Electricity Distribution

Minutes: Independent DSO Panel, 10 September 2026

In attendance

Regina Finn, Panel Chair
Doug Cook, Panel Member [via MS Teams]
Janine Michael, Panel Member
Nina Skorupska, Panel Member

Cathy McClay, Managing Director, DSO [via MS Teams]
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)
Dafydd Burton, Regulatory Reporting Manager, DSO [Item 3 & 4 only]
Phil Moseley, Head of System Models and Data, DSO [Item 5 only]
Liam McSweeney, Head of Data and Insights, NGED [Item 5 only]

1. Welcome and DSO Panel Chair's Update

1.1. **NGED ED3 Independent Stakeholder Group (ISG):** The DSO Business Strategy had been positively received by the ISG, and the Load Related Expenditure Annex will be presented later in September. Post-Christmas, the ISG is conducting a full review of NGED's ED3 submission.

1.2. **DSO Chairs Group**: The Chairs group had met twice since the previous meeting, with discussion centring on interactions between DSO Panels and their respective ED3 ISGs. Each organisation had taken different approaches to the role of their Panel in scrutinising operational delivery.

2. Managing Director Update

2.1. **National Grid Group and NGED Reorganisation:** Ro Quinn is now NGED President and Cordi O'Hara is now UK President.

2.2. An interim NGED Chief Operating Officer had been appointed and, to support the transition, NGED's Control Room reports into the DSO Managing Director until a permanent COO is appointed.

2.3. The Panel discussed the implications of proximity of the Control Centre to the DSO and comparison with the model of other DSOs.

2.4. **Community Energy** had moved to DSO, with the team now part of the Strategy, Innovation and Stakeholder department. The vision for the team was outlined to the Panel for feedback.

2.5. **Wider Influencing:** Cathy had continued to engage with government on the role of DSOs and Flexibility in the wider energy system. The Panel asked that DSO took proactive action to ensure it can adapt to changes in national policy.

2.6. The Panel reiterated its view that DSO is in essence a modern digital business, which should play to its digital strengths and be a focus area for digital investments in ED3.

3. DSO Incentive

3.1. **DSO Incentive:** The Panel considered how all DSOs were seeing consistent improvements in their scores throughout ED2, and what may change as part of the DSO incentive in ED3. It was noted that resourcing the process could become more intensive if the incentive expands in scope.

3.2. **2027 Submission:** DSO is preparing early for the next Performance Panel submission and shared potential stories with the Panel for feedback. The Panel highlighted the need for DSO to focus on what the outcome is for the customer, and how our activities have made improvements.

3.3. **Third Party assurance**: In response to Panel advice, DSO is undertaking an independent review of its System Planning processes in Q4. The National Grid Group Audit function is also undertaking a check of DSO's Conflict of Interest management activities. The Panel remained of the view that a third party assurance of all policies would be appropriate at some stage.

4. Risks and Opportunities

4.1. The Panel received an overview of DSOs existing Risks and Opportunities, and of the process, which follows National Grid's Three Lines model.

4.2. **Published Risk Register**: The Panel reflected upon whether an external DSO Risk Register would be useful to stakeholders, noting there were both advantages and disadvantages to publication.

4.3. **Conflicts of Interest:** Recognising the temporary move of Control Centre under the DSO Managing Director, the Panel discussed the risk of DSO-DNO conflict of interest. Assurance was given that the main risk control is the DSO Policy Suite, which outlines responsibilities in the relevant processes, coupled to functional separation at the Senior Manager/Head of Department level. NGED remains confident that any real or perceived conflict of interest risk between Control Centre and DSO is well managed.

4.4. **Wider Risks:** The Panel discussed whether DSO had sufficiently captured specific risks relating to emerging changes elsewhere in the industry, which could impact DSO.

5. DSO Digital & Data

5.1. **Overview:** DSO outlined the role of the Data & Digital team, focusing on improving accountability, data quality, accessibility, and usability. The vision is to create trusted, interoperable datasets within a single environment that support both internal decision-making and external stakeholder needs.

5.2. The Panel had previously challenged the DSO to leverage its functionally separate position within NGED to act as a digital leader within the organisation. DSO's new partnership with Squid was summarised as an example of implementing AI tooling to deliver usable insights for stakeholders.

5.3. The speed of digital delivery was discussed, and assurances were provided to the Panel that the governance of data was a priority for all teams. Industry best practice, both in energy and technology, was discussed in the context of benefits to internal teams and external stakeholders.

5.4. NGED outlined the latest positions in DSOs data journey and what tools the teams were starting to make use of. Quality data products with clear governance ensure that the AI models built upon them deliver reliable responses.

5.5. A key enabler of this transformation is staff training. Assurance was given that DSO is already training its staff in utilising the new tools at its disposal, and the tiered approach to training was shared with the Panel.

5.6. The Panel challenged DSO on whether its delivery velocity was appropriate and achievable. Assurance was given that, as the processes became more mature, the time to deliver each data product would reduce. The Government white paper on AI published earlier in the year highlighted that the wider energy industry was perceived as not keeping pace with other technology sectors.

5.7. **Summary:** The Chair thanked the team for its comprehensive presentation of DSOs current and future Digital and Data capabilities. She particularly welcomes the creation of a dedicated team within DSO to progress this work.

5.8. The Panel acknowledged the wider journey of DSO in this space since the inception of the Panel, particularly its proactive partnering with external organisations.

6. ED3 DSO Strategy

6.1. The Panel received a draft version of the ED3 DSO Strategy for review, and shared confidential feedback with DSO across the sections. Challenge and assurance were sought across key areas of the regulatory submission, with feedback recognising the timescales involved.

6.2. The DSO is continuing to update and refine its final submission and shared an overview of the approval process with the Panel.

6.3. **Action:** Adam Curtis to share feedback from DSO Panel with ED3 DSO Strategy authors, to be incorporated into next draft.

7. DSO Performance Update

7.1. The Panel reviewed the DSO's latest performance metrics for Period 4 and sought assurance on where DSO perceived the greatest risk to delivery was. The Mean-Average Percentage Error figure (MAPE) had remained outside of target for multiple quarters and was highlighted as a key area where improved AI tools could yield better performance.

8. Consolidate and Formal Meeting Close

8.1. The Panel thanked DSO for its continued transparency in sharing its progress in the Data and Digital space, and for the early sight of the DSO ED3 submission. It recognised a continued willingness to proactively engage in open and honest discussions.

8.2. The Panel requested a closer look at Local and Community Energy in the DSO when the team is settled into the directorate. It further asked that DSO's approach to Flexibility Markets be presented, noting it had evolved considerably since inception.

8.3. The Panel held a closed private session following the meeting.

8.4. The next meeting will be held on 2 December 2026 in London.