

Public

Meeting minutes

Independent Stakeholder Group – Meeting 7 (Virtual)

Date: 23/01/2025 **Location:** MS Teams

Start: 11:15 **End:** 12:45

Participants

| Attendee | Attend/Regrets | Attendee | Attend/Regrets |
|-------------------------|----------------|-------------------|----------------|
| Andy Manning | Attend | Rosie McGlynn | Attend |
| Zoe Morrissey – NESO | Regrets | Nina Skorupska | Attend |
| Rachel Smith – NESO | Attend | Stuart Cotten | Attend |
| Hannah Kruimer – NESO | Attend | Goran Strbac | Attend |
| Laurence Barrett – NESO | Attend | Amanda Webb | Attend |
| Aaron Ludford – NESO | Attend | Janine Michael | Attend |
| Natasha Antill – NESO | Attend | Nick Sillito | Attend |
| Marko Grizelj | Attend | Janet Wood | Attend |
| Mark Fitch | Attend | David Mitchell | Attend |
| Barry Hatton | Attend | Elizabeth Allkins | Regrets |
| Sam Mackilligin | Regrets | Aileen Mcleod | Regrets |
| Elizabeth Allkins | Regrets | Gregory Edwards | Regrets |
| Tony Green | Regrets | Rachel Fletcher | Regrets |
| Ian Radley | Regrets | Bob Lowe | Regrets |

Agenda

| # | Topics to be discussed | |
|----|---|------|
| 1. | Welcome and introduction | Andy |
| 2. | Conflicts of interest, minutes review from previous meeting | Andy |

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| 3. | Overview of consultation responses & Ofgem feedback on BP3 | Rachel S |
| 4. | ISG feedback on changes | All |
| 5. | What's next? | All |
| 6. | AOB and next steps | Andy |

Discussion and details

| # | Topics to be discussed |
|-----------|---|
| 1. | <p>Welcome and introductions</p> <p>Andy opened the meeting and outlined the agenda and scope of the meeting.</p> |
| 2. | <p>Conflict of interest and minutes review</p> <p>Andy confirmed with the group that there were no conflicts of interest and nothing to raise on previous minutes.</p> |
| 3. | <p>Overview of consultation responses and Ofgem feedback on BP3</p> <p>Rachel provided an overview of the feedback received on the business plan consultation, highlighting that there were seven responses from stakeholders and specific feedback from Ofgem. The main themes of feedback included:</p> <ul style="list-style-type: none"> • Broad support for performance objectives, though requests that the success measures are more specific and measurable • Differing views from stakeholders and Ofgem on level of ambition within the plan • Increased detail on cost requested • Visibility of risks to delivery within the plan • NESO's organisation-wide stakeholder engagement. <p>Rachel articulated our views on responses and shared any actions or changes we made as a result. She then handed over to Andy to lead the ISG feedback session.</p> |
| 4. | <p>ISG feedback on changes</p> <ul style="list-style-type: none"> • Andy opened by asking to confirm that the activities in BP3 are unchanged. Rachel confirmed that is the case; confident these are the right priorities for the industry. • Andy then asked if in the context of how we set out our ambition and costs, our aim is to give us an effective baseline to later be able to judge performance? Rachel and Laurence agree. • Andy then reflected about the number of consultation responses (7), asked what NESO views are. Laurence confirmed fewer than anticipated and than we've had previously, however timing with multiple consultations made it seem difficult for |

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everyone to deliver over Christmas. Tash also reflected on trends we've seen from recent stakeholder events and engagements.

- Nick asked for a view of who the responses were from. Laurence confirmed largely big TOs. Nick suggested in future, would be helpful to get more consumer and domestic views.
- Andy confirmed Citizens Advice and NESO have signed a strategic partnership on the domestic aspect and consumer. In reference to the BP3 consultation, a response on behalf of the consumer timed out due to competing priorities.
- Rosie agrees, lots of consultations, and when you look at complexity of some in terms of SEP, stakeholders need to choose where their efforts are best placed. Suggested a consumer panel for collaborative engagement and to get views from domestic consumers. Would allow NESO to stress test messaging.
- Janine agrees that she would have expected more responses, SSE would have responded but must prioritise which consultations are most effective. Feels stakeholders need to assess where their efforts are best placed.

