

# Meeting 2: Independent Stakeholder Group (ISG)

Monday 20 May



# Agenda

Agenda item	Lead	Time
Arrival	-	10:00
Welcome and introductions	All	10:05
<b>TBC:</b> Group closed session (To discuss questions etc.)	Group members only	10:15
Conflicts of interest, minutes, and actions review	Andy	10:35
Fintan spotlight and questions	Fintan, group	10:45
Coffee break	-	11:15
<b>Re-visit: NESO ambition and plans – latest updates</b>	Hannah, Rachel and Abbie	11:30
Q & A (AM session)	Andy, Fintan, Zoe	12:15
Lunch	-	12:45
<b>Re-visit: NESO ambition and plans – latest updates (part 2)</b>	Abbie	13:45
<b>Discussion on 8 functions together</b>	All	14:00
<b>Agree deep dives (BP2 Reg commitments and view to BP3)</b>	Hannah	14:15
Wrap up Q & A	Andy, Fintan, Zoe	14:30
AOB	-	14:45
Coffee break – ESO to leave	All	15:00
ISG forward agenda (offline)		
Group closed session	Group members only	15:05
Close	-	15:30

# Agenda – structure/objectives of detailed sessions

Agenda item	Structure / objectives of session
<b>Re-visit: NESO ambition and plans – latest updates</b>	<p><b>Pre-read:</b></p> <ul style="list-style-type: none"><li>• Feedback at the last ISG shaped this agenda and helped develop our draft deliverables, and it's not final yet.</li><li>• Provide the ISG with an insight into what we will be delivering on Day 1 – what is the purpose and what is it trying to achieve.</li><li>• Give a high level overview of the structure of the document and the content it is going to contain.</li></ul> <p><b>During the meeting:</b></p> <ul style="list-style-type: none"><li>• A closer look at the short term deliverables to the end of BP2 and where they sit in the document.</li><li>• Open discussion on Day 1 framework (as per questions on slide 13).</li><li>• Develop an understanding on helpful ways we can engage and communicate our organisation effectively.</li></ul>
<b>Thinking ahead to BP3</b>	<p><b>Pre-read:</b></p> <ul style="list-style-type: none"><li>• Reminder of our stakeholder engagement approach for BP2 and the role the ERSG (what has now been rebranded ISG) played in scrutinising our plans previously</li><li>• Introduce our thoughts on the next business plan and how the process and document may differ from BP2</li><li>• Based on the information provided, we have posed a set of questions we'd like ISG members to reflect upon ahead of the meeting to allow for a productive discussion during the meeting</li></ul> <p><b>During the meeting:</b></p> <ul style="list-style-type: none"><li>• Open discussion focussed on the questions on slide 18, to ensure we understand ISG expectations, can tailor future BP3 agenda items accordingly and consider how we can build feedback/best practice into our processes</li></ul>

# Group closed session



# Conflicts of interest, minutes, and actions review

# Actions review and update

Action ID	Date raised	Description	Owner	Due	Status	Further comments / updates
A1.0	15/04/2024	Share the new NESO organogram with the group	ESO (AB)	20/05/2024	Started	<ul style="list-style-type: none"> <li>I have enquired to get hold of the latest version of the organogram which can be shared with the group</li> </ul>
A3.0	15/04/2024	Add possible sub-group approach to ISG ToR	ESO (AB)	20/05/2024	Complete	<ul style="list-style-type: none"> <li>Complete – paragraph drafted and approved</li> </ul>
A4.0	15/04/2024	Share an acronym glossary with the group	ESO (AB)	20/05/2024	Started	<ul style="list-style-type: none"> <li>I have enquired to see if the ESO acronym app can be shared externally</li> </ul>
A5.0	15/04/2024	Look to have microphones spread around the room for future meetings	ESO (AB)	20/05/2024	Started	<ul style="list-style-type: none"> <li>A request to the venue RE: microphones, along with whether it's possible to have a different table arrangement - square as opposed to "board room" style</li> </ul>
A6.0	15/04/2024	Investigate the creation of a shared space / platform for ISG members to use and meeting papers to sit etc.	ESO (AB)	20/05/2024	Started	<ul style="list-style-type: none"> <li>Have set up a Teams site which can be shared with external users - need to do an initial test</li> </ul>
A7.0	15/04/2024	Investigate membership gaps for local authorities, farming/agriculture, gas shipper and European TSO representatives?	ESO / AM	20/05/2024	Started	<ul style="list-style-type: none"> <li>Reached out to a few members for support with sourcing local authority and gas shipper contacts</li> </ul>

