

Guidance

Electricity Distribution Licence Condition 31E: Procurement and use of Distribution Flexibility Services reporting requirements

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This Guidance sets out the reporting requirements under Electricity Distribution Standard Licence Condition 31E: Procurement and use of Distribution Flexibility Services.

This Guidance is subordinate to the Licence Condition. In the event of any inconsistency between the Licence Condition and this document, the Licence Condition will take precedence.

This Guidance may be amended from time to time in recognition of improvements to data availability and reporting standards placed upon licensees through other mechanisms. Any updates, excepting minor corrections such as typographical errors, will be informed by stakeholder consultation.

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1. Introduction

1.1. The Clean Energy for all Europeans Package (CEP) lays out within Article 32(1) of the Electricity Directive (EU 2019/944)¹ that Distribution System Operators (DSO) must procure flexibility services through transparent, non-discriminatory, and market-based procedures.

1.2. The Electricity Distribution Standard Licence Condition 31E: Procurement and use of Distribution Flexibility Services² (C31E), was implemented in December 2020 and transposes Article 32 of the CEP (Incentives for the use of flexibility in distribution networks) into the GB regulatory framework.

1.3. C31E sets out the conditions under which distribution licensees can procure flexibility, what principles they should apply during the procurement processes, and the need to take a coordinated approach with other parties, such as other distribution licensees or the Electricity System Operator (ESO) for the procurement and use of flexibility services.

1.4. This condition is also important in the context of ongoing wider work to decarbonise the energy sector and to deliver the climate change ambitions and the Net Zero greenhouse gas emissions targets³ set by Government.

1.5. Greater use of flexibility is key to achieving these targets in the most sustainable and efficient way. C31E is intended to achieve greater transparency around the procurement and utilisation of distribution flexibility services, as well as encouraging greater coordination across industry participants, as flexibility markets further mature.

¹ See page 35 here: [DIRECTIVE \(EU\) 2019/ 944 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL - of 5 June 2019 - on common rules for the internal market for electricity and amending Directive 2012/ 27/ EU \(europa.eu\)](#)

² See page 7 here: [annex 2 - keeling schedule electricity distribution v2.pdf \(ofgem.gov.uk\)](#)

³ In 2019, the UK Government passed legislation enshrining in law the target of Net Zero greenhouse gas emissions by 2050. The Scottish Government also legislated to set a Net Zero target for 2045 and the Welsh Government intends to introduce legislation to amend its existing 2050 target for the achievement of Net Zero emissions.

Purpose of this document

1.6. The purpose of this Guidance is to support licensees in their interpretation of the reporting requirements under C31E, as set out in paragraphs 31E.8 to 31E.17, and to promote consistency across submissions in the format and detail of information provided.

1.7. This document addresses the three distinct reporting requirements under C31E the following chapters:

- i) The Distribution Flexibility Services Procurement Statement (“the Procurement Statement”)
- ii) The Distribution Flexibility Services Procurement Report (“the Procurement Report”)
- iii) Ongoing Reporting

Reporting requirements

1.8. Through the reporting requirements set out under C31E, licensees must demonstrate compliance with the ongoing obligations of the condition which broadly covers four themes:

- a) expectations regarding the sharing of information, including rules and technical requirements of the flexibility services to be procured;
- b) rules governing the tendering processes;
- c) expectations in respect of stakeholder engagement; and
- d) principles around the economic viability of the flexibility services tendered for.

1.9. C31E requires the licensee to report annually on the flexibility they intend to procure in each reporting year (via a Distribution Flexibility Services Procurement Statement or ‘Procurement Statement’) and that which has been procured in the preceding delivery year (via a Distribution Flexibility Services Procurement Report or ‘Procurement Report’).

1.10. A Delivery Year covers the 12-month period from the Annual Submission Date (1 April) to the next Annual Submission Date, ie 1 April to 31 March, and refers to the year in which flexibility services are intended to be dispatched.

1.11. The Reporting Year covers the 12-month period from the Annual Submission Date and refers to the year in which the activities relating to tendering or contracting flexibility services

occur. For avoidance of doubt, this would mean that the 2024/25 reporting year would cover the period from 1 April 2024 to 31 March 2025.

