

# Electricity Futures Series

Ensuring Continued  
Success Event

28 March 2024





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# Welcome and housekeeping

## In-person

-  No planned fire drills
  -  There will be a panel discussion session at the end which will give an opportunity to ask questions
  -  We will be taking some photos. If you are not comfortable, please make yourself known to the team
  -  Please ensure that all mobile phones are on silent
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## Online

-  Please mute yourselves during the presentations
-  If you have any questions, please use the chat function

# Agenda

**11:00 – 11:15** Welcome and introduction, Cordi O'Hara OBE, President, National Grid Electricity Distribution

**11:15 – 11:30** Keynote presentation, Steve McMahon, Interim Director for Network Price Controls, Ofgem

**11:30 – 12:00** Delivering NGED's DSO Strategic Action Plan, Ben Godfrey, Director of DSO, National Grid Electricity Distribution, supported by the DSO leadership team

**12:00 – 12:20** Coffee break

**12:20 – 13:10** Panel discussion: Delivery through partnerships, Chaired by Hannah Robertson, Director, KPMG

**13:10 – 13:15** Close, Cordi O'Hara OBE, President, National Grid Electricity Distribution

**13:15 – 14:30** Lunch and networking

# Welcome and introduction



**Cordi O'Hara OBE**

President,  
National Grid Electricity Distribution

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# Welcome to Electricity Futures – Ensuring Continued Success



