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DSO Strategic Roadmap

RIIO-ED2 Years 4 & 5:
April 2026 to March 2028

May 2026

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Committed to our customers...

We're now into the fourth year of our DSO's first ever business plan, in which we committed to a set of outcomes for our customers and stakeholders during the RIIO-ED2 Price Control (April 2023 to March 2028).

At the end of Year 1, we published a Strategic Action Plan for

Years 2 and 3, to make it clear how we would be delivering upon the commitments we made.

As we're commencing the final two years of our RIIO-ED2 Business Plan, we are taking this moment to pause, celebrate our successes, learn from our challenges, and plan the actions necessary to fully realise our commitments.

Where we are in our current 5-year business plan (RIIO-ED2):

ED2 Year 1

ED2 Year 2

ED2 Year 3

ED2 Year 4

ED2 Year 5

ED3 Year 1

▲ Now: May 2026



A foreword from our Managing Director

Since joining National Grid's DSO in 2024, I've been passionate about the importance of delivering the outcomes we've promised. I've been using the Strategic Action Plan for years 2 and 3 as a vital tool for delivery accountability.

Year 3 has been big for us. We are seeing large and rapidly growing customer benefits from the activities we've already undertaken. At the same time, we're also planning what outcomes we'll be delivering for customers under our next

business plan, which will start in 2028. But I have been clear with my teams: although we're thinking about the future, we must maintain the same razor-sharp focus on delivering now that I've instilled from the start.

That's why I'm continuing our trend of transparent delivery by publishing this DSO Strategic Roadmap, so that it's clear when and how we will do what we've promised.

Cathy McClay
DSO Managing Director



The background of the slide is a photograph of a sunset. The sky transitions from a deep blue at the top to a bright orange and red near the horizon. Silhouetted against this sky are several high-voltage power line towers and their associated cables. In the foreground, there are dark, leafless trees and bushes. A semi-transparent, rounded rectangular box with a blue-to-purple-to-orange gradient is overlaid on the left side of the image, containing the text.

00

Context, Strategy & Performance

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Our Sector Responsibilities

As part of National Grid Electricity Distribution, we are licensed by our regulator (Ofgem) with a specific set of responsibilities, on behalf of our customers. For RIIO-ED2, these are structured around a set of three core Roles that we perform, made up of five Activities. These Roles and Activities, alongside the accompanying guidance published by Ofgem, provide clarity to us and our customers on what we should be delivering.



Planning & Network Development

Role 1 Summary

Ensuring our network is available in the right place and at the right time to support customer needs, by collaborating with local, regional and national stakeholders to plan when and where to invest in electricity infrastructure.

Regulated Activities in RIIO-ED2

- 1.1 Plan efficiently in the context of uncertainty, taking account of whole system outcomes, and promote planning data availability



Network Operation

Role 2 Summary

Keeping our network affordable, reliable and accessible, by maintaining strong awareness of how energy flows across our network and signalling to customers how they can change their behaviour to help manage those flows of power.

Regulated Activities in RIIO-ED2

- 2.1 Promote operational network visibility and data availability
- 2.2 Facilitate efficient dispatch of distribution flexibility services



Flexibility Market Development

Role 3 Summary

Creating opportunities for our customers to be rewarded for helping us to operate our network, by managing markets and developing products that incentivise customers to be flexible with their energy production, storage and usage.

Regulated Activities in RIIO-ED2

- 3.1 Provide accurate, user-friendly and comprehensive market information
- 3.2 Embed simple, fair and transparent rules and processes for procuring distribution flexibility services




Our Big Achievements in Year 3 of RIIO-ED2

Our focus for Year 3 has been on completing all of the activities we published in our Strategic Action Plan for Years 2 and 3, whilst also responding to the emerging priorities that our customers have shared with us.


As we're now over half-way through RIIO-ED2, we are seeing that our continued efforts are creating tangible benefits for our customers and stakeholders. Here are some of the highlights we're particularly proud of from Year 3.

