

# Market 2.0: Resilient, affordable electricity for the future

## Market Development Advisory Group quarterly implementation update January to March 2025

MDAG's final report grouped 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.

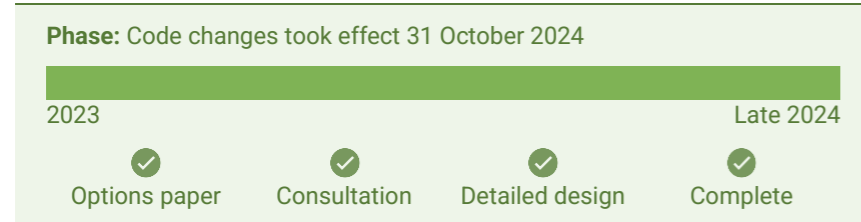
### Sufficient competition

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

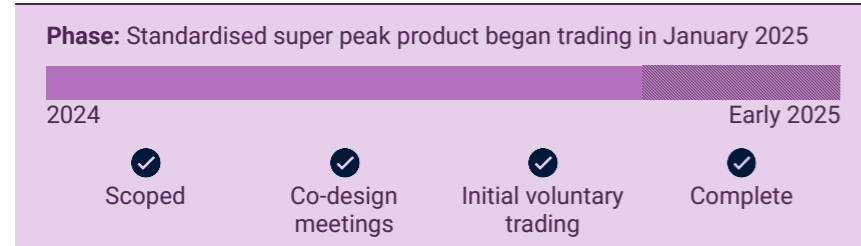
### Public trust and confidence

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

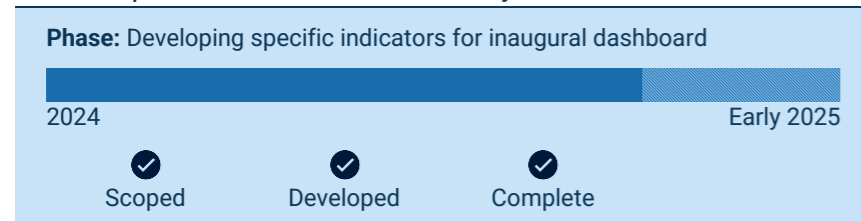


#### 8 Standardised flexibility products

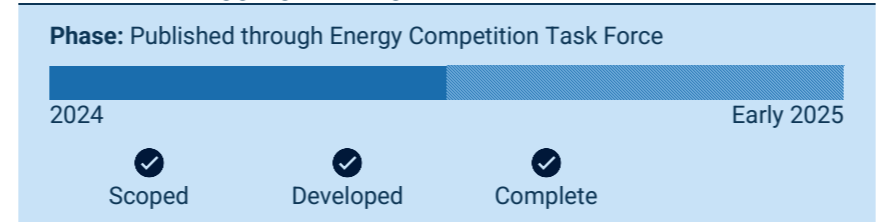


The Authority will monitor trading via the [Competition dashboard – flexibility](#) (recommendation 12). We will consider options to develop additional products to address gaps in the flexibility market in due course. Recommendation 24 (Market making for flexibility products) is contingent on the need to strengthen competition in this segment of the wholesale market.

#### 12 Competition dashboard - flexibility

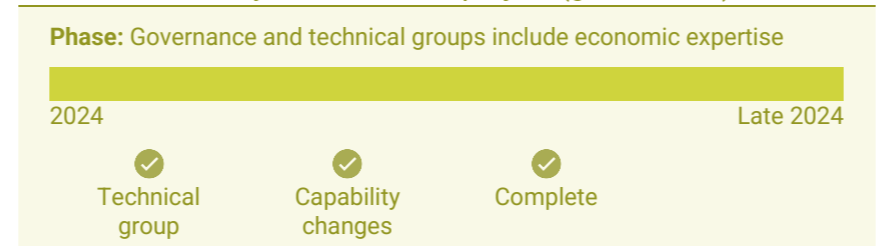


#### 13 Virtual disaggregation high-level outline

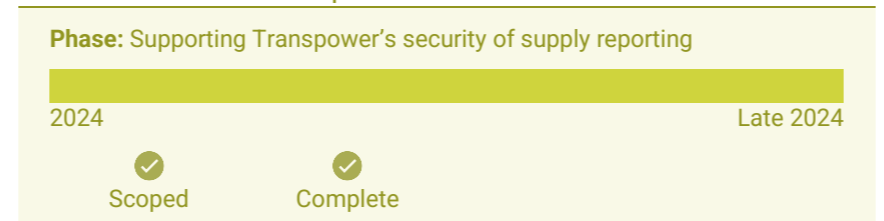


The outline for virtual disaggregation has been published as part of the 'Level Playing Field' measures from the Energy Competition Task Force. Further work is subject to decisions following consultation on these measures.

