as detailed in section 5 below. Prices above the guide

price provided may be accepted if bids are submitted for multiple years following full evaluation. We also share summary details with our DSO Stakeholder Panel to provide full transparency.

## **4.8 Contracts**

The terms of the contract are made publicly available on our website throughout the year and are issued as part of our Invitation to Tender (ITT) documentation. The latest version (Version 3) of the agreement is available to view within our document library. In line with the rest of the DNOs, we will continue to utilise Version 3 of the agreement for our upcoming tenders, and we will continue to be part of any developments to amend the standard agreement through Market Facilitator (Elexon) working group. This is critical as the contracting element will form a future Flexibility Market Rule (FMR).

This consistent approach aims to boost market confidence and facilitates participation in flexibility markets; having a common agreement simplifies the standard contract, reduces jargon and ensures clear and consistent terminology is used across all DNOs.

The results of our tenders are communicated to our stakeholders directly via our distribution list and published on our website on the 'previous requirements' page. This provides clarity on the bids which are accepted and rejected, as well as showing the contract lengths and the bid price accepted. This information delivers transparency in the procurement process as well as giving future market participants an insight into the potential values of revenue they could expect to achieve by participating.

# **5. Stakeholder engagement**

## **5.1 Flexibility market information**

### **5.1.1 Newsletters**

We provide regular, consistent and transparent reporting by issuing quarterly newsletters to our distribution list and providing updates on future requirements, consultations, results of our tenders and upcoming events. To reach wider audiences, we also include flexibility services updates in SP Electricity North West's Stakeholder Engagement, Social DSO, Innovation and Connections Engagement newsletters, and promote our distribution list, upcoming tenders, events and flexibility services updates across our social media channels. Stakeholders can sign up to receive our newsletters on our website.

### **5.1.2 Network user engagement**

We will continue to strengthen our role as a socially minded DSO by deepening our engagement with the communities we serve and expanding our collaboration with non-traditional flexibility providers. We will work closely with local organisations, households, SMEs, and emerging innovators to unlock new forms of distributed flexibility that complement traditional market participants. By broadening participation and making flexibility more accessible, we will enhance network resilience and efficiency while ensuring that the benefits are shared more widely. Through this ongoing commitment to inclusive engagement and community-centred innovation, we will keep driving a social DSO strategy that delivers meaningful value for all.

### **5.1.3 Webinars**

Our original online flexibility workshops have evolved to incorporate updates from the wider DSO team to deliver a series of DSO Functions webinars, focusing on different elements of DSO including forecasting data, publications, net zero and flexibility services. These interactive online events are held bi-annually in spring and autumn following the publication of our latest requirements to present an overview of our procurement processes and provide guidance on the platforms utilised in the process to ensure that our stakeholders are provided with the necessary

tools to submit a tender response. We welcome questions and feedback from attendees on their experiences of providing flexibility services. Stakeholders can view and sign up to receive future event invitations [here](#).

#### **5.1.4 Flexibility forum**

In last year's Flexibility Procurement Statement, we committed to delivering more in-person, flexibility-focused events. In line with this commitment, we launched our first Flexibility Forum in March 2026 which attracted thirteen FSPs to the first session. This will be a recurring event delivered as an interactive workshop involving both existing and prospective FSPs.

The purpose of the Flexibility Forum is twofold: to inform FSPs about our ongoing and upcoming activities, and to gather insights that will help shape our immediate and longer-term flexibility workstreams and processes. Our aim is to ensure that our flexibility practices continue to align with the needs of FSPs and the evolving electricity requirements of the region.

#### **5.1.5 In person events**

Following stakeholder feedback, we will continue to evolve the format and content of our webinars and in-person events. We will develop a range of bespoke engagement events in collaboration with ElectronConnect and FSPs from across the country to understand their needs and how we can further increase participation in our bi-annual and monthly recurring tenders. In addition to this we've launched our Social DSO strategy to regional stakeholders and will continue to gather feedback and capture ideas that will assist with the formulation our overall DSO strategy and engagement activities.

The presentation slides and full event roundups including feedback and slide packs from previous events can be found on our Flexibility [engagement page](#) and will be updated throughout the year following subsequent events.

