

Public

Does your business use electricity at peak times?

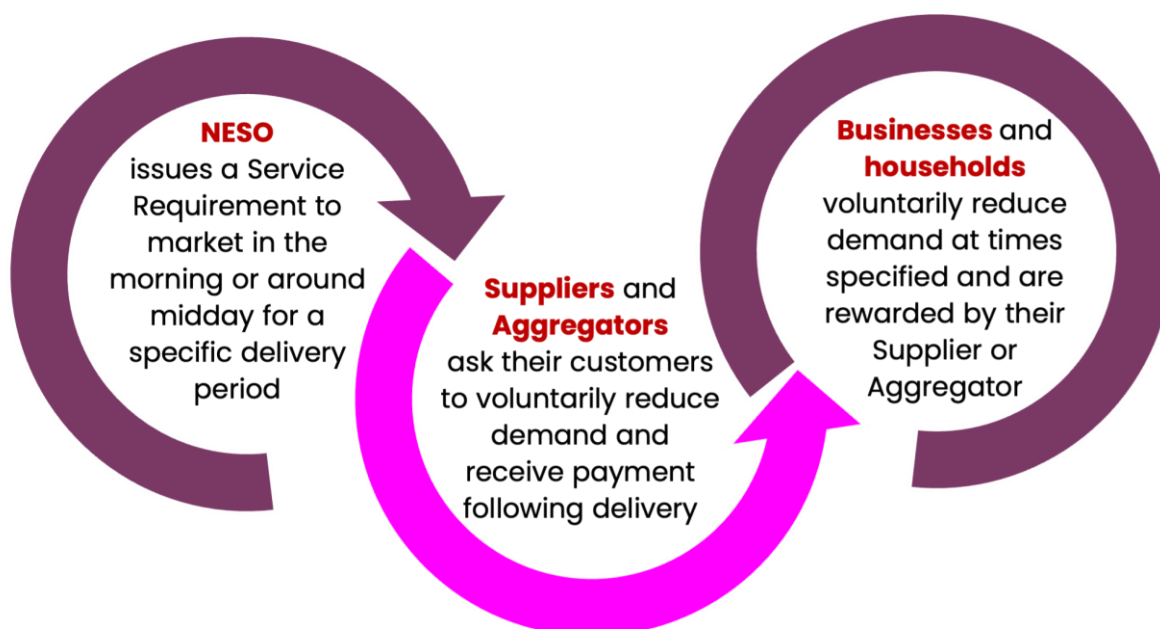
Reducing or shifting your consumption could deliver additional revenue this winter

What is the Demand Flexibility Service (DFS) and why is it important?

The Demand Flexibility Service (DFS) allows you to earn revenue for shifting electricity usage outside of peak demand hours. This allows the National Energy System Operator (NESO) to manage supply through periods when margins are tight.

Now entering its third year, DFS was introduced in winter 2022/23 to provide additional flexibility to NESO. Last year over 2.6 million homes and businesses took part. At NESO we make sure that Great Britain has the essential energy it needs by ensuring supply meets demand every second of every day.

How does it work?



The most likely delivery periods will be when demand is highest, typically weekdays 16:00-21:00.

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Who can participate?

Your business can participate if you can reduce or shift your electricity consumption when instructed at peak times. You will also need to be able to:

- Access half hourly metering and settlement for your sites/business. (Half-hourly settlement is not required for businesses in meter Profile Classes 3 or 4).
- Respond for a minimum of 30 minutes following instruction, typically with 5 to 2.5 hours' notice.

How much can I earn?

Delivering flexibility can be challenging when it is not your business's core operation. DFS can reward you for reducing demand compared to your typical usage (i.e. your baseline).

NESO will pay Registered Service Providers based on bid and delivered demand reduction volumes. How this is passed on to individual businesses is subject to your contract or agreement with your service provider.

We'll use DFS when it's more cost effective than alternative energy market actions. We are unable to give an indication of the number of times we'll call DFS or the price you will receive as it will depend on market conditions. However, you can now 'stack' your participation of DFS with a number of other energy services, such as DNO (distribution network operator) flexibility services and the Capacity Market.

How do I take part?

You can participate through several different routes:

- Directly with NESO (subject to 1MW threshold and ability to undertake data processes required). Our contact details are below.
- Your electricity supplier (if they are a registered provider)
- Aggregators

If you are seeking to participate via a supplier or aggregator, please reach out directly to them to understand their offering around DFS.

Choosing the right service provider is an individual business choice and can be through any of the above routes. NESO will publish a list of the Registered Service Providers for DFS on our webpage. We will update this list as new Service Providers join the service.

Get in touch



demandflexibility@nationalenergyso.com



<https://www.neso.energy/industry-information/balancing-services/demand-flexibility-service-dfs>