Role 1: Planning & Network Development




291 MVA
of new network capacity directed for construction


10 Years of Strategic Plans
using our Distribution Future Energy Scenarios to inform our investment decisions, now also aligned to NESO's tRESP




100% Engagement
with Local Authorities in our area, who have added their local priorities into our network planning




637 Energy Sites
producing or storing power are included into our network plans




363 km of wires
identified for upgrades




8,000+ Customers
with Strategic Energy Needs included in our network plans




670 Transformers
chosen for reinforcement



Transformed our Planning
by incorporating smart meter and substation data, upgrading our visualisations and launching an improvement roadmap




Role 2: Network Operation




6 GWh
of flexibility dispatched by our energy management centre


Refreshed Framework
for operational decision making and consulted with stakeholders on the updated framework




362 Days
of low carbon flexibility dispatch and an average annual carbon intensity of 0.97 kgCO_{2(e)}/MWh




Over 150m Datapoints
added to our Data Portal, for curtailment on 2,541 substations and 6,471 branches of our network




110,056
individual dispatches




835 GWh
of export curtailment avoided through smart network operation



Transparent Automation
based on semi-autonomous decision making, with operational decisions now published on our Data Portal




Role 3: Flexibility Market Development




198 GWh
of flexibility procured through our markets


FlexUp Launched
implementing a new demand turn-up use case




309,514
assets registered to participate in our flexibility markets




3,064 MW
of flexibility capacity available to dispatch




Storage Heaters
added as a home asset category in our markets




40,283
Vulnerable households registered in our markets




New Digital Tools
for market trading and market insights, with better usability



Day-Ahead Trading
Now being implemented in phases across our region




Digital & Data




26m Studies
on network load flows to inform planning, flexibility procurement and network capacity visibility


2 New Cloud-Based Tools
launched to improve transparency and network visibility, allowing self-service estimation of curtailment




7.1k Resources
available on our Data Portal, via 89 datasets




Data from 3.5m smart meters
now providing half-hourly insights on network usage, supporting our network planning and operation




11 New Datasets
uploaded to our Data Portal for stakeholders




790k Downloads
from our Data Portal by users and APIs



Cloud Platform
launched to enable new tool and data opportunities



Common Information Models
Published for our region, providing consistent, interoperable and accessible datasets for network assessments



Views from our Panel of Independent Experts

In March 2024, we launched our Independent DSO Panel, composed of independent energy sector experts. Their role is to provide rigorous challenge and advice, to ensure that our delivery will meet the needs of our customers and stakeholders.

Meeting on a regular basis, our Panel decides what aspects of our performance or delivery they want to scrutinise, and provide us with recommendations or actions based on their expert views.

At the end of each year, the Panel writes an independent report on their findings, which they provide to NGED's Board of Directors as guidance for how we can ensure that our DSO delivers the maximum value possible for our customers.

To be transparent with our stakeholders, we publish Panel Meeting Minutes and their end-of-year reports on our website, in our [DSO Publications Library](#).



Regina Finn (Chair)

Lucerna Partners



Nina Skorupska

Great British Energy



Janine Michael

Centre for Sustainable Energy



Doug Cook

Decentragrid



Our views on National Grid DSO's delivery

Our work as a Panel covered a wide range of relevant topics in 2025, but the three highest priority focuses this year were:

DSO Benefits: During the year we focused strongly on the need to articulate the benefits of the DSO in terms of stakeholder outcomes. National Grid DSO has done some excellent work on articulating these benefits and in moving towards outcome-based performance indicators. We look forward to seeing this developed further during 2026. We are pleased that the Ofgem Performance Panel identified positive progress in this area.

Governance: We maintained our challenge around the governance of the DSO, emphasising the need for transparency and evidence to assure stakeholders interests are being effectively accounted for. We welcomed the publication of the DSO governance framework, but we expect stakeholders' expectations in this area to increase, meaning that National Grid DSO will need to continuously improve and evolve its framework.

