NESO RIIO-2 Business Plan 2 (2023-25)

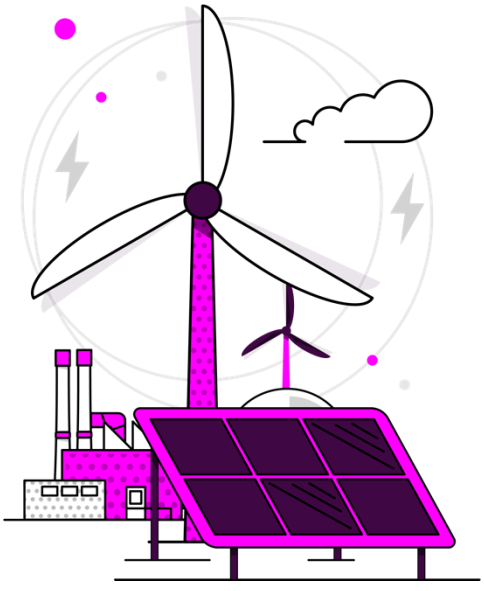
End-Scheme Incentives Report

Annex D: NESO implementation and new roles

May 2025

NESO
National Energy System Operator

Contents



D.1 Activity Updates

NESO Activities

Advisory, including Clean Power

What expectations were set out for 31 March 2025?

Where requested, providing clear NESO Advice in line with the timings in the request, its statutory duty and the process in NESO Advice Process Document.

Amongst other pieces of work provided under the Advisory banner, in August 2024 we were commissioned to produce advice to HM Government on pathways to achieve clean power by 2030. This includes the steps required by industry to enable the power system to run primarily without fossil fuels by 2030.

What have we achieved on this activity?

For Clean Power 2030, we produced an advisory report for the Government in November 2024 that set out a range of pathways to enable a decarbonised power system for GB by 2030 and an enduring contribution to economy-wide decarbonisation beyond 2030.

Our report set out two broad pathways for how GB can reach a clean power system by 2030. Key factors in our analysis include establishing a robust framework for clean power generation, encompassing the deployment of offshore wind, onshore wind, solar, and low-carbon dispatchable technologies such as carbon capture and storage (CCS) and hydrogen power.

Our project successfully outlined the core elements required for a clean power system, including significant growth in renewable energy sources, enhanced system flexibility, and extensive network expansion. We emphasised the importance of demand-side flexibility, enabling consumers to engage with the energy system and contribute to the overall efficiency and stability of the power grid.

Additionally, we identified and accelerated critical transmission projects, ensuring that the necessary infrastructure is in place to support the increased generation capacity.

The report also highlights the economic benefits of the clean power transition, including job creation, reduced reliance on energy imports, and improved air quality.

We explored various sensitivities, including higher levels of renewables and dispatchable power, to understand the relative importance of specific elements of the clean power system.

Overall, our achievements in this activity demonstrate a comprehensive and well-coordinated effort to deliver clean power by 2030, setting a strong foundation for GB's energy future and contributing to the broader goal of economy-wide decarbonisation.

We were proud to see our advice become the central core of the Government's Clean Power Action Plan published in December 2024.

How did our approach maximise outcomes?

Our approach to delivering Clean Power 2030 advice was designed to maximise the quality of the output through several key strategies. We targeted a representative sample of trade bodies, special interest groups and membership bodies and encouraged these stakeholders to collaborate with their members throughout the process. This engagement was instrumental in refining the pathways and addressing potential challenges, such as supply chain constraints and workforce requirements.

We engaged with 318 stakeholders, including 124 organisations from the energy industry, societal delivery partners, and government representatives. The engagement process involved 114 bilateral meetings, five industry and societal forums, 12 engagement events, and 91 formal written submissions of feedback.

We also adopted a comprehensive analysis process, which allowed us to test our thinking and seek input during development. By sharing interim analysis externally and making various changes in response to feedback, we ensured that our pathways are robust and well-informed. This iterative process helped us to identify and accelerate critical transmission projects, ensuring that the necessary infrastructure is in place to support the increased generation capacity.

Furthermore, our approach emphasised the importance of demand-side flexibility, enabling consumers to engage with the energy system and contribute to the overall efficiency and stability of the power grid. By focusing on both supply and demand-side solutions, we have created a balanced and resilient clean power system.

Additionally, we conducted a high-level assessment of costs and benefits, opportunities and challenges, and risks associated with different pathways. This thorough analysis provided a clear understanding of the economic implications of the clean power transition, including job creation, reduced reliance on energy imports, and improved air quality.