1.12. These annual reports are supplemented by ongoing reporting throughout the year (as required under 31E.17). Each of the reporting obligations are summarised below and their required contents and format detailed in the following chapters.

Distribution Flexibility Services Procurement Statement

1.13. In accordance with paragraph 31E.8 of the Licence, this is a statement the licensee needs to submit to the Authority for approval, setting out what flexibility services it reasonably expects to procure in the next reporting year and the mechanisms by which it expects to do so. In addition, the Procurement Statement must include a statement demonstrating how the licensee intends to comply with its obligations under C31E.1. The Procurement Statement should be submitted to the Authority on or before 1 of April each year.

Changes to stated procurement activity

1.14. In line with paragraph 31E.12 of the Licence, where during the term of any Procurement Statement, the licensee's flexibility procurement intentions change from the information provided within its Procurement Statement, the licensee must review the Procurement Statement and consider whether any revision to the statement is necessary to ensure it remains an accurate reflection of the licensee's intentions, allowing for greater transparency in the market, and where appropriate, promptly seek to establish a revised statement to be submitted to the Authority for approval.

1.15. The review timelines set out in paragraphs 1.254 and 1.26 of this Guidance will apply for any resubmissions received.

Reporting the intention not to procure flexibility

1.16. The reporting requirements apply to all Electricity Distribution licensees, including Independent DNOs.

1.17. In line with paragraph 31E.10 of the Licence, where the licensee expects that it will not procure any Distribution Flexibility Services in the coming reporting year, ie the 12-month

period following the 1 April (the Annual Submission Date), the licensee must submit a written statement to the Authority on or before this date notifying it of this position.

Distribution Flexibility Services Procurement Report

1.18. This is a report detailing the flexibility the licensee has tendered for, contracted, and dispatched in the preceding delivery year, ie, the 12-month period before the most recent Annual Submission Date. The report should be submitted to the Authority on or before 1 May of each year.

1.19. Where the licensee has not procured any Distribution Flexibility Services in the 12-month period preceding 1 April (the Annual Submission Date), the licensee must write to the Authority before this date notifying it of this position.

Ongoing reporting

1.20. Paragraph 31E.17 of the Licence sets out the ongoing reporting requirements such that the outcomes of concluded procurement processes are to be published within a month of contractual agreement. Section 4 of this Guidance sets out the information that licensees must publish in order to meet this requirement.

Submission and publication

1.21. Completed Procurement Statements and Procurement Reports should be submitted to Flexibility@ofgem.gov.uk. Ofgem will acknowledge receipt of the submission within two working days following the date of submission.

1.22. Procurement Statements require the approval of the Authority, as set out in paragraph 31E.8. Licensees are therefore encouraged to submit, for review, their Procurement Statements and Procurement Reports as early as possible, should they wish to receive the Authority's feedback before the start of the reporting year (1 April) and before 1 May subsequently.

1.23. Ofgem welcomes draft Procurement Statements and Procurement Reports from 1 February onwards for review and comment, prior to the submission of final versions for formal written approval by 1 April and 1 May respectively.

1.24. If no clarifications or alterations are required, Ofgem will review and approve Procurement Statements within 20 working days following the Annual Submission date.

1.25. Where any Procurement Statements and Procurement Reports require further development, Ofgem will notify the licensee indicating any suggested changes including errors or omissions, usually within 20 working days, and provide a date by which revisions must be submitted for re-approval by the Authority, usually within 20 working days.

1.26. Licensees should publish and clearly signpost on their websites a copy of their approved Procurement Statement and Procurement Report and any accompanying Supporting Data Templates, alongside all ongoing procurement tender results. Contact details must be clearly signposted to allow stakeholder engagement and feedback.

1.27. In addition, Ofgem will publish on their website all approved Procurement Statements and Procurement Reports and accompanying Supporting Data Templates received from licensees, redacted of any confidential information such as described in paragraph 31E.15 within 20 working days of issuing approval.

