

Market 2.0: Resilient, affordable electricity for the future

Market Development Advisory Group quarterly implementation update July to September 2024

MDAG's final report split its 31 recommendations into four themes based on their focus: *Accurate and efficient pricing*, *Tools and incentives to manage risk*, *Sufficient competition*, and *Public trust and confidence*.

All the initiatives on this dashboard are part of the Authority's current and upcoming work programme. The remaining recommendations in Tranche 2 and Tranche 3 will be considered and incorporated into our work programme.

The loading bars indicate progress made by the Authority. The solid bar shows progress in previous quarters and the dashed bar shows progress in the most recent quarter.

Accurate and efficient pricing

With a much greater range of players and more physical resources to coordinate, it is even more important for price signals to be accurate and clear.

Tools and incentives to manage risk

Market participants need access to better tools to efficiently manage their risks and to provide signals to guide longer term decisions – especially investment in generation, storage, and demand-side capability.

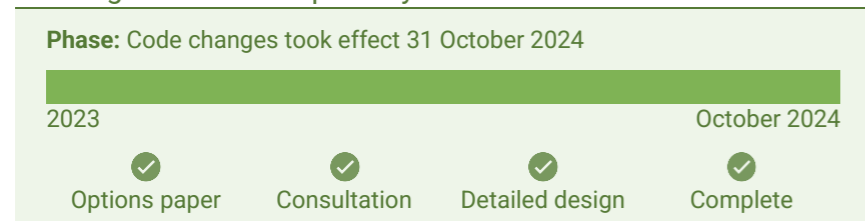
Sufficient competition

Effective competition puts downward pressure on costs and prices, particularly by promoting continuous improvement and innovation.

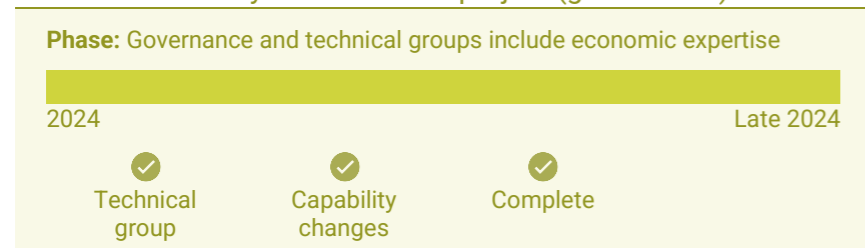
Public trust and confidence

Confidence in our electricity system is key in enabling the innovation and investment that will deliver reliable and clean supply at least cost for consumers.

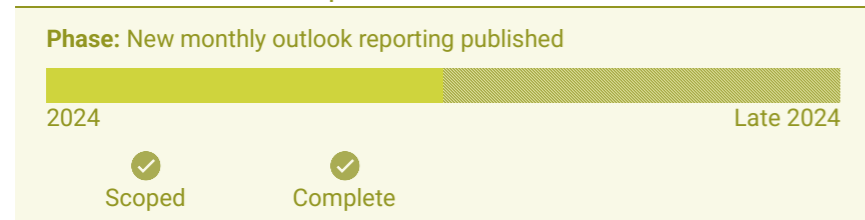
2 Hedge market transparency



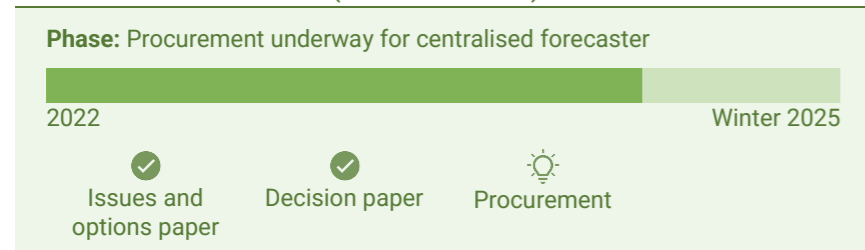
14 Future security and resilience project (governance)