Strategic Spatial Energy Plan (SSEP)

What expectations were set out for 31 March 2025?

Delivering the requirements set out in the UK, Scottish and Welsh governments' Commission for a SSEP methodology that are relevant to this assessment period, whilst ensuring coordination with wider strategic planning activities and developments such as the FEP, CSNP, the Gas Network Capability Needs Report, The Gas Options Advice Document, and RESPs.

What have we achieved on this activity?

The SSEP Commission from UK, Scottish and Welsh governments was provided to NESO in October 2024. Prior to this we had already started work on developing the SSEP methodology and sharing this with stakeholders as part of our formal governance structure. We have set up this governance structure, which comprises a Committee, Analytical advisory and working groups and an Expert Advisory Group, which combines our stakeholder working groups. The stakeholder working groups cover industry, environment, land use, sea use and society.

We published our draft SSEP methodology consultation in December 2024 and received over 135 responses with over 900 individual comments. We are currently updating our methodology to produce a final version which will be submitted to the UK Energy Secretary and Ofgem for approval, ahead of publication in May 2025.

How did our approach maximise outcomes?

We developed our methodology with our stakeholders over the year, using our governance structure to share approaches and amend based on stakeholder feedback.

The draft methodology consultation allowed us to share our thinking with all stakeholders and we have taken this on board for our final methodology. The consultation feedback was in the main positive, with support for our proposed approach, but with requests for greater clarity on specific points.

We will publish a full consultation feedback response as part of our final methodology.

Regional Energy Strategic Planner (RESP)

What expectations were set out for 31 March 2025?

Collaborating effectively with Ofgem and impacted stakeholders to further define the processes and methodologies associated with the RESPs.

What have we achieved on this activity?

FY25 has been the first full year since NESO was given the role of Regional Energy Strategic Planner (RESP) in November 2023. A significant amount has happened and been delivered in the last year, including:

- The Ofgem RESP industry consultation running from July to October 2024, with NESO attending and supporting a significant amount of external engagement on RESP design led by Ofgem as well as providing our own response to the consultation.
- Mobilising a transformation programme in Summer 2024 to design and deliver RESP. NESO proposals on RESP outputs, high-level process and a high-level

design Blueprint were developed and shared with Ofgem ahead of sharing with wider stakeholders.

- Providing initial estimates of the cost of both the setting up of the RESP function and the ongoing running of the RESP function to support Ofgem with their Impact Assessment for RESP, published in February 2024.
- Agreeing the scope for ED3 with Ofgem, published in open letters in February 2024 and starting to deliver against this scope with a team stood up and engaging with DNO's on the assumptions underpinning planning pathways. As part of the ED3 scope eleven quarterly RESP Forums have also been established starting in March 2025,
- Starting work on the enduring RESP methodology in agreement with Ofgem ahead of the RESP consultation decision. Bi-lateral deep dive sessions have been held with Ofgem to agree the scope and approach the enduring methodology will take for regional pathways.
- Growing the RESP team from 5 FTE's to over 60 in a year, including starting the setting up of 11 regional teams. This has required significant recruitment and onboarding effort from across the team.
- Starting to develop regional stakeholder relationships with DNO's, GDN's, local authorities and others, including speaking at a number of external events and more recently actively supporting a number of DNO events associated with their ED3 plans.
- Working with the wider NESO Strategic Energy Planning directorate and FES team establishing effective links and starting to understand the interfaces and common elements between the different strategic energy planning products.
- We have been actively involved in several RESP-related innovation projects during 2024/25 creating a database of relevant innovation projects. We are actively engaged with 2 SIF projects being the project sponsor for Powering Wales Renewably and involve in PRIDE. We are expecting to be involved in a further 2 (INDUS – focussed on dispersed industrial decarbonisation and Project MILES).
- We continue to increase our engagement/dialogue with Ofgem, and are actively involved in workshops and meetings on policy design and new RESP governance meetings whilst we await the final consultation response.

How did our approach maximise outcomes?

Ofgem set out their intent early (pre the November 2023 consultation decision that gave NESO the RESP role) that the first outputs of RESP would inform the ED3 price control. With the timing of the ED3 price control and needing to get inputs to DNO's to help them develop their business plans this is a very challenging and stretching

objective. However, knowing this at the outset has meant that we have significantly accelerated the development of the RESP team and capability, working closely with the Ofgem team as we've done this to mitigate the risk of scope misunderstandings ahead of the RESP consultation decision.