Digital: We appreciate the scale of the challenge that National Grid DSO faces in maximising its use of technology to deliver efficiently and effectively. We are encouraged that enough progress has been made to enable NGED to propose enhanced data sharing and AI use. At the same time, we believe this is just the first step in a transformation that is essential for the future success of the DSO and we will revisit in 2026.



Refreshing our DSO Strategy

Since publishing our original [DSO Strategy](#) in 2021, the societal landscape has changed drastically, and we expect that the needs of our customers will continue evolving rapidly. To keep ourselves aligned to the priorities shared with us by our customers, we believe it's time to refresh our DSO Strategy.

National Grid Group has [recently launched a refreshed strategic framework](#), which

focuses the organisation on a new mission and three strategic focuses. Aligned to this new strategic framework, we are launching a new DSO Purpose and Strategic Objectives.

Our refreshed DSO Strategy has been shaped and refined through collaboration with our customers and stakeholders, helping us ensure continued focus on their priorities.

National Grid Group Mission

We Bring Energy to **Power Possibilities**

National Grid Group Strategy

Building optionality for disciplined **Growth**

Drive **Big Shifts** to define our future

Deliver **Brilliant Basics** to lead on performance

National Grid DSO Purpose

We **collaboratively plan and transparently operate our distribution system** to deliver the whole system priorities sought by the local communities and businesses we serve.

This means affordably and reliably powering a growing economy, productive businesses, comfortable homes, skilled jobs and a more sustainable environment.

National Grid DSO Strategic Objectives



Communities and businesses benefit from **clean and affordable local energy** produced within our region



Communities and businesses know our network will be **reliable, safe and affordable** for their needs



Communities and businesses can grow, thrive and **connect without network barriers**



Local priorities inform the **transparent decisions** we make about our network



Stakeholders can make robust decisions using **dependable data and insights** from our network



Customers have **fair and inclusive choices** on how they participate in the whole energy system



Stakeholders trust our people to be **capable, collaborative and accessible** in our work

Our Key Performance Indicators for Year 4

To execute our new purpose and strategic objectives, we have evolved this year’s Key Performance Indicators to capture both our Business Plan Commitments and the customer outcomes we’re focused on in our strategy. Our DSO’s leadership team uses these KPIs to monitor their performance on a month-by-month basis and we publish them externally on a quarterly basis to provide transparency to our stakeholders. We will continue to evolve these KPIs in Year 5 based on stakeholder feedback and will subsequently be launching a new Key Results framework for ED3 to fully embed our new DSO Strategy.