#### **5.1.6 Consultations**

We strive to make the process of providing flexibility to the network as simple and seamless as possible for both local and national players by helping to remove barriers to participation and encouraging growth in the UK flexibility market space. We run flexibility consultations to capture our stakeholders' feedback on how we can help to remove any barriers to entry into our flexibility markets and how we should shape these markets of the future to best suit everyone's needs. We also contribute to industry wide consultations led by organisations such as ENA, Elexon and Ofgem and include links to these in our communication activities to improve visibility and response rate. We consider all feedback received from these consultations and incorporate it where possible into our future plans.

Our previous consultation documents, webinar recordings and response summaries which provide an overview of main responses received and our plans for taking it forward can be found on our website.

Open and accessible data is a central theme across our commitments under our RIIO-ED2 Business Plan, the Open Networks Project and the Smart Systems and Flexibility Plan.

We anticipate that these consultations will help develop lasting relationships and deliver ongoing mutual benefit to the market and efficient use of Electricity North West's distribution network.

### **5.2 Industry engagement**

We will continue to coordinate our approach to procuring flexibility alongside other DNOs as we implement interoperable platforms and continue developing standardised processes to reflect the needs of our stakeholders and the industry.

SP Electricity North West will work closely with Elexon (the appointed market facilitator) to ensure full alignment with the established flexibility market framework. We will adopt and operate in accordance with the Flexibility Market Rules, enabling a consistent, transparent, and interoperable approach to flexibility procurement and delivery. This collaboration will help create a streamlined experience for FSPs and support the efficient operation of the wider flexibility ecosystem.

### 5.3 Planned engagement activities

Engagement activity	Definition
<b>DSO discussions</b>	Bi-monthly DSO forum covering topics such as Heatmaps, Flexibility Services, Open Data Portal and ANM
<b>In- person events</b>	We hold in-person events alongside our wider DSO team as well as collaborating with DNOs and industry organisations such as Flex Assure and ElectronConnect
<b>Targeted customer engagement</b>	Direct engagement with local authorities, housing associations, industrial and commercial entities, customers and community groups within the identified constraint zones
<b>DSO Functions webinar</b>	Bi-annual DSO Functions webinar to present new flexibility requirements and a range of topics from the wider DSO Team
<b>DSO Stakeholder Panel</b>	Regular engagement with our external advisory panel with external chair
<b>DSO Flexibility Forum</b>	Quarterly forum which will engage with both existing and potential FSPs
<b>Quarterly newsletter</b>	SP Electricity North West flexibility services newsletter issued every quarter to promote our latest requirements, tender results, updates, events and publications

*All events will be promoted via our newsletter and social media channels, and available to register via [our website](#).*

## 6. Detailed quantitative assessment

Since January 2022 we have been utilising the Common Evaluation Methodology (CEM) and Tool (which can be found in the “helpful guides” section) to determine the most suitable solution to meet network needs, comparing traditional asset reinforcement to procuring flexibility Services, flexible connections, energy efficiency measures and Active Network Management (ANM) solutions.

The CEM tool evaluates solution options comparing network capacity and network losses over the range of DFES scenarios to identify the most cost-effective solution and proposes the optimum contract length. Based on the format of the Ofgem CBA for RIIO-ED1, the CEM tool is closely related to SP Electricity North West’s Real Options Cost Benefit Analysis (ROCBA) methodology developed for evaluating the flexibility products against network intervention. This standardised industry approach provides greater visibility and confidence amongst FSPs and helps stimulate volumes and competition in the market, ultimately reducing costs for network customers.

To facilitate and speed up the assessment process of multiple investment strategies across a wider range of future network forecasts, in our ED2 business plan we committed to further develop the capabilities of the ROCBA tool to maintain its position as a state-of-the-art decision support tool across all network investment strategies. In autumn 2024, we successfully re-platformed the ROCBA tool to Python and automated and expanded its original functionalities.

The new enhanced script-based ROCBA tool implementation follows an object-oriented structure. This architecture enhances the tool's scalability and flexibility across both macro and micro scenarios, as a theoretically unlimited number of interventions, strategies and sites can be simulated under multiple future scenarios. As the CEM is a 'cut down' version of the ROCBA tool for flexibility services procurement evaluations, the re-platforming of ROCBA resulted in an enhanced re-platformed automated version of the CEM tool as a 'by-product', which also has the ability to run multiple micro-scenarios.