This regular and open dialogue with Ofgem has ensured our views are aligned with regular review and challenge sessions held. This has enabled us to formally agree the scope and approach to ED3 and start work on the enduring methodology ahead of the Ofgem Consultation decision. We will continue to further develop this relationship in FY26 working with Ofgem to establish effective formal governance mechanisms.

We have put in place a transformation programme and created detailed plans for RESP design and implementation. Formal measures are in place to ensure that our transformation programme is appropriately governed and that designs and approaches for RESP are formally agreed and consistent/coherent with other outputs from the wider NESO Strategic Energy Planning directorate. We have engaged an external partner to support us in the delivery who bring both transformation expertise and industry knowledge. These new governance processes lead to transparent RESP decision making and are embedded within the wider SEP and NESO governance frameworks.

On ED3 we are taking a data and digital first approach that will set the foundations for the enduring RESP making the ED3 deliverables a genuine development step on the way to designing and developing the full RESP capability.

Being whole energy is at the heart of RESP. As whole energy skills are not widely available, we've recruited a really diverse set of energy experience from local area energy planning to gas and electricity networks, to industry and hydrogen and have been encouraging sharing of knowledge through weekly knowledge sharing sessions within the team.

Effective stakeholder engagement is a key part of successful RESP delivery. The newly formed regional RESP Forums are being set up to ensure that all stakeholders are given adequate opportunity to engage and input into the ED3 process. These forums and our regional stakeholder engagement is being led by RESP regional teams who live and work in the regions they will be creating plans for. This will continue to mature through FY26 making RESP feel truly "place based".

FSO Transition

What expectations were set out for 31 March 2025?

Manage a successful transition from ESO to NESO, including effective communication and engagement with other key parties involved in the delivery of NESO.

What have we achieved on this activity?

In close partnership with Ofgem, DESNZ, and National Grid, the FSO Programme successfully completed the transition from ESO to NESO within the required legislative timelines and budget. We achieved our original goals and managed costs effectively throughout the process. This success was driven by three key outcomes:

- Establishing NESO as an independent system operator and planner by designing and implementing new roles, processes, and systems, while building the necessary capabilities.
- Creating a strong organisational governance framework with new licences, codes, and regulatory structures to ensure NESO's long-term success.
- Developing NESO as a fully independent entity, complete with its own support services, smooth transfer of personnel from National Grid, Transitional Service Agreements (TSAs) in place and safe and secure system cutover.

Please read our FSO Day One Report for more detail on the FSO transition programme.

How did our approach maximise outcomes?

The programme set out a transformative roadmap delivering the creation of NESO. To achieve this, 167 deliverables were identified as critical for separation. Working closely with Ofgem, DESNZ and National Grid, deliverables were tracked through robust governance structures.

As the programme evolved, each deliverable was carefully managed with proposed changes going through governance procedures and gaining Executive sign-off where required.

During each phase of the FSO Programme, a range of measures were implemented to ensure that costs remained both economic and efficient while still achieving the programme's strategic objectives. By integrating cost-control mechanisms into decision-making and continuously monitoring financial performance, the programme successfully ensured delivery on time, to budget and managed uncertainty and additional scope within that budget.

The success of the FSO programme can be attributed to its well-defined blueprint, which outlined a phased approach to achieving the desired state. This blueprint included key milestones such as the growth of new capabilities, adoption of new roles, and the separation of business operations from National Grid group. This strategic approach helped mitigate risks and provided certainty to both employees and customers during the transition.

Whole System security and resilience

What expectations were set out for 31 March 2025?

Making demonstrable progress on new whole energy system security and resilience activities. This includes carrying out the necessary preparation for (or where applicable delivery of) reports, assessments or requests required under the licence.

What have we achieved on this activity?

In the BP2 period we have established a new directorate with new dedicated capability for whole system security and resilience. Within this directorate we have created the following teams:

- Response team, bringing our capability to up to industry best practice
- Resilience team focussed on long term resilience risks across the whole system
- Preparedness team to assess readiness for upcoming seasons
- Investigations team with significant uplift in capability to investigate events across the while energy system.

In 24/25 these newly established teams delivered as per expectation delivering:

- The first NESO winter preparedness report
- Numerous investigations, either initiated by NESO or directed by DESNZ or Ofgem
- Worked with DESNZ on numerous commissions for advice regarding security and resilience.

We have made significant progress on deliverables due post the BP2 period such that these deliverables are on track for their future delivery dates:

- Summer preparedness report due in April 2025
- Energy resilience assessment report due in June 2025
- Emergency Process assessment, focussed on extreme heat scenarios due in November 2025.

How did our approach maximise outcomes?

