

# ENWL DSO Stakeholder Panel

## Meeting notes – 4 September 2024

<b>Present:</b>	Andrew McIntosh (AMc), Matt Fawcett (MF), Kate Gilmartin (KG), James Johnson (JJ), Mariel Lakin (ML), Craig Morley (CM)
<b>In attendance:</b>	Ben Grunfeld (BG), Helen Daly (HD), Stuart Deardon (SD), Paul George (PG), Christos Kaloudas (CK) Charlotte Pirie (CP)
<b>Apologies:</b>	Cara Blockley, Andrew Mullaney

### Welcome, safety moment and conflicts declaration

AMc welcomed all attendees.

HD shared details of ENWL’s monthly safety theme of the dangers of complacency, noting its applicability to both working and home life.

No conflicts of interest were declared.

### Review of actions

The action log was reviewed, and updates given on the outstanding actions. Updated log to be circulated alongside meeting notes. **Action: HD**

### Industry issues identified by panel members

Topics raised for future consideration:

- Ofgem consultation on the future of FES – CK confirmed that ENWL would be responding to the consultation and would share the response with the Panel in due course.
- Government changes and impact on ENWL
- Ofgem Consumer Consent Smart Meter consultation - MF to discuss with CK offline
- ESO Clean Power by 2030 plan

### Session theme 1 - Conflicts register

HD set out the background to, and the purpose of, the conflicts of interest register. The panel reviewed the format of the register and the scoring methodology. It was agreed that the panel needed to be comfortable with the mitigation actions, in particular the details of the ENWL processes and policies referred to therein. It was agreed that each panel meeting would focus on a specific element of the register on a rotating basis. **ACTION: HD to update the register based on feedback to date and schedule deep dive sessions as agreed.**

### Standing items – IOG update

The last IOG meeting was on 22 May 2024. Key areas of focus were ENWL's year-end business performance results, the results and actions from ENWL's stakeholder satisfaction survey, the development of ENWL's annual stakeholder report and several regulatory items for consideration. The next meeting will be on 16 September 2024.

#### Standing items – DSO incentive update

HD confirm that ENWL had received its score for both the DSO stakeholder satisfaction survey and the Ofgem performance panel submission. The stakeholder satisfaction score was 7.93, and the performance panel score was 6.19. Total incentive revenue achieved was c£244,000. Some generic feedback had been received from Ofgem and initial areas for improvement identified. Ofgem's full report would be published no later than 30 September 2024. In the meantime, ENWL was jointly hosting a cross-DSO collaboration forum with SSEN to address Ofgem's feedback around benefits measurement and tracking.

#### Standing items – stakeholder engagement

CP updated the panel ENWL's forward plan for stakeholder engagement and communication, highlighting the key publications and events throughout the year.

#### Standing items – Panel forward plan

HD shared the draft forward plan for the remainder of 2024/25 with the panel, updated following the discussions at the previous meeting. AMc noted that there was a high volume of activity in the coming months and proposed that an additional panel session be held in late November. **ACTION: ENWL**

#### Session theme 2 – DSO transition update

BG updated the panel on ENWL's ongoing considerations for its DSO strategy. The DSO team was focussing on key tactical deliverables for 2024/25 and would be refining these further once the full Ofgem panel feedback was received.

#### Session theme 3 – flexibility services

PG reminded the panel of the types of flexibility services that ENWL tenders for before summarising the initial results of ENWL's spring tender. Of the 37 bids received, 29 had been deemed economical releasing 5MW of capacity and deferring almost £16m of reinforcement costs. ENWL was in the process of agreeing contracts with the accepted bidders.

PG reiterated that ENWL's focus for the remainder of the year was on expanding the market in the north west and looking at how it can work more closely with regional stakeholders to facilitate this.