# Future agenda item suggestions

Action ID	Date raised	Description	Owner	Due	Status	Further comments / updates
A2.0	15/04/2024	Cover off (flexibility) consumer impact in a future meeting	ESO		Open	
A8.0	15/04/2024	Cover off contingencies and possible blockers to reaching the full ambitions across the five NESO roles in a future meeting	ESO		Open	
A9.0	15/04/2024	Cover off broader industry skills and capabilities needed in a future meeting	ESO		Open	
A10.0	15/04/2024	Continue conversations around framework planning and ensuring the NESO are held to account by stakeholders and how, at a future meeting	ESO		Open	

# Challenge log review

Challenge ID	Date raised	Description	Owner	Due	Status	Further comments / updates
C1.0	15/04/2024	A lot of calibration of risk could be falling on the NESO shoulders and whether NESO will be asked questions on risk, whereby they will have to answer having considered consumer, society, nature etc. How are NESO coping with that?	ESO		Open	<ul style="list-style-type: none"><li>• Andy to confirm with group that this was formally raised as a challenge</li></ul>



# Fintan spotlight and questions





Coffee break

**Re-visit:  
NESO ambition and  
plans – latest updates**



# Foundational Corporate Strategy & Deliverables up until the end of BP2

**A new identity, existing commitments.**

We're developing a document to be published on Day One that will enable us to demonstrate how we are showing up differently as NESO. It will:

- Be simple and accessible
- Articulate our purpose and vision for the future
- Demonstrate the value we bring through 8 functions
- Show how we intend to work with customers, stakeholders, communities and consumers
- Present our focus areas on delivering for the remainder of BP2

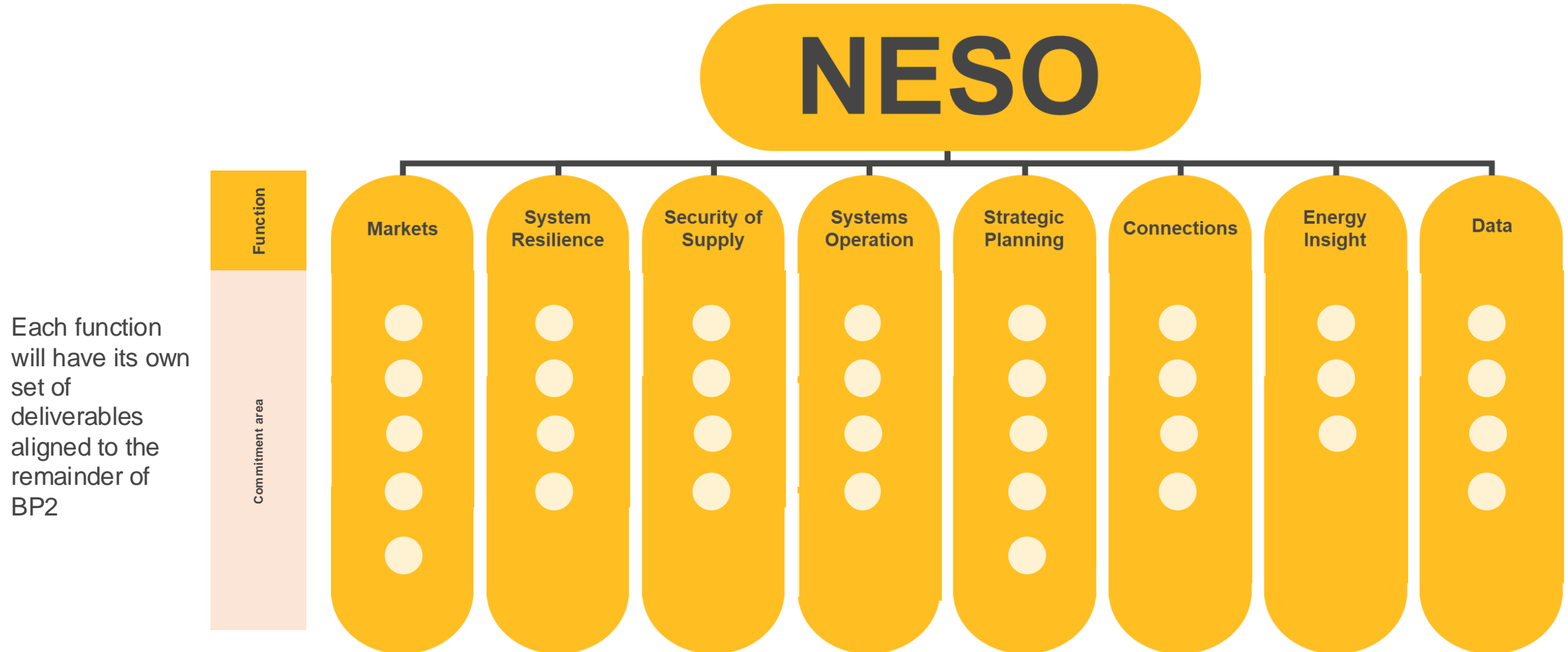
# Foundational Corporate Strategy & Deliverables up until the end of BP2

A reminder of structure and content.