We have recruited and built new capability from a wide range of sectors to ensure we have best practice resilience, assessment and investigation teams.

As well as our traditional stakeholders, we have engaged with and convened a network of stakeholders new to NESO. This will help ensure we have a deeper input from the whole system to inform our assessments actions and reporting.

We have undertaken engagements to ensure we fully consider the views of these stakeholders. This has included developing close working relationships with DESNZ and Ofgem, undertaking multiple industry surveys, consultations, industry workshops and round table events.

Gas related activities including forecasting, network planning and options assessment

What expectations were set out for 31 March 2025?

Making demonstrable progress embedding gas forecasting and strategic planning capabilities within NESO (inclusive of strategic planning for hydrogen transport and storage infrastructure), including by coordinating and progressing the new Gas Options Advice Document (GOAD) Document and the Gas Network Capability Needs Report (GNCNR) so it is on track to meet the required timelines.

What have we achieved on this activity?

We published the GNCNR in December 2024, with the accompanying methodology and data workbook. Our key messages were that the National Transmission Network (NTS) constraints remain low for everywhere except South Wales. This has highlighted the requirement for NGT to investigate potential asset reinforcement options in the Strategic Planning Options Process (SPOP) that will be reviewed during the GOA process.

Following publication, we delivered a GNCNR webinar to industry which was attended by 90 participants. The attendees included representatives of NGT, Gas Distribution Networks (GDNs), Ofgem, IGEM, Joint Office of Gas Transporters and other industry stakeholder.

Additionally, we have been progressing our GOA licence obligation. Work is due to commence in July 2025 for delivery in December 2025. We are planning to publish an industry consultation in Q2 2025/26 to allow us to publish a GOA methodology. In preparation for this we have begun to develop a cost benefit assessment approach and are working on developing a unit cost library for gas assets.

How did our approach maximise outcomes?

We developed our approach for the GNCNR via engagement with National Gas Transmission (NGT), developing our own methodology for GNCNR – which can be seen as a successor to NGT's Annual Network Capacity Analysis Report (ANCAR). During the process of the GNCNR obligation being transferred across from NGT to NESO, we also engaged with NGT on the expectations of the GNCNR and what would be shared after the publication to allow NGT to complete their obligations.

These discussions highlighted the requirements of the GNCNR to allow NGT to undertake the SPOP obligation of the two-year gas planning cycle. To ensure this, we shared the network analysis scenarios with NGT.

Additionally, we have agreed with NGT on the gas network assumptions, the supply/demand probabilistic forecast model, and the NTS model to use for the period.

The GNCNR webinar to industry allowed for further engagement on the findings of GNCNR as well as a deeper dive into our network analysis resilience standard and approach to supply/demand forecasting. The session allowed us to answer a wide range of questions on the GNCNR and the requirements of the publication. Question topics included: how NTS constraints are calculated, whether we had considered repurposing NTS for hydrogen, and whether we had considered decommissioning of the NTS.

This also allowed us to start conversations with industry on future areas for consultation on the next GNCNR publication.

D.2 Stakeholder Evidence

Our incentive scheme includes a criterion for Stakeholder Evidence, where the Performance Panel considers stakeholders' satisfaction on the quality of NESO's plan delivery. To demonstrate performance against this criterion, at the six-month, mid-scheme and end-scheme stages we report on our stakeholder satisfaction survey results.

For this end-scheme report, we also ask one question on stakeholder satisfaction on NESO's performance establishing its new organisation and roles. This question was agreed with Ofgem in advance.

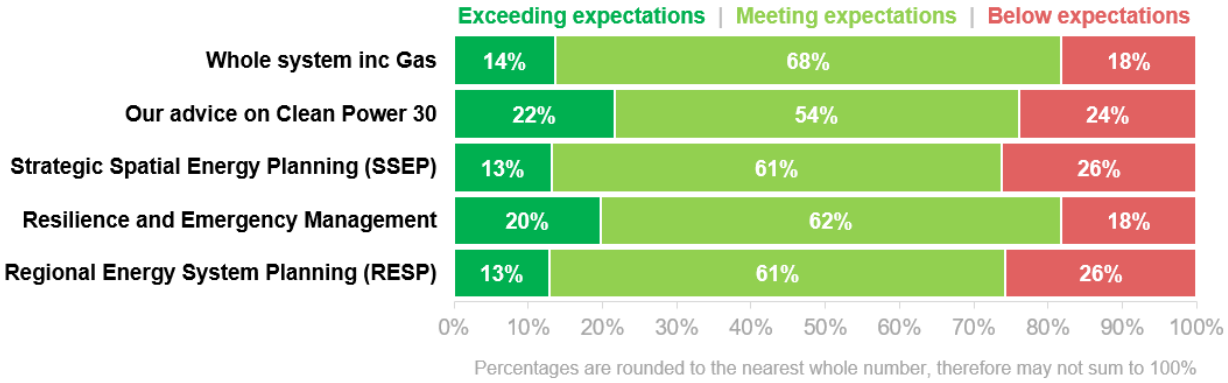
The following question was asked:

