

Minutes: Independent DSO Panel, 16th June 2026

In attendance

Regina Finn, Panel Chair
Doug Cook, Panel Member
Janine Michael, Panel Member
Nina Skorupska, Panel Member

Cathy McClay, Managing Director, DSO
Ben Godfrey, Director, DSO
Matt Blackmur, Head of Strategy, Innovation and Stakeholder, DSO
Louise Schmitz, Head of Regulation and Governance, DSO
Adam Curtis, DSO Panel and Performance Manager (Secretariat)
Cara Finn, Strategy and Innovation Manager, DSO
Adrian Anderson, IT&D Business Partner, NGED [Item 5 only]
Charlotte Pirie, Stakeholder Experience Manager, DSO [Item 5 only]
Emily Spearman, Head of Innovation, NGED [Item 5 only]

1. Welcome and DSO Panel Chair's Update

- 1.1. **NGED ED3 Independent Stakeholder Group (ISG):** The ISG is now meeting monthly as it works through all parts of NGED's evolving ED3 business plan. The DSO is next due to present in August.
- 1.2. Following the IT&D update presented to the Panel at its February meeting, the Chair is supporting the ISG and IT&D in defining what 'good' looks like for NGED in ED3 in the digital space.

2. Managing Director Update

- 2.1. **Day Ahead Trading:** Flex Up has launched and is highlighted as an area for further exploration to ensure it delivers increasing benefits to stakeholders.
- 2.2. **DSO Incentive:** All DSOs are now aware of their provisional stakeholder satisfaction survey scores. The Panel discussed whether Ofgem may review or refine the survey in future years.
- 2.3. **Delivery:** NG DSO published its two-year Strategic Roadmap in May, following updates driven by stakeholder input at the DSO event in March and input from the DSO Panel in previous sessions.
- 2.4. Some roadmap deliverables have key dependencies on IT&D. The Panel challenged the DSO to think creatively around delivery options including The DSO IT&D operating model and the potential to make greater use of external partnerships to support DSO digital ambitions.
- 2.5. **Resourcing:** In addition to delivering existing commitments during ED2, ED3 planning work is placing additional resourcing pressures on the DSO.

3. Ofgem DSO Panel Submission Retrospective

- 3.1. **DSO Incentive:** All DSOs receive questions from the panel 15 days before their respective Performance Panel Interview Sessions. NG DSO's session is due to be held on 15 July. The Panel provided feedback on the DSO's published Performance Panel report, to support the DSO in preparing for the challenge session and to shape improvements to the next submission.
- 3.2. **DSO Benefits:** The Panel felt that the work between DSO System Planning and RESP is undersold in the submission, and that a 'whole system' approach should be more prominent, for example including transport. It further advised DSO to highlight the positive RESP and NESO relationships.
- 3.3. NG DSO independently verifies its benefits figures with an external contractor. The Panel advised DSO to push for a standardised benefits framework across all DSOs, to provide greater assurance to Ofgem.
- 3.4. **Curtailment Avoided:** DSO significantly outperformed its curtailment avoided target in FY26. The Panel suggested that DSO should demonstrate the wider performance trajectory for this and all metrics in future reports, to better demonstrate the basis of its targets to stakeholders.
- 3.5. **Action: Adam Curtis to include justification of targets in the external metric document for publication in July; to be included in future Panel reports.**
- 3.6. **Asset Visibility:** The Panel challenged the DSO on whether its reported 67% direct visibility figure was appropriate. DSO's modelling capabilities are improving sufficiently to support this level of direct visibility, and most recently this approach was extended to model pole transformers.

4. National Grid Strategic Framework

- 4.1. An overview of the new National Grid strategic framework, and the mapping of NGED's strategic priorities against it, were presented to the Panel to set the context for later agenda topics.
- 4.2. The Panel considered the independent DSO can provide a valuable advisory function within NGED, and recognises how the DSO Strategy sits within the wider strategic environment.

5. DSO FY27 Key Performance Metrics

- 5.1. **FY27 Metrics:** The new metrics reflect previous feedback from the Panel, focusing them around direct performance drivers and stakeholder outcomes. Metrics are also aligned to the new strategic framework and are explained to stakeholders in the published Strategic Roadmap.
- 5.2. **Stakeholder Engagement Metrics:** DSO monitors its stakeholder engagement as part of its performance management culture. The Stakeholder survey, which drives the DSO incentive, is specifically monitoring stakeholder engagement on an annual basis. The Panel received assurance that DSO measures its wider stakeholder engagement activities on an operational basis in addition to the survey.
- 5.3. **Zones with Sufficient Liquidity:** The Panel challenged DSO to justify why it wasn't measuring the core amount dispatched through flexibility as a metric. It was explained that metric had been designed by the DSO to be outcome focused and generate a stronger overall market across all regions. Sufficient liquidity drives price reductions for flexibility as a positive customer outcome.
- 5.4. **Summary:** The Panel reflected on the positive progress DSO had made in the performance space since the Panel first met in April 2024.

6. ED3 Brilliant Basics – Forward Process and Strategies

- 6.1. **Latest Ofgem Position:** Ofgem, NG DSO and other networks are in regular communication to agree a direction for ED3. DSO has most recently provided input on measurable quantitative metrics.
- 6.2. **ED3 timeline:** DSO will need to submit a business plan to Ofgem in advance of the incentive mechanisms being finalised. Panel discussed the use of secondments between network companies, Ofgem and NESO with a view to improving the overall working relationships across the industry.
- 6.3. **DSO Benefits and incentives:** DSO has grown significantly since its inception while operating at a fraction of the overall NGED budget. The Panel discussed ‘no regret’ areas for investment in the DSO space that would benefit customers, especially in digital capability and delivery.
- 6.4. **Summary:** The Panel welcomed the discussion around NG DSOs latest position and highlighted the importance of using the DSO Benefits work to demonstrate its value to customers and the energy system as a whole.

7. ED3 Big Shifts – Digital, Innovation and Stakeholder Excellence

- 7.1. **Stakeholder Engagement Excellence:** Stakeholders engage with NGED and the DSO in a variety of ways. DSO has identified key drivers of best practice stakeholder engagement with a view to expanding this throughout the organisation. The importance of digital improvements to achieving better customer outcomes was a critical step to elevating this across the organisation.
- 7.2. The Panel recognises the enthusiasm within DSO to create a better stakeholder experience, and supported a greater emphasis on diversifying stakeholders, the method and frequency of contact, and to build trusted relationships.
- 7.3. **Innovation & Digital:** An initial view of a high-level innovation roadmap through ED3 was presented. NGED Innovation would be working closely with DSO to work backwards from 2040 to create a more comprehensive roadmap.
- 7.4. The Panel reiterates its view that DSO success is contingent upon digital excellence, rapid development and delivery. They highlighted that the biggest risk to the DSO is delivery velocity not matching ambition, and challenged the DSO to act as a more intelligent client to the IT&D team and/or develop its own IT&D capacity and capability.
- 7.5. **Action: Adam Curtis, Matt Blackmur and Cara Finn to arrange innovation brainstorm deep dive with DSO Panel to consider further digital and innovation investments.**

8. Consolidate and Formal Meeting Close

- 8.1. The Panel thanked DSO for its continued transparency in providing materials at an early stage, and for its willingness to engage in open and honest discussions.
- 8.2. The Panel held a closed private session following the meeting.
- 8.3. The next meeting will be held on 10 September 2026.