Why	What	How
<ol style="list-style-type: none"><li>1. Foreword</li><li>2. Context</li><li>3. Who we are</li><li>4. Set up for Success</li><li>5. Purpose</li><li>6. Vision</li><li>7. Strategic Priorities</li><li>8. Values</li></ol>	<ol style="list-style-type: none"><li>1. Markets</li><li>2. System Resilience</li><li>3. Security of Supply</li><li>4. Systems Operation</li><li>5. Strategic Planning</li><li>6. Connections</li><li>7. Energy Insights</li><li>8. Data</li></ol>	<ol style="list-style-type: none"><li>1. Performance Excellence</li><li>2. People &amp; Capabilities</li><li>3. Customer</li><li>4. Digital</li><li>5. Innovation</li><li>6. External Engagement</li></ol>

# Foundational Corporate Strategy & Deliverables up until the end of BP2

## The functions and their deliverables





# Systems Operation

*We will accelerate progress towards a fully net zero electricity system, in the most efficient and cost-effective way. We will deliver this by taking an increasingly whole system approach, considering how we can use emerging energy sources, delivering excellent service to our customers. We will do this whilst maintaining a reliable and secure energy supply for GB.*

**In order to achieve this aim between now and March 2025 we are focused on:**

- Operating the system at zero carbon in 2025 and setting the strategy for a decarbonised electricity market in 2035
- Opening new opportunities and removing barriers for all market participants, reducing costs for consumers
- Implementing our balancing costs strategy out to 2030 and beyond
- Delivering our transformational programmes through successful IT delivery



# Markets

*Competitive, coordinated and coherent whole energy markets that result in the most cost-efficient energy system and give us the tools and services to operate in a low-carbon energy landscape.*

**In order to achieve this aim between now and March 2025 we are focused on:**

- Working closely with DESNZ, Ofgem and industry stakeholders to develop final changes under REMA
- Delivering on our Reserve Reform commitments
- Co-creating a Demand Flexibility strategy
- Continuing our transformation in whole energy thinking as we become NESO and formally take on the gas and whole energy market strategy roles
- Establishing and growing capabilities across flexibility market strategy and whole system with dedicated teams





# Connections

*Delivering efficient system access for Generation and Demand projects, so that those projects that are first ready can be first served – delivering the energy system to meet net zero and facilitating economic growth by connecting new industries.*

**In order to achieve this aim between now and March 2025 we are focused on:**

- Completing the implementation of our reformed Connection process and working with Network Owners to deliver enhanced connection dates for customers, while delivering value for consumers by supporting holistic and coordinated network planning.
- Enhancing transparency and provision of data on connection queue, allowing more efficient self service for developers
- Growing our capability to support developers to energise their schemes and to meet generation compliance obligations



# Strategic Planning

*We will take a strategic long-term approach to planning networks, identifying whole energy system needs and ensuring that the system can be designed and built accordingly. We will help guide the placement of projects taking into account the community impacts, safeguarding the environment whilst ensuring system resilience, and ensuring consumer benefits are realised.*

**In order to achieve this aim between now and March 2025 we are focused on:**

- Embedding our new strategic planning roles along with the further development of our new roles in SSEP and RESP
- Delivering on the Commission received from DESNZ for SSEP
- Delivering the first ESO-led Gas Network Development plan
- Finalising the methodologies for SSEP, CSNP and RESP
- Supporting the delivery of the Pathway to 2030 and Beyond 2030 network requirements



# Security of Supply

*We will enable a foundation for a stable, reliable, and secure energy system through an integrated and co-ordinated approach to ensure our energy supply needs can be securely met.*

*This will ultimately provide recommendations to government and industry to ensure the needs of the current and future energy system for all consumers and the whole of Great Britain.*

**In order to achieve this aim between now and March 2025 we are focused on:**

- Working with Government and industry stakeholders to ensure security of supply through the 2020s and into the 2030s.
- Delivering the Early View for Winter 2024/25 and the full Winter Outlook Report.
- Producing our next study to assess longer-term resource adequacy in the 2030s.
- Continuing to enhance our modelling and provide recommendations to facilitate the electricity Capacity Market



# Resilience

*We will provide whole system coordination and analysis to resilience and emergency management, delivering independent, expert analysis, information and advice to government and Ofgem, alongside strategic coordination and preparation for emergencies across the GB energy industry.*