5. What's next?

- Aaron gave an overview of the timeline for the publication of BP3, and Ofgem's decision on the plan; the plan and appendices will be published on January 31st, followed by Ofgem's draft determinations in March.
 - The group was then asked for opinions on the future of the group and how it can be used to add value.
 - Andy started discussion on the evolving regulatory framework and how the ISG interacts with the Performance Panel – a role for them informing each other. Is there a wider standing group to complement this?
 - Mark F adds that a bridge between/ ISG and Performance Panel would be helpful to understand role of each other; looking back vs looking forward.
 - David M feels there is an element of stakeholder fatigue and lots of change across industry. Agrees with BP activities and feels that NESO should be funded to deliver. Suggests ISG can add value across a broader range of activities, aside from the business planning feedback and development. Agrees ISG is needed going forward.
 - Hannah K thanks group for feedback. Agrees we must reflect on distinction between Performance Panel and ISG roles. Would like views on new reporting requirements, and how we should report on delivery of new lighter touch BP3. Suggests future session to discuss.
 - Janine indicates would be useful to have a view of the terms of reference of both ISG and Performance Panel so that there is no overlap. Feels ISG can add value on bigger ticket items aside from Business Planning also.
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- Andy agrees there's a role in joining up the groups in terms of roles, and development / assessment.
- Goran adds horizon scanning for 2040 – 2050 are significant challenges NESO should be looking into now. Suggests ISG can add value to NESO there.
- Rosie reemphasises broad spectrum of views ISG brings to the table. Can assist with the whole system view and taking forward different topics challenges. Is there a role for ISG there?
- Andy summarises that we are agreed ISG needs to continue, and there is a good value in the group, but there needs to be a focus on how to get the best out of the group. Hands over to Laurence for his views.
- Laurence thanks group for feedback and does agree that the group works across vectors and is diverse. Feels some overlap between Performance Panel and ISG, and that needs looking at a little more. Could ISG add value on longer term view of strategy? Could the group be a more flexible resource which shares broader views outside of development of the business plan?
- Janet agrees with what's been said but feels wider vectors of industry needs to be brought into discussions.
- Nina S said so many aspects that impact NESO's performance and this group's role to is to advise which is different from the Performance Panel's role, but still needs to be structuring. Crux is how look forward and try and anticipate. Evolving picture, particularly with GB energy.
- Andy agrees, and summarises the consensus that the ISG provides value, but a review of TOR is needed.

6. **AOB / Next Steps**

Andy mentioned the possibility of stepping down as chair due to time constraints and will reflect on this during the review process. Regardless, will remain as part of the group to represent consumer. Meeting Close.

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Action Item Log

Note – this document contains in-progress items and a rolling 30-day history of completed items.

The complete log may be found in:

Action items: In progress and completed since last meeting

| ID | Description | Owner | Due | Status | Date |
|-------|---|-----------|-----------|-------------|-------------------------------|
| A4.0 | Share an acronym glossary with the group | NESO (AB) | 5/20/2024 | In Progress | Click or tap to enter a date. |
| A6.0 | Investigate the creation of a shared space / platform for ISG members to use and meeting papers to sit etc. | NESO (AB) | 5/20/2024 | In progress | |
| A7.0 | Investigate membership gaps for local authorities, farming/agriculture, gas shipper and European TSO representatives? | NESO / AM | 5/20/2024 | In Progress | |
| A23.0 | Action to revisit examine TOR for what the future of the group scope should be | NESO | Spring 25 | In Progress | |
| A24.0 | NESO to examine how group coordinates with Performance Panel | NESO | Spring 25 | In Progress | |
| A25.0 | Decisions to be made on if interim meeting to be held on reporting arrangements for BP3 Performance | NESO | Spring 25 | In Progress | |
| A26.0 | Future discussions with Andy and NESO to review scope of the chair role | NESO | Spring 25 | In Progress | |

Action items: Previously completed

| ID | Description | Owner | Due | Status | Date |
|------|--|----------|-----------|-----------|------|
| A1.0 | Share the new NESO organogram with the group | ESO (AB) | 5/20/2024 | Completed | |
| A3.0 | Add possible sub-group approach to ISG ToR | ESO (AB) | 5/20/2024 | Completed | |

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|-------|---|----------|-------------------------------|-----------|------------|
| A5.0 | Look to have microphones spread around the room for future meetings | ESO (AB) | 5/20/2024 | Completed | |
| A12.0 | Confirm with group whether to create a sub-group on Connections | All | 5/20/2024 | Completed | |
| A13.0 | Draft version of the Day 1 document to be shared, once agreed by ESO Exec, for feedback and review by the group | ESO | 5/8/24 | Completed | 05/08/2024 |
| A14.0 | Virtual session to be scheduled to cover off the various deep dives discussed (including feedback on the Day 1 document) | ESO | TBC | Completed | 12/09/2024 |
| A16.0 | Andy to review and provide approval that he is happy for the meeting 2 minutes to be circulated with the group | AM | ASAP | Completed | 02/10/2024 |
| A19.0 | Virtual slots to be agreed and set up. Full document to be shared end of October | AL | Next Meeting (Virtual Nov 24) | Completed | 14/11/24 |
| A18.0 | For AM to take away and think about (how ISG scrutinise CP response from Government and look at redrafted BP3 objectives). | AM | Next Meeting (Virtual Nov 24) | Completed | N/a |
| A20.0 | AM to think about purpose of a response document and circulate thoughts to members. Might include description of engagement process, challenge, support | AM | Next Meeting (Virtual Nov 24) | Completed | N/a |

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provided by the group,
conclusions reached etc.

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|-------|--|----|----------------------------------|-----------|-----|
| A21.0 | AM to circulate previous response document done for BP2 to ISG members. | AM | Next Meeting (Virtual Nov 24) | Completed | N/a |
| A22.0 | As members go through the document make sure that more specific issues are captured in writing so that they are raised and logged. | AM | Next Meeting (Virtual Nov 24) | Completed | N/a |