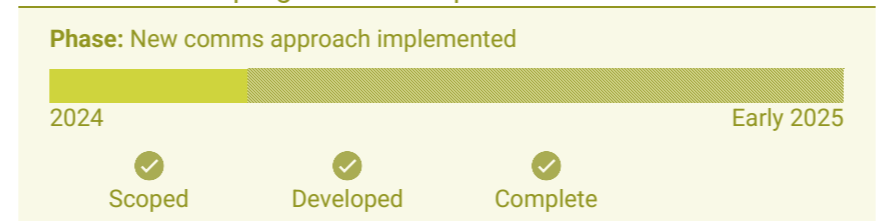
#### 14 Future security and resilience project (governance)



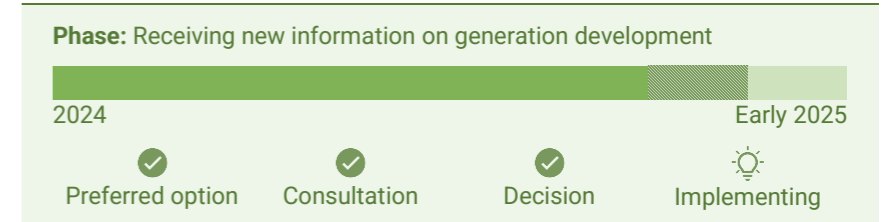
#### 15 Seasonal outlook report



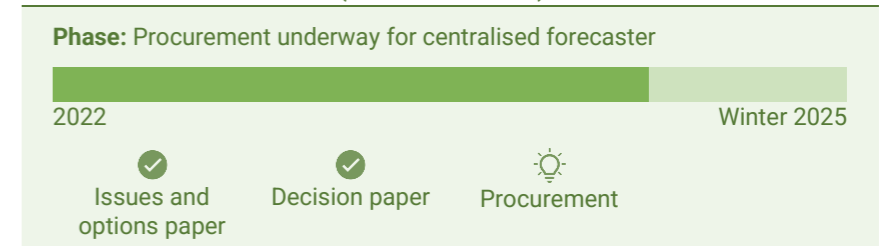
#### 22 Information programme for opinion-makers



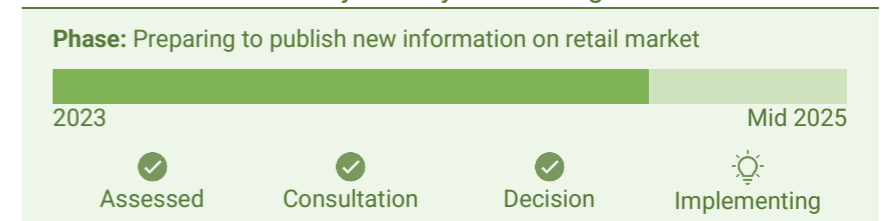
#### 17 Information on development pipeline



#### 1 Short-term forecasts (solar and wind)

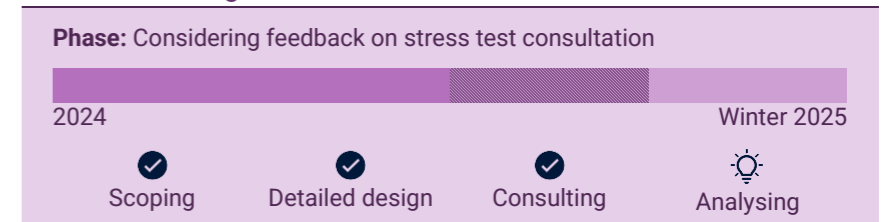


#### 3 Demand-side flexibility activity monitoring



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

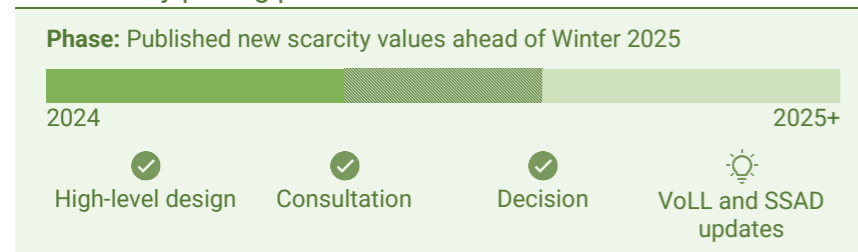
#### 7 Stress testing enhancements



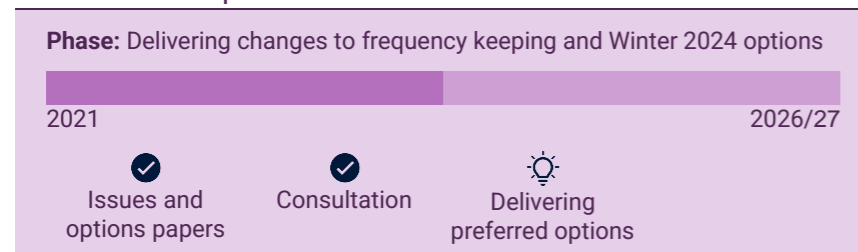
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### 16 Scarcity pricing parameters