Strategic Objective	Key Performance Indicator	Why it matters to our customers	Year 4 Target
Communities and businesses benefit from clean and affordable local energy produced within our region	Proportion of our Grid Supply Points with agreed Site Strategies	When agreed with NESO and NGET, GSP Site Strategies make sure infrastructure is built where actually needed to provide transmission capacity to distribution customers when they need it.	33 % of GSPs
	Carbon intensity of the flexibility we dispatch through our markets	Low-carbon flexibility consistently out-competes high-carbon flexibility on price, so keeping our market carbon intensity low also keeps customer bills low, whilst benefiting the environment.	2.5 kgCO ₂ (e)/MWh 360 days zero carbon
Communities and businesses know our network will be reliable, safe and affordable for their needs	Proportion of constraints on our primary network with selected solutions to deliver	Constraints limit how our customers can access our network, so investing in appropriate long-term solutions is how we remove these limitations and make sure the needs of our customers are met.	95 % of solutions selected
	Amount of curtailments or outages we can mitigate for our customers	When our DNO colleagues need to maintain our network, we (DSO) look at the planned outages and advises on alternative options that reduce the impact of the maintenance on our customers.	700 GWh of outage or curtailment avoided
Communities and businesses can grow, thrive and connect without network barriers	Amount of additional transformer capacity to be added to our network	As customer needs grow, we plan what future network will be needed and direct our DNO colleagues to add additional capacity so that it’s ready when and when our customers need it	Directed: 291 MVA Added: 291 MVA
	Amount of connection offers we accelerate for our customers	New customer connections can be delayed by necessary transmission upgrades, so we offer flexible ways for customers to accelerate their connection, which they can choose to accept.	Offered: 3,000 MW Accepted: 2,100 MW
Local priorities inform the transparent decisions we make about our network	Level of engagement with the strategic stakeholders that inform our decisions	Local plans and priorities vary across our region, so engaging with stakeholders to capture their needs ensures our network planning and operation activities are focused on our customers.	100 % of strategic stakeholders engaged
Stakeholders can make robust decisions using dependable data and insights from our network	Level of visibility of the customers connected to our secondary network	Our customers use energy in very different ways, so by understanding how our customers use our network we can make better decisions about how cost-effectively plan and operate our network.	75 % of secondary network customers
	Accuracy of short-term load forecasts informing our operational decisions	Our model of customer behaviours predicts the flows of power across our network and informs our decision making, so improving our accuracy helps keep down the cost of actions we take.	40 % mean average percentage error
Customers have fair and inclusive choices on how they participate in the whole energy system	Volume of flexibility available via our markets for operating our network	We use flexibility to operate our network and support the whole energy system, so as network and system needs grow, so must the volume of available flexibility, to help keep our network reliable.	Assets: 450,000 Capacity: 4 GW
	Proportion of network zones with sufficient liquidity for competitive prices	Zones with sufficient liquidity are those with enough competition between flexibility providers to cause prices to drop, thereby reducing our network operation costs and helping avoid bill rises.	50 % of zones
Stakeholders trust our people to be capable, collaborative and accessible in our work	Progress on delivering our Strategic Roadmap	Our Strategic Roadmap defines the actions we will take to deliver the customer commitments in our business plan, so measuring delivery ensures customers receive what we’ve promised them.	95 % of milestones on target for delivery
	Improved efficiency associated with business improvements	We are constantly working to improve datasets, models, automation, systems and processes, which helps free up our people to focus on other priorities and deliver more value for customers.	4,300 hours of effort saved via efficiencies



01

Planning & Network Development

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Roadmap 1: Planning & Network Development



My focus for the next two years will be on improving our understanding of the network of today, providing greater feedback to customers of how their priorities have shaped our network plan, and giving stakeholders greater visibility of how we will be delivering the network of the future. We will expand the planning data that we publish, improve how regularly we update our plans (based on extensive stakeholder engagement) and continue to deliver our network planning activities, including looking for opportunities to mitigate necessary network reinforcement using flexibility. These actions will all be enabled by enhancements to how we model an increasingly complex distribution system. Taken collectively, these actions prepare a robustly planned foundation ahead of a period of significant network investment that will take place during our ED3 Business Plan (2028-2033).

Oliver Spink

Head of Planning & Network Development

#	What are we doing?	Why does it matter to our customers?	What will change as a result?
1.1	Make our Network Models and Insights More Relevant to End Users	Our customers and stakeholders rely on our network models and insights to make important decisions, so they need to be accessible and relevant to how they use the outputs.	Collaboration with industry partners will provide tools and insights that support important decision-making.
1.2	Plan the Future Network that our Customers Ask For	Our plan for the long-term investments we make must balance the needs of our customers, whilst remaining affordable.	Updates to our network plans to reflect inputs provided by our customers and stakeholders, in line with regulatory obligations.
1.3	Proactively Support the Development of NESO's RESP	Our customers should be confident that NESO and our DSO will share data and good practice to maximise efficiency, reduce complexity and create alignment in how we plan the system.	Greater alignment and consistency in how customer data is used for distribution network and whole system planning.
1.4	Deliver Network Models that Reflect the Future	The models we use to inform network planning decisions must be as accurate as possible, to ensure we build the right network to meet customer needs at the right time that they need it.	We will be able to rapidly and accurately assess the network implications of new and changing customer requirements, and update our investment plans accordingly.
1.5	Increase the Responsiveness of Network Forecasting to Evolving Customer Needs	Our forecasting helps customers understand the network implications of their needs and helps them understand what could be possible using our existing or planned assets.	We will be able to provide prompt feedback to customers on how their needs will affect our network investment plans.
1.6	Give Stakeholders a Live Dashboard of Network Investment Decisions	Customers have asked for visibility of our planned investments, to help them understand how their needs will be met and what opportunities are available.	Our stakeholders will have access to a comprehensive and regularly updated view of investments planned, in-progress and completed.
1.7	Increase the Visibility of Current and Future Secondary Network Plans	Our secondary network is what many of our customers interact with directly, with investments providing opportunities for new energy technology deployment in homes and businesses.	Our customers will have access to a greater granularity of investment planning, to help them understand how our network will enable and support their priorities.