Limitations on the number of interventions and scenarios have been removed, but importantly this allows us to automate the evaluation of flexibility service and conventional reinforcement options using the CEM tool to better support our operational decision making.

To demonstrate our commitment to procuring flexibility in an open and transparent manner, we will publish a high-level summary table on our [Latest Requirements page](#) following each tender round, along with a more detailed analysis of the valuations for each requirement zone. An archive of our previous tenders including full requirement details and results is also available to view on our [Previous Requirements page](#).

## 7. Contact us

Our approach to procuring flexibility will continue to evolve in line with best practice as identified by the industry and through stakeholder engagement. This year we look forward to building upon the successes of the previous regulatory year and further reduce barriers to participation and further industry alignment through the Market Facilitator workstreams.

If you have any comments or questions relating to this statement or the process of providing flexibility services to the network, please get in touch with our team at [Flexible.contracts@enwl.co.uk](mailto:Flexible.contracts@enwl.co.uk).

## 8. Resource library

In addition to our Invitation to Tender documents, we also have a suite of helpful guides, event materials, reports and forecasting data available on our website and via the links below. Please note that our guidance notes will be updated throughout 2026 as we introduce changes to our procurement process, products and technical requirements.

The below documents can be found in the helpful guides section of our [document library](#).

DSO Data	
A guide to flexibility services	A simple introductory guide for anyone new to flexibility services
Procurement process	Our flexibility procurement process including how to take part on <a href="#">ElectronConnect</a> , our ITT documents and how to use our interactive flexibility map
Summary of service requirements	Provides a detailed breakdown of our Invitation to Tender, Appendix 3: Site requirements table
Products and response times	An overview of the four flexibility products we procure and their service parameters
Decision making criteria	Explains how we assess bids received based on the conditions precedent, specification and cost

DSO Data	
<a href="#">Common Evaluation Methodology (CEM) and Tool</a>	The latest version of the standardised tool utilised by all GB DNOs to calculate ceiling prices for each requirement zone

Reports and publications	
Distribution Flexibility Procurement reporting	Our suite of publications relating to Ofgem's Electricity Distribution Standard Licence Condition 31E: Procurement and use of distribution flexibility services includes our statement, report, consultation and webinar recording
Tender results	All details of our requirements from 2018 including Invitation to Tender documents, results and Expressions of Interest
SP Electricity North West Business Plan 2023-28	This plan sets out our commitment to net zero, innovation and efficiency for the RII0-ED2 Period

The below 'Engagement' resources can be found on our flexibility services [engagement page](#).

Engagement	
Engagement document library	Previously held event recordings, presentations and summaries and newsletter archive
Sign up to our mailing list	Sign up to be the first to hear about our latest requirements and flexibility events
Request a one-to-one discussion	We host complimentary discussions to guide stakeholders through the process of providing flexibility services to the network
Upcoming events	View our upcoming flexibility events and register your place

## 9. Useful links

DSO Data	
<a href="#">Open Data Portal</a>	Our flexibility requirements are available to view on our new Open Data Portal and can be downloaded in a range of common industry standard formats including API, KML, CSV, JSON, Shapefile and XLSX
<a href="#">Distribution Future Electricity Scenarios Report (DFES)</a>	Presents well informed future trends across the North West for the electrification of transport & heating, the penetration of local distributed generation & storage, the future effects of hydrogen & how all these drive demand growths that our future network needs to supply
<a href="#">Network Development Plan (NDP)</a>	Part of the Clean Energy Package, this annual report details future distribution network requirements for 1-10 years beyond publication

DSO Data	
<a href="#">Long Term Development Statement (LTDS)</a>	Details future distribution network requirements for the next five years, allowing existing and potential customers to make an initial assessment of the capabilities of the electricity network and opportunities for changes in their use of the network or for connecting to it
<a href="#">Operation Decision Making Framework</a>	Optimising distribution with automation, flexibility, and informed decisions