1.28. The licensee should ensure that Procurement Statements and Procurement Reports and associated data publications are consistent with, and can be easily cross-referenced against, other network data publications, including but not limited to the Long-Term Development Statement (LTDS) and the Network Development Plans (NDPs). Where relevant, this should include:

- a) consistent information on the state of the network and the detailed quantitative assessment showing the need for flexibility; and
- b) consistent nomenclature, metadata and unique identifiers across the Procurement Statements and Reports and wider network publications.

1.29. We acknowledge that reporting cycles for other network data publications may not always align. Nonetheless, licensees should seek to ensure that readers of the reports do not receive conflicting signals or should understand the reasons for the differences where they do occur.

2. The Distribution Flexibility Services Procurement Statement

2.1. This section pertains to requirements set out in paragraphs 31E.8 to 31E.13 of the Licence Condition.

2.2. The licensee must, on or before 1 April each year (otherwise known as the Annual Submission Date), submit to the Authority for approval a Distribution Flexibility Services Procurement Statement for the coming reporting year. For avoidance of doubt, this would mean that a Procurement Statement for the 2024/25 reporting year would be due before 1 April 2024.

2.3. Licensees should structure their Procurement Statements to include each of the sections detailed below. The Procurement Statement should be submitted to the Authority as a PDF document, and should also include a table of contents and an executive summary with accompanying key figures, graphs, key forecasts, and any barriers anticipated.

2.4. Licensees should provide clear signposting of links to publications of which a summary has been provided throughout the Procurement Statement.

Section 1. Introduction

2.5. A short introduction to the licensee company should be given at the start of the Procurement Statement, in addition to setting out the purpose and key highlights of the document.

Section 2. Flexibility services requirements

2.6. Licensees should provide an indication of their flexibility needs, both short- and long-term to allow potential flex providers to assess scope for future provision. For the purposes of this document, short-term is defined as one delivery year and long-term is defined as subsequent delivery years.

2.7. An indication of how the requirements fit into the licensee's Long Term Development Statement, and in turn their Network Development Plan, should be clearly set out.

2.8. Context for why the licensee intends to procure flexibility services should be provided.

2.9. A clear indication of any multi-year tenders should be made, specifying if and what will be tendered in the upcoming reporting year. Descriptions can be adjusted for site requirements.

2.10. Clear indications of the need for flexibility services and the system needs for the coming reporting year should be provided where known, and categorised where appropriate under pre-fault and post-fault needs, including but not limited to requirements under the following headings:

- a) thermal constraint(s) (eg, where Sustain and / or Secure services are procured for network reinforcement deferral by peak avoidance);
- b) voltage constraint(s) (eg, where Reactive Power services are procured for voltage support for given network conditions, ie, post fault); and
- c) network stability (eg, where Dynamic and / or Restore services are procured for active power injection for given network conditions, ie, post fault).

2.11. Indications of forecast utilisation over the reporting year, e.g., dispatch estimate. This can be merged with Section 2.10 where more location specific or arrangement details can be provided.

2.12. A description and summary of the procurement activities to be tendered for or contracted under each product type should be provided and categorised in MW or MVAR:

- a) Operational Utilisation – 15 Minute Response Time;
- b) Operational Utilisation – 2 Minute Response Time;
- c) Operational Utilisation – Week Ahead Response Time;
- d) Operational Utilisation + Scheduled Availability – 15 Minute Response Time;
- e) Operational Utilisation + Scheduled Availability – 2 Minute Response Time;
- f) Operational Utilisation + Scheduled Availability – Week Ahead Response Time;
- g) Operational Utilisation + Variable Availability – 15 Minute Response Time;
- h) Operational Utilisation + Variable Availability – 2 Minute Response Time;
- i) Operational Utilisation + Variable Availability – Week Ahead Response Time;
- j) Peak Reduction;
- k) Scheduled Utilisation - Settlement Periods;
- l) Scheduled Utilisation – Specific Periods;
- m) Sustain;
- n) Secure;
- o) Dynamic;

- p) Restore; and
- q) Other (eg, Reactive Power, and other new products introduced).

2.13. Where available, summaries and forecasts should be provided as to the size of the flexibility requirements at each location and/or licence area, including:

- a) peak capacity required (MW or MVA_r);
- b) flexibility dispatched (MWh or MVA_rh);
- c) voltage level at which flexibility services will be procured;
- d) forecast utilisation over the year; and
- e) required availability windows.