AMc asked that PG provide a further deep-dive session at the next panel meeting to better understand, and feed into, ENWL's updated flexibility strategy. **ACTION: ENWL**

KG and JJ also asked to have follow-up meeting with PG on specific topics. **ACTION: ENWL**

#### Session theme 4 – load related expenditure reopener

SD gave an overview of the load-related expenditure reopener setting out the background, regulatory context, ENWL's baseline allowances and the stakeholder engagement undertaken thus far to support the reopener application. He noted that phase 1 of the project was completed and that ENWL would be seeking the panel's support as part of the phase 2 project workstreams.

AMc confirmed the panel's willingness to support on the submission, noting that the panel would be looking for evidence that ENWL had presented a balanced and realistic proposition that delivers value for money to customers and stakeholders.

#### **AOB and close**

AM thanked panel members and ENWL for their time and contribution to the meeting. The next meeting will be on 6 November 2024.

**Conflict of interest - definition:**  
A situation that has the potential to undermine the impartiality of the DSO because of the possibility of a clash between the DSO activities and the DNO's network ownership roles or other business interests.

Conflict of interest			Risk level (pre-mitigation)			Owner	Mitigation Strategy		Risk level (post-mitigation)		
Ref	Item	Description of Impact	Impact	Likelihood	Risk rating		Start description with either Accept - Avoid - Reduce - Transfer	Estimated timing for full deployment	Impact	Likelihood	Controlled risk rating
1	Network development (OVERALL)	There is a risk that undue influence is exerted in the network development process from other interests in the business that could alter the outcomes of the process in favour of asset intervention.	4	3	12	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure. 2. Accept DSO owns and manages forecasting process and vets all input data. 3. Accept DSO oversees optioneering process and outcomes. 4. Accept DSO performs evaluation of options. 5. Accept DSO owns and publishes DNOA methodology. 6. Accept DSO publishes CEM Tool evaluations. 7. Accept DSO publishes all details of network reinforcement activities. 8. Accept DSO Stakeholder Panel reviews challenged decisions.	1. April 2023. 2. Annually. 3. April 2023. 4. April 2023. 5. December 2023. 6. November 2023. 7. January 2024. 8. Bi-annually.	2	2	4
1a	Forecasting	<i>There is a risk that undue influence is exerted in the forecasting process from other interests in the business that could alter the outcomes of the process in favour of asset intervention.</i>	2	2	4	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure. 2. Accept DSO manages the forecasting process and validates all the data inputs. 3. Accept DSO engages with LAs to support LAEPs and manages the data exchange. 4. Accept DSO oversees the outcomes from DNO discussions with developers and network/system operators.	1. April 2023. 2. Annually. 3. Annually. 4. Annually.	1	1	1
1b	System modelling	<i>There is a risk that undue influence is exerted in the system modelling (impact assessment analysis using system planning tools) process from other interests in the business that could alter the outcomes of the process in favour of asset intervention.</i>	4	3	12	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure. 2. Accept DSO oversees optioneering process and outcomes. 3. Accept DSO publishes all details of network reinforcement activities.	1. April 2023. 2. April 2023. 3. January 2024.	2	2	4
1c	Decision-making	<i>There is a risk that undue influence is exerted in the decision-making process from other interests in the business that could alter the outcomes of the process in favour of asset intervention.</i>	2	1	2	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure. 2. Accept DSO oversees optioneering process and outcomes. 3. Accept DSO performs evaluation of options. 4. Accept DSO owns and publishes DNOA methodology. 5. Accept DSO publishes CEM Tool evaluations. 6. Accept DSO publishes all details of network reinforcement activities. 7. Accept DSO Stakeholder Panel reviews challenged decisions.	1. April 2023. 2. April 2023. 3. April 2023. 4. December 2023. 5. November 2023. 6. January 2024. 7. July 2023.	1	1	1