Industry links	
<a href="#">ElectronConnect</a>	Our core market platform for flexibility services. Providers can use this platform for commercial and technical qualification, placing bids, dispatch and settlement. It is an end-to-end platform
<a href="#">Elexon</a>	Elexon is a private not-for-profit organisation that oversees the processes that settle payments between generators, suppliers and traders of energy in the UK and have become the Market Facilitator
<a href="#">Flex Assure</a>	A code of conduct and compliance scheme defining and enforcing minimum standards of practice to provide assurance for business energy users of the standard of service they will receive from businesses signed up to the scheme
<a href="#">Ofgem</a>	The website of the energy regulator for Great Britain
<a href="#">National Energy Systems Operator (NESO)</a>	The website of the electricity system operator for Great Britain
<a href="#">Energy Networks Association (ENA)</a>	The website of the industry body that representing energy network operators in the UK and Ireland
<a href="#">Department for Energy Security and Net Zero</a>	The Business, Energy and Industrial Strategy (BEIS) Department was reformed into the Energy Security and Net Zero Department in February 2023

## 10. Glossary

Term	Definition
Active Network Management (ANM)	The use of distributed control systems to continually monitor network limits, along with systems that provide
Aggregators	Third party intermediaries specialising in coordinating or aggregating demand response from individual consumers to better meet industry parties' technical requirements for specific routes to market
Baseline	The point from which any delivery of flexibility is measured
Common Evaluation Methodology and Tool (CEM)	Standardised tool allowing DNOs to compare the cost of flexibility or other solutions e.g. energy efficiency against traditional network reinforcement

Term	Definition
Demand Side Response (DSR)	Demand side Response (DSR) refers to the ability of sources of demand (for example, an industrial process) to increase or decrease their net demand in response to signals (sometimes price-signal) to support system or network management
Distributed Energy Resource (DER)	Small-scale power generation and storage such as solar, wind and electric vehicles that operate locally and are connected to a larger power grid at the distribution level
Distribution Network Operator (DNO)	The owner and operator of a distribution network licensed by the Gas and Electricity Markets Authority
Distribution System Operation (DSO)	DSO balances capacity on the distribution network to enable new connections and meet the requirements of existing customers using flexible distributed energy resources, network investment and commercial services ensuring security and quality of supply standards are delivered
Elxon	Elxon is a private not-for-profit organisation that oversees the processes that settle payments between generators, suppliers and traders of energy in the UK and have become the Market Facilitator
Energy Networks Association (ENA)	The ENA is the industry body funded by UK gas and electricity transmission and distribution licence holders
ENA Open Networks Project	Brings together the nine electricity grid operators in the UK and Ireland to work together to standardise customer experiences and align processes to make connecting to the networks as easy as possible and bring record amounts of renewable DERs to the local electricity grid
Extra High Voltage (EHV)	Voltages greater than 22kV in Electricity North West's distribution network
Flexibility Market	The space of commercial dealings between buyers and sellers of flexibility services
Flexibility Service Provider (FSP)	The owner and/or operator of assets that have the capability to provide flexibility services and wishes to make available each Site for the provision of such flexibility services, for example through aggregated or individual assets. SP Electricity North West will pay the Provider for these flexibility services in accordance with service delivery agreements
Flexible Resource	Resources like generators, consumers, and electricity storage connected to the distribution network
Flexibility Services	DERs connected to our networks can increase exports (generate more) or alter imports (demand turn down and demand turn up) when instructed by the network and receive payment in return
High Voltage (HV)	The voltages of 6.6kV or 11kV in Electricity North West's distribution network
Low Voltage (LV)	The voltages of 400V / 230V in Electricity North West's distribution network

Term	Definition
National Energy System Operator (NESO)	National Energy System Operator - the UK's publicly owned energy body, launched on 1st October 2024, independent from government control but still overseen by regulator Ofgem. NESO is responsible for managing the planning and design of electricity and gas networks across the Great Britain. The NESO s additionally required to balance three objectives: achieving net zero, ensuring security of supply, and ensuring efficiency and economy
Network Management System (NMS)	A system that allows us to manage the energy in the North West in real time, operating as a smart network allowing supply to meet demand. It facilitates our ability to provide future generations with a low carbon, sustainable and reliable electricity network throughout the region
Transmission System Operator (TSO)	TSOs own, operate and maintain the transmission networks. There are three licensed TSOs in Britain, and each is responsible for a regional transmission services area