2.14. A description of the dispatch mechanism that will be used should be provided, detailing the principles and processes applied for dispatch, for example, when there is more than one flexibility service provider.

Section 3. Tendering process

2.15. The licensee should set out how tendering processes are objective, transparent, and market-based, including a clear description of its bid evaluation methodology.

2.16. Licensees should demonstrate increasing ambition through wider standardisation in tendering processes and market participation with each reporting year. Comparisons to previous Procurement Statements and Procurements Reports must be made, where applicable, to clearly demonstrate trends in the flexibility services that have been procured and utilised.

2.17. Information on the licensee's pricing strategies should be provided, particularly in relation to the tendering process and the availability of this information, and can be broken down in the following way:

- a) details of any guide prices provided, and the products or zones to which they apply; and
- b) details of any fixed price and the products or zone to which they apply.

2.18. Details of the licensee's contract award arrangements should be provided, including:

- a) a timeline of the bidding process through the year (registration of interest; pre-qualification close; bidding start / end dates), including when tender information and procurement outcomes will be made publicly available. The timetable should also outline opportunities to provide feedback to the licensee; and
- b) the degree of flexibility for potential flexibility service providers to set out alternative means by which they may meet the specified requirements confirmation as to if and how potential flexibility service providers, or a consortium of providers, can propose multiple solutions in their bid(s).

2.19. Licensees should provide clear signposting of further relevant information, including links to pages where flexibility procurement activities are announced.

Section 4. Stakeholder engagement

2.20. A clear description of planned stakeholder engagement should be provided, including:

- a) a description of how details of the date / time a flexibility service is required is conveyed to market participants ahead of procurement;
- b) details on how stakeholder engagement is used over the various stages of the procurement process and bidding process;
- c) details on how information is shared on the pre-qualification requirements; and
- d) details on any planned or scheduled follow-up stakeholder engagement, including formats such as workshops, webinars, social media campaigns.

2.21. Licensees are encouraged to clearly signpost contact information to facilitate stakeholder participation and interaction, including opportunities to sign up to mailing lists and upcoming events.

2.22. Licensees should detail planned engagement with the ESO and other DNOs and IDNOs to establish common rules for the procurement and use of flexibility services.

Section 5. Detailed quantitative assessment

2.23. Information of the financial viability of the procurement of flexibility services should include:

- a) how the licensee determines the level of flexibility services they need to procure;

- b) details of the comprehensive quantitative assessment, including tools (such as the CEM tool) that will be used to determine that Distribution Flexibility Services are the most economic and efficient solution;
- c) the methodologies that will be used in the assessment of bids;
- d) details of what the evaluation criteria are, and a demonstration on whether the criterion are well understood by stakeholders;
- e) where pricing strategies are included, a summary of how prices are being competitively determined can be provided;
- f) a summary of any other qualitative or quantitative methodologies used for comparing economic value and energy efficiency of bids to traditional solutions (such as network reinforcement) for which the licensee must justify their rationale for developing the base case for a particular site, the choice and use of assets (including comments on any carbon impacts), as well as the value associated with their business case; and
- g) links to core documents and / or methodologies (such as Distribution Future Energy Scenarios (DFES), NDP, Distribution Network Options Assessment (DNOA), Service Selections and Dispatch Methodologies) used to support decision making process for financial viability.

Appendix: Supplementary information

2.24. Licensees can supplement any information that is not explicitly required to be included in the Procurement Statement, for example, by signposting to other available information that is available on licensees' or partner websites.

2.25. Any hyperlinks provided must be accompanied by a clear description of the supplementary information, including page or section references where relevant.

3. The Distribution Flexibility Services Procurement Report

3.1. This section pertains to requirements set out in paragraph 31E.14 of the Licence Condition.

3.2. The licensee must submit to the Authority for approval a Distribution Flexibility Services Procurement Report on or before 1 May following the relevant reporting year. For avoidance of doubt, this would mean that a Procurement Report pertaining to the 2023/24 reporting year would be due before 1 May 2024.

3.3. The Report should be comprised of two parts: a written report in PDF format, and the completed Supporting Data Template.