**Shaping the Future Together**

19<sup>th</sup> September  
QEII Westminster



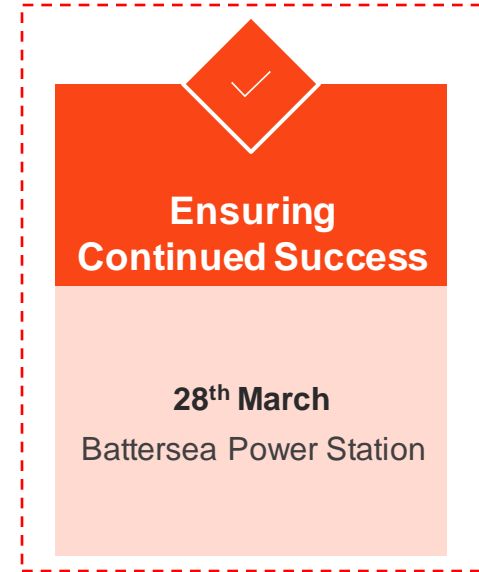
**Supporting Regional Ambitions**

16<sup>th</sup> November  
Virtual



**Governance for Net Zero**

31<sup>st</sup> January  
IET London

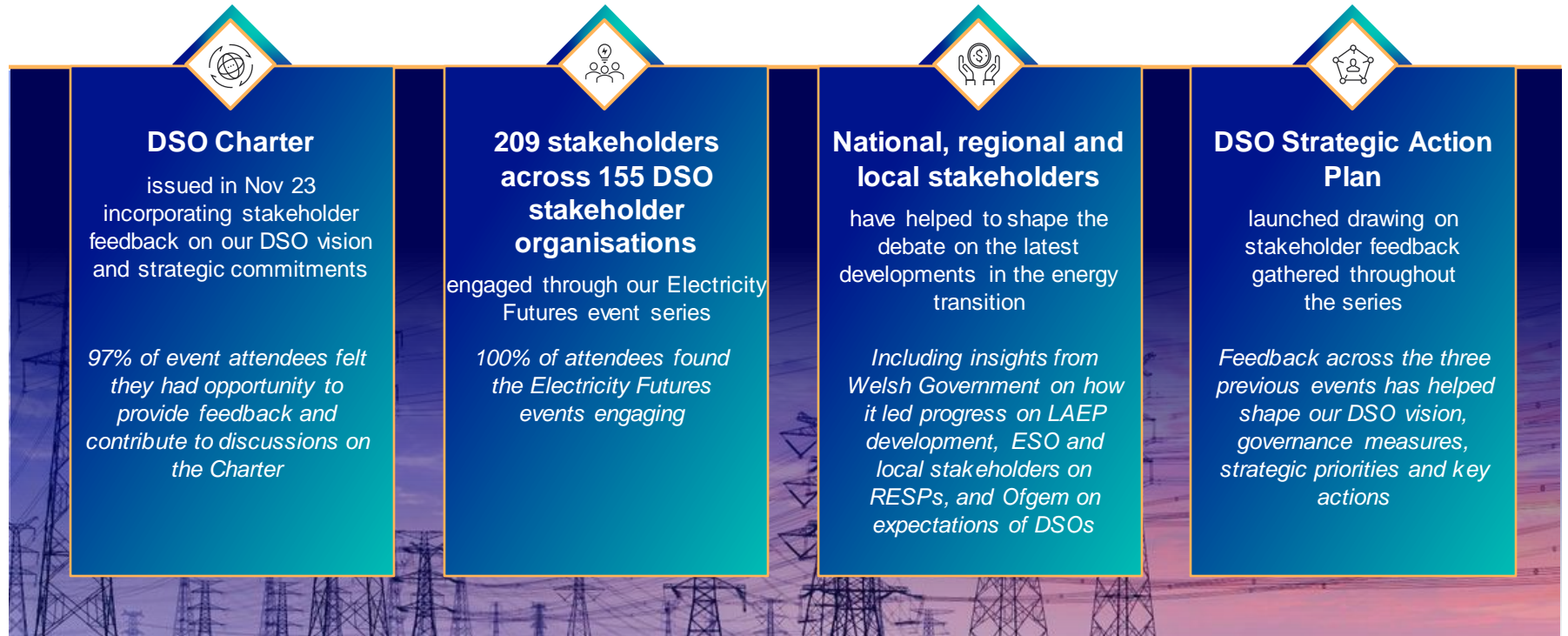


**Ensuring Continued Success**


28<sup>th</sup> March  
Battersea Power Station

Ongoing 2024 programme of events, stakeholder engagement and updates planned


# Key outcomes from the Electricity Futures DSO series



# Our DSO year in review



## Independent DSO Panel launched



**10 GW** additional capacity for renewable energy projects

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**1.2 GW** capacity now available due to removing 45 stalled projects

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**5 years** of average connection improvements

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**290** Net Zero Surgeries held with local authorities and other stakeholders


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**8th** Distribution Future Energy Scenarios annual forecast published


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**7th** Distribution Network Options Assessment delivered