**In order to achieve this aim between now and March 2025 we are focused on:**

- Embedding our new Resilience and Emergency Management roles which will take a whole system perspective when considering resilience and security for Great Britain.
- Assessing whole energy industry emergency response preparedness and submitting our first winter readiness report to government.
- Developing a firm understanding of the risks facing the whole energy system, considering multiple energy vector interactions, and recommending effective mitigations
- Providing our first seasonal performance report, identifying emerging issues and providing lessons learned from a whole system perspective (tbc)



# Data

*We will digitally advance Great Britain's whole energy system, collaborating with individuals and entities from across the energy sector whilst facilitating its decarbonisation.*

**In order to achieve this aim between now and March 2025 we are focused on:**

- Continuing to develop our Data Platform and Analytics capabilities to enable high quality insights and advanced analytics.
- Making our data available and open through our data portal.
- Creating a Data Catalogue, which will provide visibility of Energy System Data across Government, the regulator, and industry.
- Driving commonality and standardisation, and interoperability across network planning data.
- Building a Geospatial Platform to enable location intelligence, eco-system and spatial modelling enabling visualisation of key data assets, providing transparency and improved ability for our customers to connect to the network.



# Energy Insights

*Our energy insight activity will have a tangible impact on decisions by policy makers, market participants, and our own organisation. Sharing our insights, combined with clear recommendations and actions will provide a clear path through a clean, reliable and just transition.*

**In order to achieve this aim between now and March 2025 we are focused on:**

- Continuing to provide a range of different, credible pathways to decarbonise our energy system by 2050.
- Proactively exploring, modelling and producing energy insights on topics which will be of most value to consumers, Government and industry. The insights will be grounded on horizon scanning research, data, stakeholder engagement and analysis.
- Providing advice, analysis and information to Government and Ofgem upon request, across the whole energy value chain, including generation, transmission and consumption of energy.
- Growing organisational capability and building alliances and partnerships with recognised industry experts, academics and consumer groups.

# Foundational Corporate Strategy & Deliverables up until the end of BP2

## Discussion Focus.

### You said...

*“We want to hear about our longer-term plans, and you weren’t sure how the shorter-term deliverables fit into the overall bigger picture”*

*“You said the concept of strategic commitments were somewhat confusing and you’d rather know about what we are actually delivering”*

### We did...

We have taken your feedback on board, and are now combining the short-term deliverables into the bigger picture document that we are publishing for Day one, so you can see how they fit together

We will now be focussing purely on our key deliverables for each NESO function up until the end of BP2.

### Questions today....

1. Does this approach provide the clarity needed between the short- and long-term view of NESO during this interim period
2. Are the regulatory deliverables within functions at an appropriate level of detail for this external narrative
3. What further engagement would you like to see with the group to help develop our enduring corporate strategy in the context of future regulatory requirements?



Lunch



# Discussion on 8 functions together



**Agree deep dives (BP2  
Reg commitments and  
view to BP3)**



**Q & A**  
**(AM session)**





Coffee break

**Q & A**  
**(PM session)**



# ISG forward agenda



# Indicative ISG forward agenda (subject to change)

Agenda Items	ISG 3: (Date TBC)	ISG 4: (Date TBC)	ISG 5: (Date TBC)
1.0	Welcome and introductions	Welcome and introductions	Welcome and introductions
2.0	Conflicts of interest, minutes, ESO papers and actions review	Conflicts of interest, minutes, ESO papers and actions review	Conflicts of interest, minutes, ESO papers and actions review
3.0			
4.0			
5.0			
6.0	Group closed session	Group closed session	Group closed session
Papers for note (or pre-read)			

AOB



ESO





# Information Request Statement

Consultation May 2024

# NESO Information Request Statement

## **The Energy Act 2023 and the power to request information.**

Section 172 of The Energy Act 2023 provides NESO, as the Independent System Operator and Planner, with the power to require information, from anyone carrying out a relevant activity, to allow it to carry out any of its functions. This power will come into effect once NESO is operational.

In advance of this we are consulting on what the Information Request Statement will contain and what an Information Request issued by NESO may look like.

## **The Information Request Statement and Notice.**

The Statement will be available on our website and will contain sections on why a request has been issued, the process of responding to a request, what happens if a recipient does not provide the information and how we will manage any data provided. A draft template of an Information Request Notice is also shared on our website.

## **The Consultation**

We are running a consultation from May 3<sup>rd</sup> to May 31<sup>st</sup> which can be found at <https://www.nationalgrideso.com/what-we-do/how-we-operate/information-request-statement-consultation> and would welcome feedback from across industry to make sure we develop a statement which is clear and accessible.

Following the consultation period Ofgem will determine if the draft Statement is approved or if any changes are necessary.



**Group closed  
session**