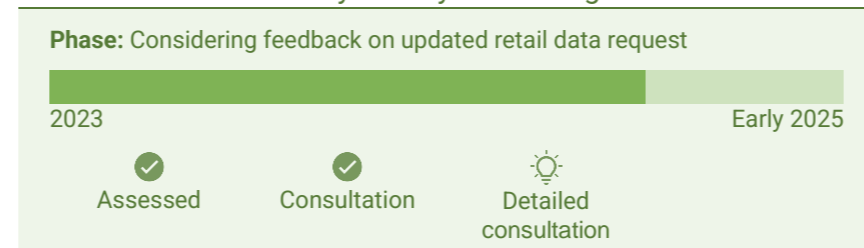
15 Seasonal outlook report



1 Short-term forecasts (solar and wind)

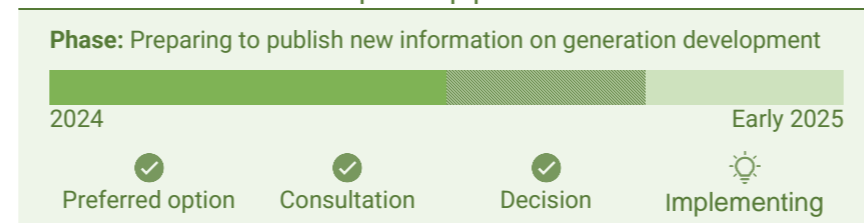


3 Demand-side flexibility activity monitoring



Multiple projects contribute to this recommendation: [Improving retail market monitoring](#), [Demand-side flexibility survey](#)

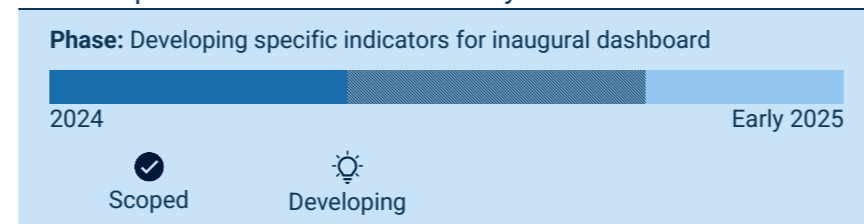
17 Information on development pipeline



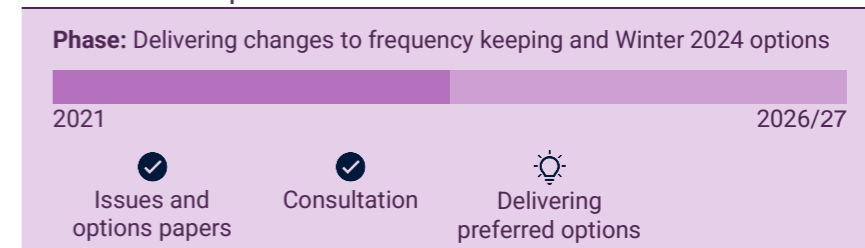
8 Standardised flexibility products



12 Competition dashboard - flexibility

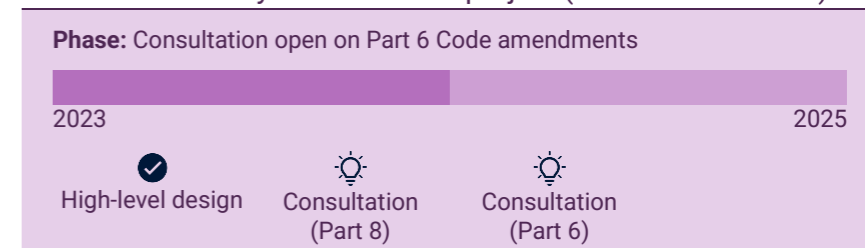


6 New reserve product



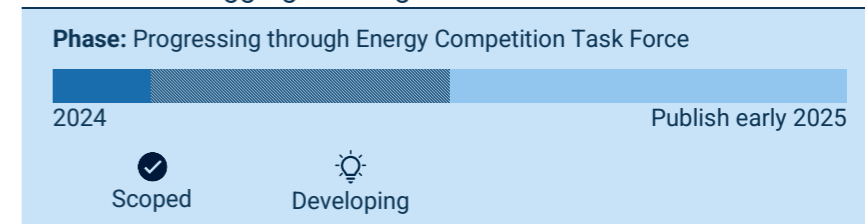
This is part of a range of initiatives designed to support security of supply during peak electricity demand

11 Future security and resilience project (as it relates to DSF)

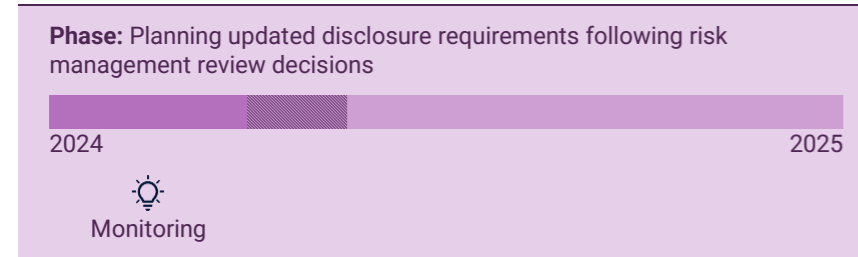


Multiple projects contribute to this recommendation: Part 6 Code review, Part 8 Code review, [Future system operation](#), [Dispatch notification enhancements](#)