Objective Key:

Clean and affordable local energy

Reliable, safe and affordable

Connect without network barriers

Transparent decisions

Dependable data and insights

Fair and inclusive choice

Capable, collaborative and accessible

02

Network Operation

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Roadmap 2: Network Operation



Over the next two years, my focus will be on further scaling our use of flexibility in network operations, expanding our use of local clean energy technologies, and increasing transparency for our stakeholders. We will continue to develop increasingly reliable forecasting to support our decision making, to lower system costs and unlock revenue opportunities for our flexibility providers. We'll also further strengthen our coordination with other network/system operators to reduce market conflicts and provide greater network resilience, whilst also making more operational data available to stakeholders, to build trust and confidence. Underpinning all of these outcomes, we will leverage digital investments and strategic partnerships that enable a more efficient and customer-centric distribution system.

Helen Sawdon
Head of DSO Operations

#	What are we doing?	Why does it matter to our customers?	What will change as a result?
2.1	Improve Situational Awareness and Distribution System Operability	We will be able to make decisions based on a wider range of datasets and inputs, helping us improve the resilience of our network and reduce the impact of faults on our customers.	Our Control Room will have greater visibility of data from our network, about customers assets, about markets trends, and data about the wider energy system.
2.2	Operate New Use Cases for Flexibility	Customers providing flexibility services to us will have a wider range of revenue opportunities, whilst also helping to lower system costs through giving us access to new services.	We will be able to access new flexibility-driven services to help manage storm readiness, voltage management, post-fault conditions and excess generation.
2.3	Enhance Whole System Coordination	Customers providing flexibility will experience fewer conflicting market signals and have more opportunities to provide services that benefit the wider energy system.	Customers will experience greater coordination between us and other system operators, including wider data sharing, fewer conflicting market signals, and expanded use cases.
2.4	Operation of Flexible Customer Assets	A wider range of customers will be able to be rewarded by providing services to the distribution and whole system that improve reliability, resilience and costs to consumers.	A wider range of customer assets will be used to provide lower cost services that address real-time system needs, underpinned by more accurate forecasting of system requirements.
2.5	Increase the Participation and Usage of Local Energy in our Operations	Customers will benefit from quicker and more efficient energy market decisions, with confidence that market participation is valued and managed openly.	Market decisions will be automated to make better use of large volumes of local assets, backed by a transparent framework for decisions on how distribution customer assets are used.
2.6	Maximise the Energy Generated Locally on our Network	Reduces curtailment of low-cost renewables connected to our network, helping our customers access affordable local energy and putting less strain on the transmission network.	New approaches to modelling and managing outages will help us reduce their impact on generators, whilst Common Technical Standards enable greater access to affordable local energy.
2.7	Make Operational Data Available to our Stakeholders	Greater transparency on why we have made decisions will help customers trust our judgement, whilst also improving their opportunity targeting through more accurate revenue forecasts.	Customers will have greater visibility of planned outages, the inputs and outputs to our decisions, our forecast of ANM curtailments and NESO coordination activities.