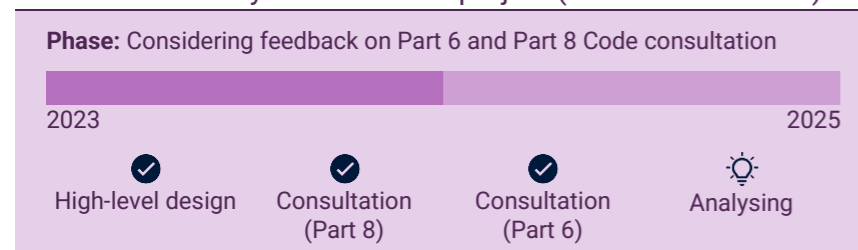


### 6 New reserve product



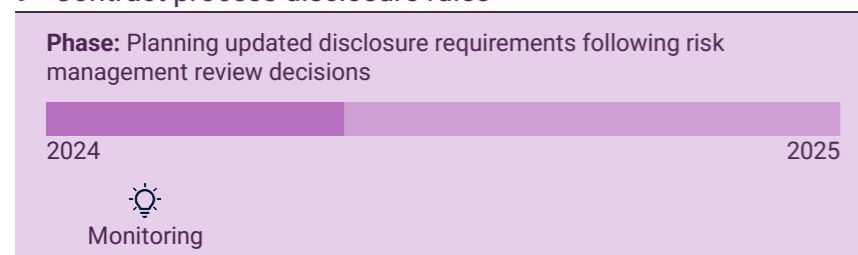
This is part of a range of initiatives designed to support security of supply during peak electricity demand

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

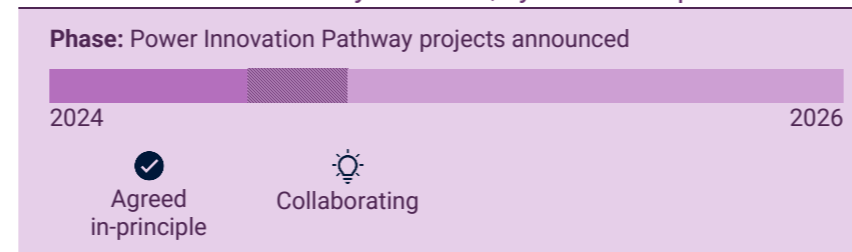


Multiple projects contribute to this recommendation: Part 6 Code review, Part 8 Code review, [Dispatch notification enhancements](#)

### 9 Contract process disclosure rules

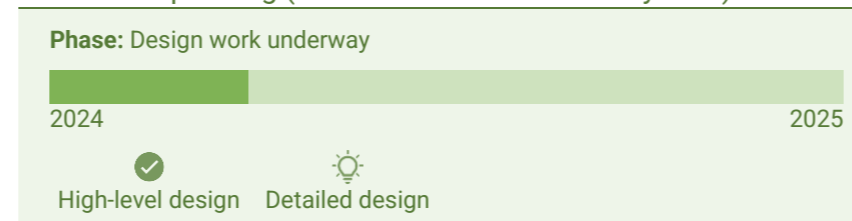


### 10 Demand-side flexibility interface, systems and protocols

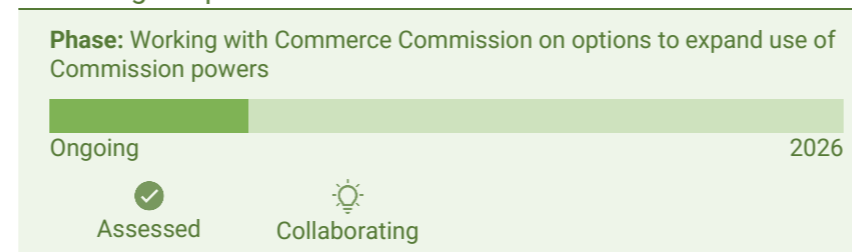


Broad-based trials anticipating contributions from other agencies; Authority primarily responsible for Code changes if required to formalise protocols

### 18 Sunset profiling (reconciliation on half-hourly data)



### 4 Pricing to optimise distribution investment



### 5 Price-driven secure distribution dispatch