**17 GWh** of flexibility availability procured with 19,000 dispatch events




**£80 million** in deferred investment in conventional reinforcement through flexibility, delivering consumer savings



**70,000 flexibility assets** registered and pre-qualified on our industry leading Market Gateway platform



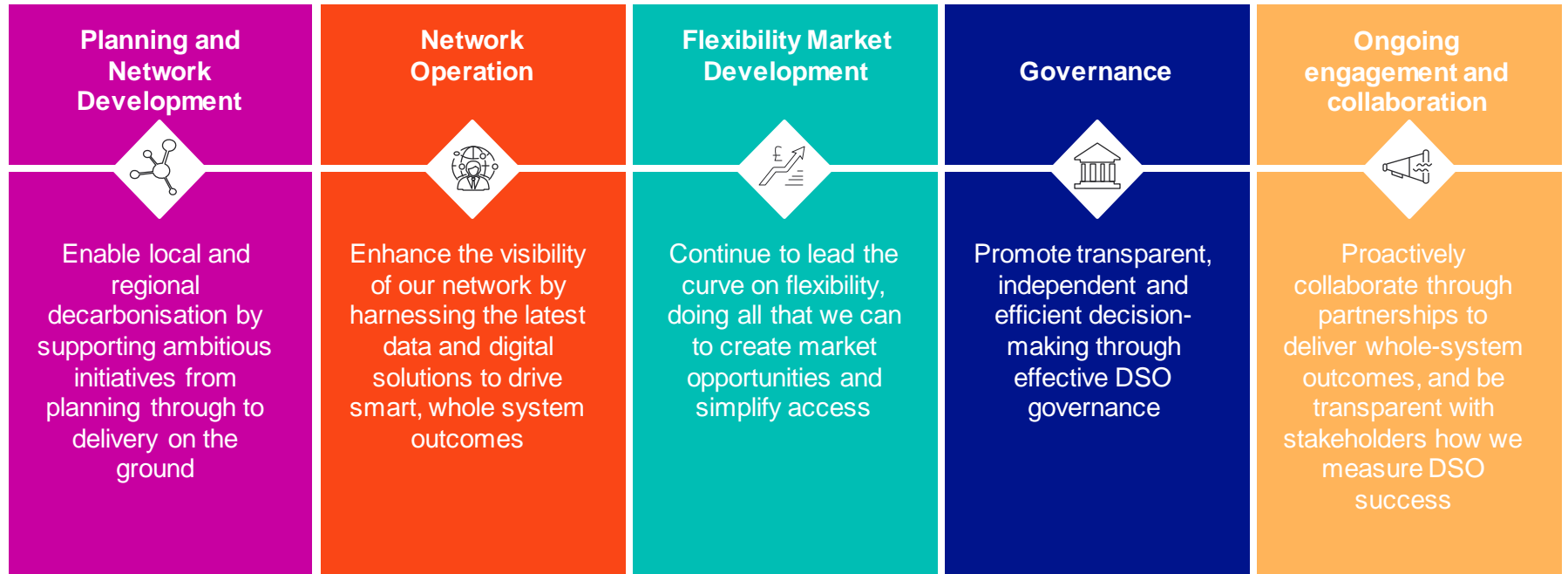
**LV Insights platform launched** providing open and transparent data from substations across our low-voltage network



**Clearview Connect Report launched** improving customer visibility on the connections pipeline



# Our forward plans are built around five key themes that we have heard are important to our customers and stakeholders





# Keynote presentation



**Steve McMahon**

Interim Director for Network Price  
Controls, Ofgem

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# Delivering NGED's DSO Strategic Action Plan



**Ben Godfrey**

Director of DSO, National Grid  
Electricity Distribution

**Supported by DSO leadership team**

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## Our Senior Leadership Team here with you today



**Ben Godfrey**

Director of Distribution System Operator



**Matt Watson**

Head of Commercial and Operability



**Oli Spink**

Head of System Planning



**Hayley Burden**

Head of DSO Strategy and Stakeholder Engagement

Our Strategic Action Plan builds on the DSO Charter by laying out the key actions we will take over the next two years to deliver our DSO vision and commitments



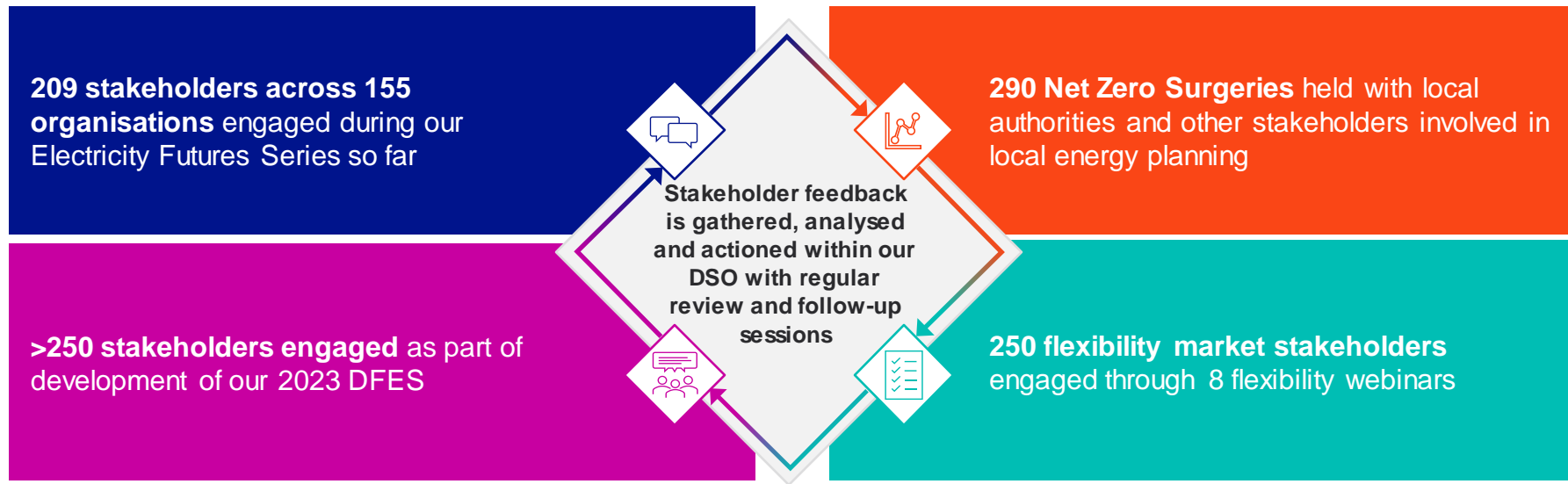
Continuous stakeholder engagement and reporting on our performance against the Strategic Action Plan

