

Foreword

In September we hosted our first Electricity Future Series Event as the Distribution System Operator (DSO) in National Grid Electricity Distribution (NGED).

DSO Charter Vision and Strategic Commitments

We had a tremendous response from a broad group of stakeholders who spent the morning collaborating and engaging with us.

We outlined the strong foundations the DSO is building on, such as taking the charge on flexibility market development and local energy area planning. We listened intently to our stakeholder's views on how the DSO should evolve to meet their future priorities and discussed the changing landscape of system operation; expressing our commitment to change

The conversations provided rich insight to help us understand where the DSO can deliver the greatest value as we strive towards a decarbonised future.

We've taken the time to review this insight, and today I'm pleased to share our revised DSO charter, which outlines our vision and strategic commitments.

This has been co-created with our stakeholder's valuable input, to ensure we evolve the DSO in the right way to meet the needs of our region. We will continue to engage stakeholders over the coming months, with our events on Regional Ambitions and DSO Governance, helping us further refine the deliverables that support our vision and strategic commitments.

We will share the full outcome of our engagement at our Continued Success event in March 2024, and set out the longer-term DSO strategic plan for the years ahead.

Ben Godfrey

Director of System Operator



DSO Charter Update

A draft DSO charter was shared with stakeholders in September with a view to co-creating a framework that focussed on the right priorities to meet our stakeholder's future needs.

The discussions centred upon the core DSO roles of:

- 1) Flexibility Market Development
- 2) Network Operation, and
- 3) Planning and Network Development

Feedback was captured on the vision, strategic commitments that underpin the vision and strategic commitments. and deliverables needed to deliver these roles.

Having reviewed the insight gained at this event, we are sharing an update to the charter, demonstrating how we've included our stakeholder's views.

We have other planned engagement events over the coming months. We intend to use feedback from these events to further shape the detailed deliverables



To enable and coordinate a smart, flexible energy system that facilitates local decarbonisation for all customers and communities, at the right time and lowest cost.

This will enable network

owners in our region to

deliver a safe and secure network.



Flexibility Market Development

We will collaborate with industry stakeholders to simplify and standardise how

to deliver new market opportunities all customers.



Planning and **Network Development**

We will maximise the use of 'hidden' capacity on the network, whilst ensuring network investment is delivered when it's needed, at the lowest cost to customers.

> We will collaborate and coordinate across the whole-system, to help



stakeholders achieve their decarbonisation plans Operation

We will facilitate whole-system coordination that improves efficiency, and transparency of decision making.

We will continuously improve our



What our stakeholders told us

You said

Demonstrate more forward-thinking to drive significant change in the industry.

You said

DSO Charter Vision and Strategic Commitments

There was a greater need for standardisation across DSOs.

You said

More focus on whole-system coordination in respect of flexibility services.

You said

Move to a smart network that balances at the local level.

You said

Importance of transparency of decision-making.

You said

Clarity needed on network investment commitment.

You said

Focus should be on enabling decarbonisation.

You said

Our deliverables should be specific and measurable.

We have revised our vision and strategic commitments based on what is important to our stakeholders. We are further evolving the actions that deliver against these commitments. We will refine these throughout our upcoming engagement events, and share the output of this process with stakeholders when we publish our strategic plan in Spring 2024.

The journey to now and what's ahead

Whilst we continue to evolve the DSO charter, we are delivering important actions that support local decarbonisation across our region.