3.4. Licensees should structure their written report to include each of the headings detailed in paragraphs 3.8 to 3.23 of this Guidance. The written report should be submitted to the Authority as a PDF document, and should include a table of contents alongside an executive summary with accompanying key figures, graphs, key forecasts, and any barriers anticipated to provide users of the documents at-glance summaries.

3.5. Throughout the Report it is expected that the licensee reflects on the Procurement Statement for the corresponding reporting year, comparing forecast with actual procurement activity, as well as noting any changes to planned activities or stated methodologies and the reasons for these changes.

3.6. In addition to the written report, licensees must populate the Supporting Data Template with services tendered for, contracted, and dispatched over the reporting period. The Supporting Data Template has been published alongside this Guidance, and directions for its completion set out in paragraphs 3.24 to 3.39.

3.7. Licensees should provide clear signposting of links to publications of which a summary has been provided throughout the Procurement Report.

Procurement Report: written report

Section 1. Introduction

3.8. A short introduction should be included setting out the purpose and key highlights of the Report.

Section 2. Flexibility Procurement and Use Summary

3.9. Licensees should provide a summary of the following flexibility services procurement information within the Procurement Report, to complement the supporting data provided in the accompanying Supporting Data Template:

- a) the flexibility services contracted for use in the reporting year in MW or MVA_r, compared with the flexibility services dispatched in the reporting year, in MWh or MVA_rh. This should also include any services tendered for in previous years;
- b) if flexibility needs were not met, ie, if the capacity tendered for could not be contracted, this should be expressed in MW or MVA_r, along with a description of why the licensee considers these needs were not met;
- c) the projected flexibility services procured, compared with actual services procured, by product type. Projected figures should be taken from the corresponding reporting year's Procurement Statement, ie, the Statement submitted by April 2023, and Report submitted by May 2024;
- d) a summary, organised first by product, and further presented by location at postcode level, of the flexibility services that were tendered for in the preceding twelve months, and where possible, information should be aggregated into summary tables and maps for wider stakeholder use; and
- e) a summary of any conflict mitigation that had taken place as a result of coordination with the ESO.

3.10. Licensees should provide an explanation for any deviation against forecasts published within the Procurement Statements. This can be paired with comparative analyses between the submitted documents with further justification on areas where issues may be encountered. For example, where pricing is affecting tenders and contracting, this should be reflected within the justifications.

3.11. Licensees should acknowledge the timetable detailing their procurement schedules for the reporting year as set out in their Procurement Statements (see section 0), and summarise any deviations from the scheduled procurement timelines and any feedback received by the licensee.

Section 3. Stakeholder engagement

3.12. A clear description of the outcomes and feedback of the licensee's stakeholder engagement over the preceding 12 months should be provided, including:

- a) a description of the date / time a flexibility service was required and how this was conveyed to market participants;
- b) details on how information was provided to stakeholders (such as flexibility service providers and ESO) over the various stages of the procurement process, and the format in which this information was published;
- c) details on the information shared on the pre-qualification requirements; and
- d) details on the follow-up stakeholder engagement that occurred over the preceding 12 months.

3.13. Licensees should summarise coordination engagements undertaken with the ESO and other DNOs and IDNOs to establish common rules for the procurement and use of flexibility services over the preceding 12 months and the resulting actions from this engagement. Summaries should state the key processes for stakeholder engagement undertaken highlighting the outcomes and feedback received.

3.14. Licensees should summarise engagement undertaken with stakeholders and any feedback received over the preceding 12 months and the resulting actions.

3.15. Licensees should provide clear signposting of the relevant information, including:

- a) the links to register for more information;
- b) the links for publicly available publications and access to tender information; and
- c) the licensees contact information to facilitate stakeholder participation and interaction, including opportunities to sign up to mailing lists and upcoming events.