2	Network Operation (OVERALL)	There is a risk that undue influence is exerted in the operation of the distribution network from other interests in the business that could alter the outcomes of the process in favour of asset intervention and/or the use of DNO services, like CLASS.	4	3	12	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure for flexibility services provision. 2. Accept DSO manages the ANM decision-making logic. 3. Accept DSO manages the MOM system and processes. 4. Accept DSO owns and publishes Operational Decision Making Framework methodology. 5. Accept DSO owns and publishes all details of flexibility services dispatch in DFS Procurement Report. 6. Accept DSO owns and publishes all planned procurement of flexibility services in DFS Procurement Statement.	1. April 2023. 2. April 2023. 3. April 2023. 4. March 2024. 5. 30 April annually. 6. 31 March annually.	3	1	3
2a	Active network management	<i>There is a risk that undue influence is exerted in the operation of the distribution network from other interests in the business that could alter the outcomes of the process in favour of asset intervention and/or the use of DNO services, like CLASS.</i>	4	3	12	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure for flexibility services provision. 2. Accept DSO manages the ANM decision-making logic. 3. Accept DSO manages the MOM system and processes. 4. Accept DSO owns and publishes Operational Decision Making Framework methodology. 5. Accept DSO owns and publishes all details of flexibility services dispatch in DFS Procurement Report. 6. Accept DSO owns and publishes all planned procurement of flexibility services in DFS Procurement Statement.	1. April 2023. 2. April 2023. 3. April 2023. 4. March 2024. 5. 30 April annually. 6. 31 March annually.	3	1	3
2b	Flexibility dispatch	<i>There is a risk that undue influence is exerted in the dispatch of flexibility (assets, connections and services) operation of the distribution network from other interests in the business that could alter the outcomes of the process in favour of asset intervention and/or the use of DNO services, like CLASS.</i>	3	3	9	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure for flexibility services provision. 2. Accept DSO manages the ANM decision-making logic. 3. Accept DSO manages the MOM system and processes. 4. Accept DSO owns and publishes Operational Decision Making Framework methodology. 5. Accept DSO owns and publishes all details of flexibility services dispatch in DFS Procurement Report. 6. Accept DSO owns and publishes all planned procurement of flexibility services in DFS Procurement Statement.	1. April 2023. 2. April 2023. 3. April 2023. 4. March 2024. 5. 30 April annually. 6. 31 March annually.	3	1	3
3	Market development (OVERALL)	There is a risk that undue influence is exerted in the development of the flexibility services market from other interests in the business that could alter the outcomes of the process in favour of asset intervention and/or the use of DNO services, like CLASS.	3	3	9	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure for flexibility services provision. 2. Accept DSO manages the Table of Accountabilities for DSO activities which define the roles and responsibilities. 3. Accept DSO manages the governance and oversight processes. 4. Accept DSO publishes all details of network reinforcement activities. 5. Accept DSO Stakeholder Panel reviews challenged decisions. 6. Accept DSO publishes a compliance report annually.	1. April 2023. 2. April 2023. 3. April 2023. 4. April 2024. 5. Bi-annually. 6. Annually.	3	1	3
3a	Accountability & oversight	<i>There is a risk that undue influence is exerted in the development of the flexibility services market from other interests in the business that could alter the outcomes of the process in favour of asset intervention and/or the use of DNO services, like CLASS.</i>	3	3	9	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure for flexibility services provision. 2. Accept DSO manages the Table of Accountabilities for DSO activities which define the roles and responsibilities. 3. Accept DSO manages the governance and oversight processes. 4. Accept DSO publishes all details of network reinforcement activities. 5. Accept DSO Stakeholder Panel reviews challenged decisions.	1. April 2023. 2. April 2023. 3. April 2023. 4. April 2024. 5. Bi-annually.	3	1	3
3b	Compliance	<i>There is a risk that undue influence is exerted in the development of the flexibility services market from other interests in the business that could alter the outcomes of the process in favour of asset intervention and/or the use of DNO services, like CLASS.</i>	3	3	9	Head of DSO	1. Accept DSO publishes a compliance report annually.	1. 31 March 2026	2	1	2