Roadmap 2: Network Operation

Strategic Objectives Delivery Initiatives



Communities and businesses know our network will be **reliable, safe and affordable** for their needs





Communities and businesses benefit from **clean and affordable local energy** produced within our region



Stakeholders can make robust decisions using **dependable data and insights** from our network

Y4 Q1	Y4 Q2	Y4 Q3	Y4 Q4	Y5 Q1	Y5 Q2	Y5 Q3	Y5 Q4
2.1 Improve Situational Awareness and Distribution System Operability							
2.1.1 DNO Control Room Visibility and Coordination				2.1.2 Distribution Energy Resources (DER) Visibility			
2.1.3 Operational Forecasting Strategy				2.1.4 Embed New DERMS Capabilities			
2.2 Operate New Use Cases for Flexibility							
2.2.1 Responder Trial (Storm Readiness)			2.2.2 Voltage Management Trial			2.2.3 Post-Fault Use Case	
2.2.4 FlexUp Market Growth Phase 1				2.2.5 FlexUp Market Growth Phase 2			
2.3 Enhance Whole System Coordination							
2.3.1 Primacy Automated Data Exchange Trial				2.3.2 Automated Data Exchange Deployment			
2.3.3 Expand Megawatt Dispatch Use Cases				2.3.4 Planned Outage Data Sharing		2.3.5 Scaling of Technical Limits	
2.4 Operation of Flexible Customer Assets							
2.4.1 Dynamic Forecasting of Network and Customer Behaviours							
2.4.2 Dynamic Scheduling and Dispatch of Flexible Customer Assets							
2.5 Increase the Participation and Usage of Local Energy in our Operations							
2.5.1 Automated Markets (Phase 1)				2.5.2 Automated Markets (Phase 2)			
2.5.3 ODM Consultation 2026				2.5.4 Decision CBAs		2.5.5 ODM Consultation 2027	
2.6 Maximise the Energy Generated Locally on our Network							
2.6.1 Scale Outage Modelling				2.6.2 Online Network Model			
2.6.3 Common Technical Standards Trial (South-West)				2.6.4 Common Technical Standards Deployment			
2.7 Make Operational Data Available to our Stakeholders							
2.7.1 Planned Outage Curtailment			2.7.2 Decision Inputs/Outputs			2.7.3 ANM Curtailment Forecasts	
2.7.4 Improved Visibility of NESO Coordination Activities							
ED2 Year 4 (Financial Year 2026-2027)				ED2 Year 5 (Financial Year 2027-2028)			

 Updated in response to stakeholder feedback
 Initiatives involving digital investments

03

Flexibility Market Development

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Roadmap 3: Flexibility Market Development



My priorities for the next two years focus on maturing our day-ahead flexibility market, increasing liquidity across all our markets and providing clearer revenue opportunities for providers of flexibility. We will broaden our flexibility use cases to create additional ways for customers to participate in our markets, enable better opportunity targeting through data transparency, and leverage automation across our platforms to deliver a more seamless trading experience. Reducing barriers for vulnerable customers remains one of my passions, so we are exploring potential trials that build on our partnership with the Centre for Sustainable Energy. Finally, we will work closely with stakeholders to shape the evolution of our markets, co-designing future products and frameworks, to ensure our market arrangements are ready for ED3 and beyond.