Section 4. Economic viability

3.16. Summaries of the analyses undertaken, highlighting any discrepancies to what was proposed in the Procurement Statement, to determine-the economic viability of the procurement of flexibility services should include:

- a) a clear description of how the company determined the level of flexibility services they procured;
- b) results from the comprehensive cost benefit analyses, using evaluation tools to satisfy procurement and dispatch of Distribution Flexibility Services in the most economic and efficient solution;
- c) details of what methodologies and evaluation criteria were used for the assessment of bids and financial viability of procuring flexibility services, and a demonstration on whether the criterion were well understood by stakeholders, through feedback provided;
- d) details of the circumstances in which available flexibility services were not dispatched and instead other network management actions were taken;
- e) clear signposting of the publicly available information on the methodology used in the assessment of bids and subsequent results of bids;
- f) a summary of any other qualitative or quantitative methodologies, detailed in section 2.23f), used for comparing economic value and energy efficiency of bids to traditional solutions (such as network reinforcement) over the preceding 12 months, including comments on any carbon impacts, providing summary comparisons where any deviations to forecasts had occurred;
- g) clear signposting on licensees' website and within the Procurement Report of the Common Evaluation Methodology (CEM) tool where utilised and / or any other economic viability studies alongside a rationale and any analyses undertaken behind procurement strategies and the quantification of flexibility services;
- h) links to core documents and / or methodologies (such as DFES, NDP, DNOA, Service Selections and Dispatch Methodologies) demonstrating the decision-making process for financial viability over the preceding 12 months; and
- i) demonstrate, throughout the Procurement Report, the processes in place and actions taken to ensure economic efficiency and value for money.

3.17. Details of the market assessments undertaken, over the preceding 12 months, for the procurement of flexibility services should include:

- a) a clear demonstration of how the market was reviewed, in which the requirement for a service falls under;

- b) a demonstration of any actions or consideration taken during procurement of Distribution Flexibility Services by the licensee, on market participants abilities to effectively participate in retail, wholesale, and balancing markets; and
- c) a summary of the considerations made on the Total System, during the procurement and operation of Distribution Flexibility Services, by the licensee, where the scope of Total System must be defined by the licensee within the context of the whole systems register.

Section 5. Carbon reporting

3.18. Action 3.6 of the Smart Systems and Flexibility Plan 2021⁴ calls for the networks and system operator to develop consistent methodologies for carbon reporting and monitoring of their actions and markets ahead of the RII0-ED2 price control (April 2023).

3.19. As a first step in the development of this work, licensees should report information as set out in paragraph 3.20. As there is not yet a consistent methodology, the carbon figures received in the 2022/23 reporting year will not constitute a consistent representation of carbon impacts across Electricity Distribution licensees and the ESO. Licensees must thus set out the methodology employed and rationale behind it, which should serve to inform the reader about how to interpret the information. In addition, we have tasked the Open Networks project of the ENA with developing consistent methodologies across licensees. Product 7 of Workstream 1A of the Open Networks Project⁵ will develop a consistent methodology to provide transparency on the carbon intensity of local flexibility markets by the start of 2023, in time to be incorporated into the 2022/2023 C31E Procurement Reports.

3.20. Licensees should include in this section of the Report:

- a) details of the quantitative carbon assessment of in-year flexibility activity undertaken;
- b) details of the methodologies employed (or that could be employed where procurement activity is limited) and the rationale followed for this assessment; and

⁴ [Policy paper overview: Transitioning to a net zero energy system: smart systems and flexibility plan 2021 - GOV.UK \(www.gov.uk\)](#)

⁵ [Flexibility services – Energy Networks Association \(ENA\)](#)

- c) details on the planned engagements with the ESO, other DNOs, IDNOs, and other external stakeholder on collaboration to develop a standardised and robust approach to carbon reporting.

Appendix: Supplementary information

3.21. Licensees can supplement any information that is not explicitly required to be included in the Procurement Report, for example, by signposting to other available information that is available on licensees' or partner websites.

3.22. Any hyperlinks provided must be accompanied by a clear description of the supplementary information, including page or section references where relevant.

3.23. Any further narrative that the licensee feels necessary for the Supporting Data Template should be included in this section.

Procurement Report: Supporting Data

3.24. Licensees must use the Supporting Data Template to provide information under the headings as set out below.

3.25. Where data cannot be provided or is not applicable, cells should be left blank.

3.26. Where sheets contain a large volume of data, licensees can submit multiple workbooks, which are appropriately named, for ease.