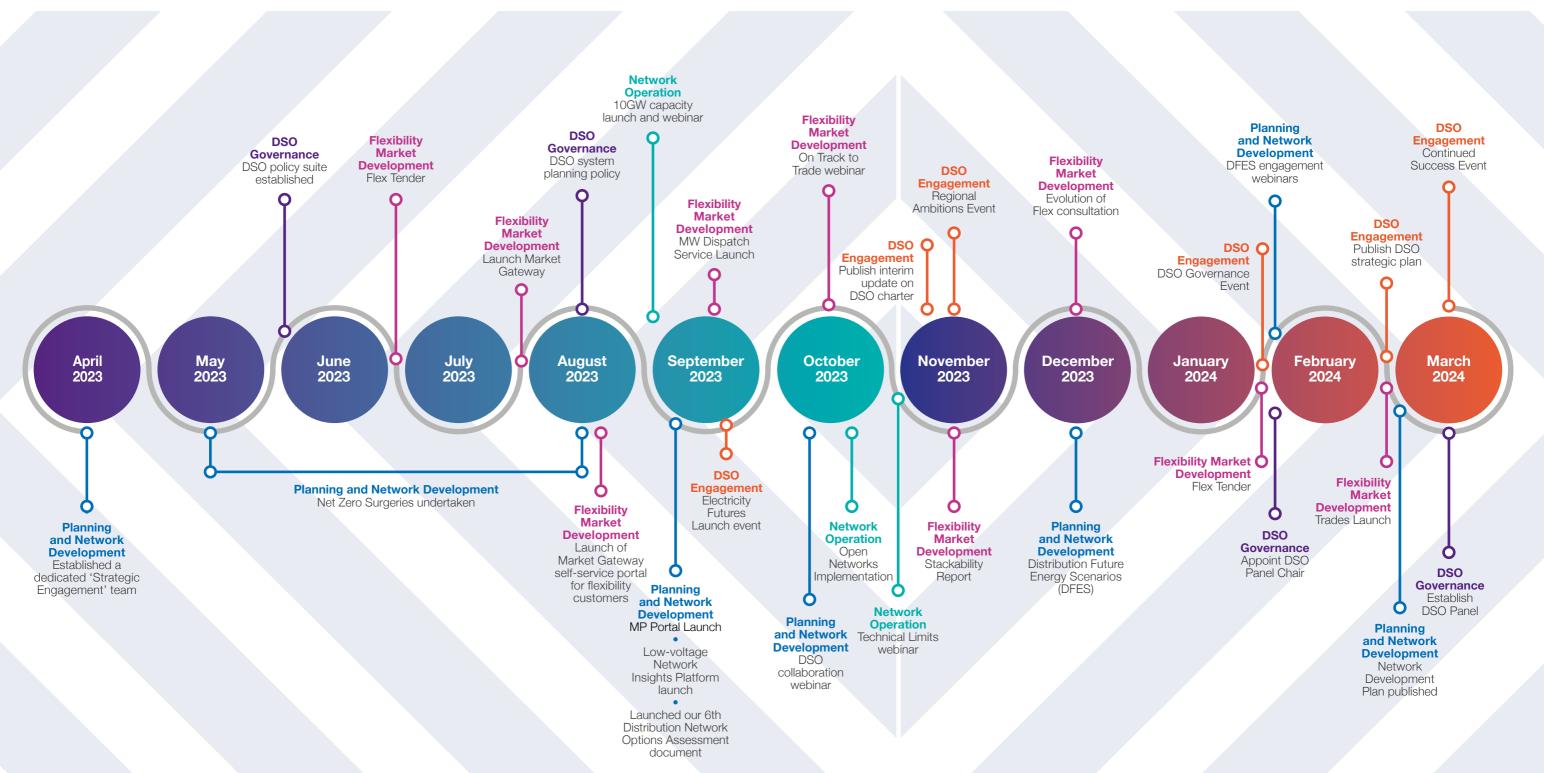
Since April 2023, we have already progressed many key activities that deliver against our strategic commitments.

There is a lot planned between now and the end of March 2024, that will deliver real tangible benefits to our customers and communities as we drive forward the transition to net zero.

The journey to now and what's ahead

Looking back

Looking forward



Introducing National Grid DSO



Director of Distribution System Operator

Ben Godfrey - bgodfrey@nationalgrid.co.uk



Head of DSO Strategy and Stakeholder Engagement Hayley Burden - hayley.burden@nationalgrid.com

Centralised stakeholder engagement and DSO strategic direction.



DSO Policy

Steve Quinn - squinn@nationalgrid.co.uk

Internal policy managing DNO-DSO interface and industry code development.



Head of Commercial and Operability
Matt Watson - mwatson@nationalgrid.co.uk

Flexibility Market development, procurement and operations.



Head of Modelling and Analysis
David Tuffery - dtuffery@nationalgrid.co.uk

Primary and Secondary system modelling tools, and Transmission-Distribution boundary interface.



Head of System Planning
Oli Spink - ospink@nationalgrid.co.uk

Network Development Plan, Network Options Assessment and forecasting.

Please get in touch with us should you wish to understand more about our DSO Charter or future engagement events.