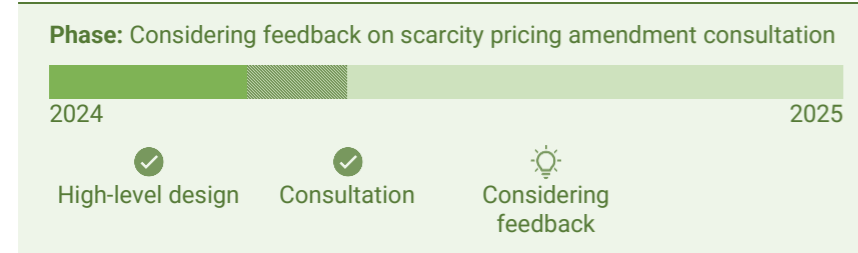
13 Virtual disaggregation high-level outline



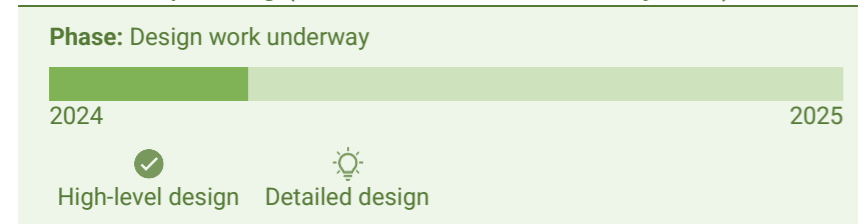
9 Contract process disclosure rules



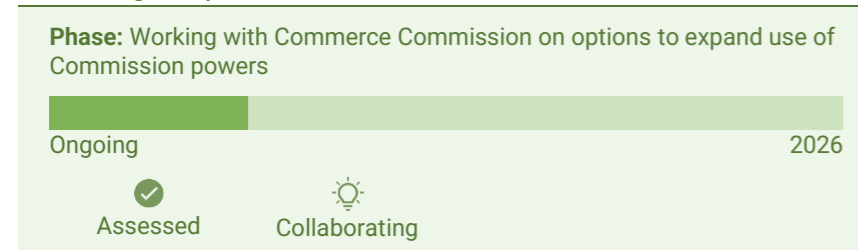
16 Scarcity pricing parameters



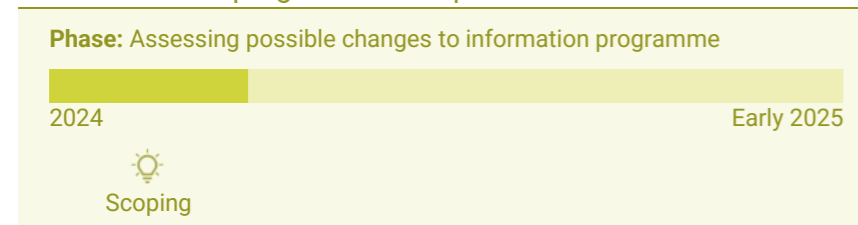
18 Sunset profiling (reconciliation on half-hourly data)



4 Pricing to optimise distribution investment



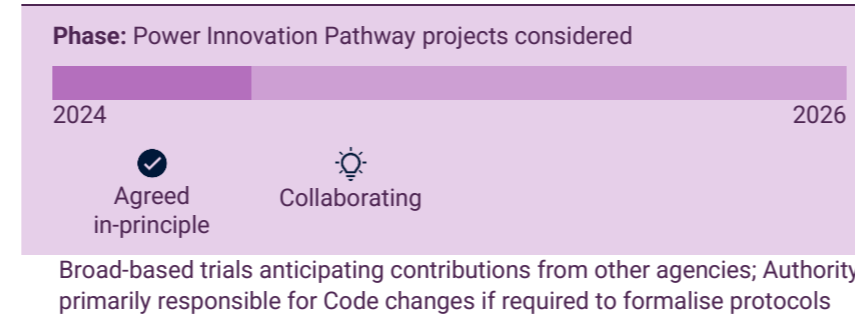
22 Information programme for opinion-makers



7 Stress testing enhancements



10 Demand-side flexibility interface, systems and protocols



5 Price-driven secure distribution dispatch