Tab: Data Dictionary

3.27. This worksheet has a new data dictionary which acts as a glossary for terms and headings used throughout the Supporting Data Template. The data dictionary distinguishes between terms found within each tab / worksheet along with the data format and a description of the terms used.

Worksheet 1. Procurement and Use Summary

3.28. This worksheet should summarise by product the flexibility procurement and use primary data provided in Worksheet 3. Procurement, and the dispatch data in Worksheet 5. Dispatch.

3.29. For this Worksheet alone, licensees reporting together under their group name should provide separate Procurement and Use Summaries, which can be clearly labelled worksheets under the same submission.

3.30. For the rows relating to previous delivery years, licensees should record the historic summary data from previous reporting years. All historic summary data should be written in grey.

Total Peak Contracted in Prior Reporting Years (MW)

3.31. These cells should be completed across all delivery years in which contracts are currently in place, and these cells alone should include details of procurement activity undertaken in previous reporting years, eg, volumes contracted for the year where multi-year contracts continue to be active in the year of reporting and beyond.

Total Peak Contracted in Reporting Year (MW)

3.32. These cells should be completed across all delivery years in which services have been contracted within the relevant reporting year and should include details of the aggregate of the peak volumes contracted within the reporting year. It is expected that over multiple reporting years and therefore Reports, retained cell inputs in corresponding years will match.

Total Peak Tendered in Reporting Year (MW)

3.33. These cells should be completed across all delivery years in which services have been tendered for within the relevant reporting year and should include details of the aggregate of the peak volumes tendered for within the reporting year. It is expected that over multiple reporting years and therefore Reports, retained cell inputs in corresponding years will match.

Total Peak Needs Not Met (MW)

3.34. These cells should be completed across all delivery years and should include details of the aggregate of the peak volumes that were not contracted within the reporting year.

Dispatched (MWh)

3.35. These cells should be completed across all delivery years in which services have been dispatched. Dispatch data should be retained in subsequent Report submissions in order to develop a comprehensive picture of procurement activity. It is expected that across Reports, retained cell inputs in corresponding years will match.

Worksheet 2. Tender Rounds Summary

3.36. This worksheet should summarise by tender round the primary data provided under the Worksheet 3. Procurement, for the reporting year. This summary is required under the following column headings:

- A) Tender Description
- B) Constraint Licence Area
- C) Provider Licence Area
- D) Product
- E) Number of Participants
- F) Peak Tendered (MW/MVAr)

- G) Peak Contracted (MW/MVAr)
- H) Peak Unmet in Tender (MW/MVAr)

Worksheet 3. Procurement

3.37. This worksheet should provide individual tender outcomes by bidding party for the reporting year, under the following column headings:

- A) Tender Reference
- B) Product
- C) Constraint Licence Area
- D) Provider Licence Area
- E) Service Location (Grid Supply Point)
- F) Service Provider
- G) Constraint Trigger
- H) Constraint Management Zone Name
- I) Maximum Connection Voltage
- J) Main Technology
- K) Secondary Technology (where applicable)
- L) Dispatchable / Non-Dispatchable
- M) Number of Bids Received
- N) Bid Outcome
- O) Flexible Unit Reference
- P) Committed Contracts / Non-Committed Contracts
- Q) Peak Flexible Capacity (in MW)
- R) Peak Flexible capacity (in MVAr)
- S) Maximum Run Time (hh:mm)
- T) Response Time (hh:mm)
- U) Connection Voltage (in kV)
- V) Delivery year
- W) Tendered Delivery Start Date
- X) Tendered Delivery End Date
- Y) Potential Service Days
- Z) Service Window 1 FROM (where applicable)
- AA) Service Window 1 TO (where applicable)
- AB) Service Window 2 FROM (where applicable)
- AC) Service Window 2 TO (where applicable)
- AD) Original Availability Fee Bid (where applicable, in £/MW/hr)

- AE) Original Utilisation Price Bid (where applicable, in £/MWh)
- AF) Agreed Availability Fee (where applicable, in £/MW/hr)
- AG) Agreed Utilisation Price (where applicable, in £/MWh)
- AH) Service Fee (in £/MWh)
- AI) Notes