# We have outlined priority activities across our core DSO roles, governance and stakeholder engagement

		2024				2025			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	<b>Planning and Network Development</b>	Review scope of PRIDE LAEP-Plus digital tool		Enhance modelling capabilities to assess complex network constraints		Convene four major decarbonisation initiatives across vectors			
						Review and diversify the use cases for flexibility to maximise capacity			
						Improve DFES forecasting accuracy and process efficiency			
	<b>Network Operation</b>	Publish a roadmap for improved operational decision-making		Trial processes to manage potentially conflicting decisions		Semi-automated dispatch decision-making			
		Identify consumer value of curtailment to better target interventions				Enhanced integration of our flexibility services into our network management system			
	<b>Flexibility Market Development</b>	Digitalise trading function		Enhance Market Gateway platform		Deploy day ahead competitions to maximise competition			
		Implement revenue stacking across all of our zones				Deploy the joint utilisation competition to allow competition between long and short-term procurement			
	<b>Governance</b>	Integrate DSO Panel with governance		Evolve our 'Guide to DNO:DSO Governance' with stakeholders		Quarterly DSO Panel Meetings			
		Develop DSO KPI tracker with stakeholders		Further develop DSO controls framework to complete external audit				Assess options for external accreditation	
	<b>Ongoing engagement and collaboration</b>	Electricity Futures Series events twice per year							
		Targeted engagement with flexibility service providers through flexibility forums							
		Ongoing engagement with Local Authorities via our Net Zero Surgeries							



# Stakeholder feedback has been crucial to shaping our Strategic Action Plan



# Flexibility Market Development

## What we heard from you



**Make it easy for FSPs to register and participate** in flexibility markets



**Use digital applications to simplify** flexibility procurement registration, commercial contracts and trades



**DSOs should collaborate to standardise procurement processes** across licence areas



**Provide clarity on how services and revenues from them can be stacked**



**Develop new products and markets that widen participation** across broader stakeholder groups



**Simplify interactions with domestic customers** to make the flexibility market more accessible



## We have already

- ✓ Digitalised supplier qualification and standardised the way FSPs engage with us
- ✓ Simplified and standardised the process for pre-qualifying flexibility assets
- ✓ Registered and pre-qualified 70,000 flexibility assets on our Market Gateway platform



## We will

01	<b>Digitalise the trading function in Market Gateway</b> and begin a programme of further platform evolution
02	<b>Implement revenue stacking</b> across our flexibility zones
03	<b>Lead implementation of high priority actions</b> from Cornwall Insight stackability report (with other DSOs and NESO)
04	<b>Widen the scope of flexibility use cases</b> beyond constraint management (e.g. demand turn-up for generation led-constraints)
05	<b>Deploy day ahead competitions</b> to maximise market participation further
06	<b>Deploy the joint utilisation competition</b> to allow competition between long and short term procurement



# Network Operation

## What we heard from you

- ✓ Enhance access to market information on flexibility dispatch decisions
- ✓ Provide greater clarity and transparency on decision-making criteria for dispatching flexibility and curtailment
- ✓ Improve forecasting to support Distributed Energy Resources (DER) to make decisions on how to optimise assets
- ✓ Data should be high-quality and accurate for decision-making and planning processes
- ✓ Make data sources open, transparent, and accessible
- ✓ Provide data closer to real-time to move towards dynamic operation