Doerte Schneemann

Head of Flexibility Markets

#	What are we doing?	Why does it matter to our customers?	What will change as a result?
3.1	Expand Flexibility Use Cases to Grow Customer Reward Opportunities	Customers will have a wider range of flexibility services they will be able to be rewarded for providing and – in doing so – will help reduce costs for system operation by increasing competition.	We will operate markets that address a greater range of network and system needs, including voltage, excess generation, and storm readiness.
3.2	Improve the Experience of Stakeholders that use our Flexibility Data	Customers providing flexibility services will have a better understanding of potential market opportunities that they can access and better insights about market trends.	We will make a wider range of data available, in a variety of accessible formats, through intuitive interfaces with robust quality assurance.
3.3	Improve the Experience of Customers that Provide Flexibility Services	Flexibility providing customers will experience a seamless trading experience that makes it easier to access our flexibility markets and be rewarded for providing services.	We will use automation within our Market Gateway to create tailored customer experiences that reduce the administrative burden on customers engaging with our platform.
3.4	Make our Flexibility Markets more Accessible for Vulnerable Customers	Vulnerable customers will have fewer barriers to participating in our markets, making it easier for them to receive financial rewards for flexibility that help offset their energy costs.	We will actively monitor participation in our markets and use those insights to collaboratively implement innovative solutions that support vulnerable customers.
3.5	Simplify Customer Experience through Cross-Market Coordination	Coordination across markets will reduce administrative burdens and costs for customers that provide flexibility to multiple markets, helping to reduce the costs of flexibility services for all.	We will simplify and standardise our markets in alignment with Elexon’s Market Facilitator activities and the Flexibility Market Asset Registration programme.
3.6	Develop the Flexibility Markets of the Future	Customers that provide flexibility will be able to help us shape the products and services needed in the future, helping them to derive value from their energy assets and support our network.	A new flexibility strategy and stakeholder engagement will help us overhaul our market design and product suite, with innovation trials helping us rapidly test and scale new ideas.
3.7	Create Market Opportunities for our Flexibility Providers	We will financially reward customers that provide us with flexibility services, whilst increased market liquidity will lower whole-system costs for bill payers.	We will operate a day-ahead market in parallel to annual long-term tendering for flexibility services.

Roadmap 3: Flexibility Market Development

Strategic Objectives Delivery Initiatives






















Communities and businesses know our network will be **reliable, safe and affordable** for their needs





Stakeholders can make robust decisions using **dependable data and insights** from our network



Customers have a **fair and inclusive choice** on how they participate in the whole energy system

Y4 Q1	Y4 Q2	Y4 Q3	Y4 Q4	Y5 Q1	Y5 Q2	Y5 Q3	Y5 Q4
3.1 Expand Flexibility Use Cases to Grow Customer Reward Opportunities							
3.1.1 Voltage Use Case Development and Tendering 				3.1.2 Voltage Management Expansion Development 			
3.1.3 FlexUp Expansion Development 							
3.1.4 Responder (Storm Readiness) Develop and Tender							
3.1.5 Wider Flex Use Case Development 							
3.2 Improve the Experience of Stakeholders that use our Flexibility Data							
3.2.1 Market Gateway Discovery  				3.2.2 Market Gateway Migrated to Cloud 			
3.2.3 Flex Website Refresh  				3.2.4 Live Market Dashboard  		3.2.5 Unified Flexibility Map  	
3.3. Improve the Experience of Customers that Provide Flexibility Services							
3.3.1 Map User Journeys 2026		3.3.2 Tailor Experience 2026		3.3.3 Map User Journeys 2027		3.3.4 Tailor Experience 2027	
3.4 Make our Flexibility Markets more Accessible for Vulnerable Customers							
3.4.1 Monitor Participation 		3.4.2 Explore Innovative Solutions			3.4.3 Targeted Stakeholder Engagement 		
3.5 Simplify Customer Experience through Cross-Market Coordination							
3.5.1 Collaborate with Elexon to Support Market Facilitator Working Group Participation 					3.5.2 Flexibility Market Asset Registration		
3.6 Develop the Flexibility Markets of the Future							
3.6.1 Stakeholder Consultation				3.6.2 Review Market Design 		3.6.3 Implementation	
3.6.4 Chair Flex Use Case Working Group 				3.6.5 Develop 2035 Flexibility Strategy			
3.7 Create Market Opportunities for our Flexibility Providers							
3.7.1 Dynamic Day-Ahead Procurements							
3.7.2 Long Term Tender 2026				3.7.3 Long-Term Tender 2027			
3.7.4 Flexibility Focus Groups 							
ED2 Year 4 (Financial Year 2026-2027)				ED2 Year 5 (Financial Year 2027-2028)			

 Updated in response to stakeholder feedback
 Initiatives involving digital investments

Glossary of Common DSO Terms

Active Network Management: An automated smart-grid solution that manages customer connections based on flows of energy across our network and available capacity.

Ceiling Price: The maximum price we are willing to pay for flexibility services we procure.

Common Information Model (CIM): A framework for standardising data and metadata.