Worksheet 4. Procurement – Locational

3.38. This worksheet should provide a summary of tender outcomes by licence area, location, product, and constraint triggers for the delivery year (ie, 2023/24), under the following column headings:

- A) Constraint Licence Area
- B) Provider Licence Area
- C) Constraint Management Zone
- D) Product
- E) Constraint Trigger
- F) Peak Contracted in prior years (MW)
- G) Peak Forecasted in Delivery Year (MW)
- H) Peak Tendered in Delivery Year (MW)
- I) Peak Contracted in Delivery Year (MW)
- J) Peak Unmet in Delivery Year (MW)
- K) Number of Tenders in Delivery Year
- L) Total Tendered in Delivery Year (MW)
- M) Total Contracted in Delivery Year (MW)
- N) Total Unmet in Delivery Year (MW)
- O) Total Success Rate in Delivery Year (%)
- P) Dispatched (MWh)

Worksheet 5. Dispatch

3.39. This worksheet should provide individual flexibility dispatch instructions for the reporting year, under the following column headings:

- A) Tender Reference
- B) Incident Reference

- C) Product
- D) Constraint Licence Area
- E) Provider Licence Area
- F) Incident Location (Grid Supply Point)
- G) Accepting Party
- H) Flexible Unit Reference
- I) Main Technology
- J) Secondary Technology
- K) Constraint Trigger
- L) Constraint Management Zone Name
- M) Maximum Connection Voltage
- N) Dispatch Capacity (MW)
- O) Dispatch Volume (MWh)
- P) Dispatch Capacity (MVA_r)
- Q) Dispatch Volume (MVA_rh)
- R) Availability Fee (£/MW/hr)
- S) Utilisation Price (£/MWh)
- T) Service Fee (£/MWh)
- U) Pricing Strategy
- V) Date Of Instruction (DD/MM/YYYY)
- W) Time Of Instruction (HH:MM)
- X) Start Date Of Instruction (DD/MM/YYYY)
- Y) Start Time Of Instruction (HH:MM)
- Z) End Date Of Instruction (DD/MM/YYYY)
- AA) End Time Of Instruction (HH:MM)
- AB) Actual Duration Of Dispatched Utility (HH:MM)
- AC) Accept Time (HH:MM)
- AD) Notice Time (HH:MM)
- AE) Expected Duration (HH:MM) (where applicable)
- AF) Notes

Tab: Valid Values

3.40. This tab contains instructions for how names, dates, units of voltage, and other data should be formatted in this worksheet. Examples of valid formatting can be found under the following column headings:

- a) ED Licensee or Group

- b) Delivery Year
- c) Product and Sub Parameter
- d) Constraint Trigger
- e) Technology
- f) Dispatchable/Non-Dispatchable
- g) Bid Outcome
- h) Committed Contracts / Non-Committed Contracts
- i) Connection Voltage (in kV)
- j) Service Days

4. Ongoing reporting

4.1. Paragraph 31E.16 and 31E.17 sets out the information licensees need to publish for each procurement round as part of ongoing reporting. The following information must be set out by licensees post contractual agreement:

- a) details of the counterparty to the contracts
- b) details of the technology type procured
- c) details of the capacity and volume procured
- d) details of the length of the contractual agreement
- e) details of the payment structure of the contract
- f) details of the agreed prices for the provision of services

4.2. Licensees must email Ofgem (Flexibility@ofgem.gov.uk) to notify of the conclusion of a tender round, including links to where the above tender information can be found.

4.3. Licensees must, unless the Authority otherwise consents, maintain for a period of at least six years:

- a) published details of the flexibility services that have been procured and offered
- b) published details of all contracts for flexibility services which licensees have entered into

5. Future reporting and next steps

5.1. This Guidance and the accompanying Supporting Data Template have been developed with the intention of promoting consistency and thoroughness of reporting across licensees under C31E.

5.2. As C31E is still in the early years of implementation, we expect that this Guidance may be subject to change as a result of lessons learned across subsequent reporting years.

5.3. Any changes to this Guidance, excepting minor corrections such as typographical errors, will be subject to no less than 20 working days of stakeholder consultation.