## ✓ We have already

- ✓ Published our operational decision-making principles
- ✓ Used advanced modelling tools to reduce planned outage durations by 50GWh
- ✓ Provided access to 96 open datasets to our stakeholders

## 📅 We will

01	Consult on and publish a roadmap explaining how we will improve decision-making systems and capabilities
02	Identify consumer value of curtailment to help inform our curtailment decision-making through our 'Whole System Headroom' innovation project
03	Publish weekly flexibility dispatch data including location, price and carbon intensity
04	Introduce short-term load forecasting to feed into flexibility dispatch decisions and curtailment modelling
05	Deploy technology to semi-automate our dispatch decision-making for flexibility services to enable more dynamic operation
06	Integrate flexibility data into our network management systems to improve our ability to dispatch flexibility services closer to real time

# Planning and Network Development

## What we heard from you



**Maximise current network capacity**, build the right size network for the future, and keep costs low for consumers.



**Ensure the network of the future is ready** for them when they want to use it



**Support to interpret and understand DSO data**, and guide how it can be used for energy planning



**Offer digital tools that streamline data** and provide a consistent approach to planning



**Help shape the future role of the Regional Energy Strategic Planner (RESP)** working with Local Authorities and other stakeholders



## We have already

- ✓ Launched dedicated Local Area Energy Planning portal for Local Authorities
- ✓ Established our Strategic Engagement team and held 290 Net Zero surgeries
- ✓ Published bespoke DFES reports for all local authorities and made data available



## We will

01

**Apply to extend the scope of PRIDE LAEP-Plus digital tool** to benefit more local authorities

02

**Actively coordinate with Ofgem and other local and regional stakeholders** to shape the development of the RESPs

03

**Enhance modelling capabilities** to assess complex network constraints and solutions

04

**Review and diversify the use cases for flexibility** to maximise capacity in the network

05

**Extend engagement support to at least four major decarbonisation initiatives across vectors**

06

**Improve DFES forecasting accuracy and process efficiency**

# Governance

## What we heard from you



**Develop clear decision-making frameworks** when optimising DSO and DNO objectives



**Provide transparency** on how stakeholders can input and respond to DSO processes



**Develop an accountability framework** with DSO KPIs



**Continue to evolve independent oversight** activities to challenge DSO decision-making and outcomes



## We have already

- ✓ Established a functionally separate DSO and executive-level DSO leadership
- ✓ Launched our DSO Panel
- ✓ Published our 'DNO: DSO Guide to Governance'



## We will

01	<b>Fully operationalise our DSO Panel</b> and establish integration with existing governance
02	<b>Work with stakeholders to establish a DSO KPI scorecard</b> and agree frequency of reporting
03	<b>Evolve our 'Guide to Governance with the DNO' document with stakeholders</b> to include our decision-making frameworks
04	<b>Further develop our DSO controls framework</b> to progress towards an external audit
05	<b>Assess options for external accreditation</b> of our DSO processes

# Delivering NGED's DSO Strategic Action Plan



## Electronic voting

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# Refreshment break



20 minutes

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# Delivering through partnerships



Panel discussion chaired  
by  
**Hannah Robertson**  
Director, KPMG

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## Our expert panellists here with you today to discuss delivering through partnerships



**Hannah Robertson**

Director, Energy and Natural Resources Strategy, KPMG



**Ben Godfrey**

Director of DSO, National Grid Electricity Distribution



**Mike Strahlman**

Chief Growth Officer, Piclo



**Fiona Campbell**

Head of Local Governance and Flexibility Strategy, Ofgem



**Cheryl Hiles FEI**

Director, Energy Capital, West Midlands Combined Authority



# Delivering through partnerships



## Electronic voting

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# Closing remarks



**Cordi O'Hara OBE**  
President,  
National Grid Electricity  
Distribution

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28 March, Battersea Power Station

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