Conflict of Interest (Col): A set of circumstances that creates a risk that an organisation's ability to apply judgement or act in a role is, or could be, impaired or influenced by another interest.

Constraints: A limitation in capacity arising from the physical condition of the network, including faults and maintenance.

Cost Benefit Analysis (CBA): An assessment of how much benefit could be delivered by a given decision or investment, weighted against the cost of taking that action.

Customer Benefits: Defined for NGED using a [published framework](#) based on Energy Network Association outputs.

Distributed Energy Resource Management System (DERMS): The digital tools we use to monitor and control smart distribution connected energy assets owned by our customers.

Dispatch Events: Instructing customer assets to change their behaviour, after being procured for a flexibility service.

Distribution Future Energy Scenarios (DFES): A range of [credible scenarios](#) for how our customers and network might grow.

DSO Decision Making: Includes network operation decisions in advance of real time and long-term network planning decisions.

DSO Panel: Energy industry experts that [hold us to account](#) for our decision making and customer outcomes.

DSO Performance Panel: Ofgem's independent experts that review our end of year delivery report and award our incentive.

DSO Stakeholder Survey: An annual survey sent independently to our material stakeholders to inform one of our

incentives.

Flexibility Services: Customers are rewarded by energy system operators for helping manage networks by changing energy use.

Flexibility Service Providers: Customers or aggregators of customers that bid into markets to provide flexibility services.

Functional Separation: Having an electricity distribution licensee structured as a single business comprising both DSO and DNO roles, but with the DSO roles conducted by a dedicated DSO directorate within the business. The DSO directorate, in consultation with the rest of the business, designs control measures to manage the risk that the interests of the DNO and DSO conflict with each other.

Grid Supply Points: The boundary between the transmission and distribution networks, where voltages are stepped down.

Intermittency: Please see Reliability.

Local Energy: Energy generated, stored and used by distribution-connected customers, without relying on transmission networks.

Losses: The difference between the energy flowing on networks and energy delivered to customers, arising from theft, network design (including voltage) and network operation (including voltage management).

Market Facilitator: An independent sector body responsible for standardising and aligning markets run by each DSO and NESO.

Network Visibility: The availability of real time, historical and future forecast information on the behaviour and condition of assets.

Operating Envelopes: A set of Technical Limits agreed between DSO and NESO for network operation below Grid Supply Points.

Operational Decision Making (ODM): A framework for how we identify the need for operational interventions, determine the

appropriate actions, take those actions, and evaluate their implementation.

Primary Network: Our higher voltage assets, generally in the range of 33 kV to 132 kV.

Real Time Data: Comprised of either monitoring data from assets and/or modelled predictions where monitoring is not available.

Regional Energy Strategic Plan (RESP): Long-term energy plans for how 11 regions of Great Britain will get the energy infrastructure they need for local ambitions.

Regulatory Roles: Formal assignment by Ofgem to one or more organisations of activities, objectives and outcomes.

Reinforcement: Adding additional capacity to the distribution network by installing additional assets or replacing existing assets.

Reliability: Interruptions to customer electricity supply, measured as Customer Interruptions and Customer Minutes Lost.

Secondary Network: Our lower voltage assets, which include 11 kV, 6.6 kV and 415 V (low voltage).

Technical Limits: Parameters agreed with NESO for each Grid Supply Point that allow DSOs to accelerate connections ahead of Transmission reinforcement works being completed.

Transparency: The ability for customers and stakeholders to see decisions being made and understand the reasoning and process.

Whole System: Wider networks and systems beyond distribution, including other energy (gas) and non-energy (telecoms, healthcare) systems.

Zones Activated: Active procurement of flexibility in Zones Launched.

Zones Launched: Zones identified as potentially needing flexibility services to manage reliability and capacity.

Thank you

We'd love to hear from our customers and stakeholders. If you have feedback about the contents of this document or would like more information from us, please contact us:

Email: ngeddso@nationalgrid.com

National Grid Electricity Distribution plc

Avonbank
Feeder Road
Bristol BS2 0TB
United Kingdom

dso.nationalgrid.co.uk