> *'NESO has been given a number of new responsibilities since it became the new Independent System Operator for GB in October 2024.*
>
> *These are:*
>
> - *Whole System including Gas,*
> - *Our advice on Clean Power 30,*
> - *Strategic Spatial Energy Planning,*
> - *Resilience and Emergency Management*
> - *Regional Energy System Planning*
>
> *Over the last 6 months how would you rate NESO's performance setting up and delivering in these areas?'*

Survey participants were given the options of rating each of NESO new responsibilities as below expectations, meeting expectations, or exceeding expectations.

- If they rated NESO as below expectations, they were asked what NESO needed to do to meet their expectations.
- If they rated NESO as meeting expectations, they were asked what NESO needed to do to exceed their expectations.
- If they rated NESO as exceeding expectations, they were asked what NESO did that exceeded their expectations.

We contacted **1869** stakeholders and received **733** responses across the five NESO roles included in this question. These responses were distributed as follows for the five areas:



Summary of feedback for NESO questions

88 Responses to Whole System including Gas	
"Exceeding Expectations" **12** stakeholders scored us as "exceeding expectations". Feedback on what we have done to exceed stakeholder expectations in Whole System including gas included:	• **Good engagement, communications and willingness to cooperate** – Several responses highlighted the positive interactions and effective communications experienced when we have engaged with them. • **In depth workshops with industry** – A responder complimented the "in depth workshops" we have facilitated on whole energy. • **Smooth transition into this area** – A few responses called out how we have picked up and progressed existing work in this area quickly, including whole system modelling.
"Meeting Expectations" **58** stakeholders scored us as "meeting expectations". Feedback on what we need to do to exceed stakeholder expectations in Whole System including gas included:	• **Engage with wider sections of industry** – Some responders said we should focus on engaging with gas / whole energy system stakeholders – not just electricity. Another said we need to do more to bring the voice of future consumers into our engagement and outputs. • **Go further with the transparency and information we provide** – A few responders suggested we should provide more transparency, recognising the role of our position within the industry. Another said we should provide clearer timescales while also keeping a focus on maintaining affordability. • **Improve communications** – Other responses suggested they'd like us to enhance our communications in this area and ensure a clear single point of contact for queries.

	• **Faster progress on removing barriers** – One responder wants us to make faster progress on removing "artificial barriers that actively discriminate technology classes".
"Below Expectations" **18** stakeholders scored us as "below expectations". In response to being asked what we need to do to meet their expectations, we received the following feedback:	• **Provide greater transparency and sharing of information** – Some responses said they need more transparency, and for us to go further with the information we share in this area. • **Be less electric focussed in our activities** – One response said we should do more to encourage all constructive views, and welcome cross vector challenge and review. They stated that "seeing all problems first through an electricity lens will not deliver effective whole system solutions, including the role of gas in electricity security of supply". • **Improve communications and engagement** – There were a few responses that said we need to improve our communications and how we engage with industry, particularly with those we have not engaged with previously. One response said we must make sure stakeholders are clear about who we are, how we want to work with them, and what information we need from them.
213 Responses to Advice on Clean Power 30 (CP30)	
"Exceeding Expectations" **46** stakeholders scored us as "exceeding expectations". Feedback on what we have done to exceed stakeholder expectations in Advice on Clean Power 30 (CP30) included:	• **Effective engagement with industry** – Many responses complimented our approach to CP30 engagement across the board. Bilateral meetings, engagement with Transmission Owners (TOs) and access to staff including Critical Energy Analysts, are called out as successes. • **High quality of the CP30 publication** – Lots of responders commented on how well the CP30 document landed. Responses highlighted the quality of the work delivered, with the report being described as concise, thorough and timely, despite the timescales "particularly with the complicated environment of CP30". • **The level of detail and transparency within the report** – Responses felt the CP30 document was transparent and honest, while avoiding trying to "please everyone".
"Meeting Expectations"	• **Increase transparency of report inputs** – Several responses suggest we must provide more

116 stakeholders scored us as "meeting expectations". Feedback on what we need to do to exceed stakeholder expectations in Advice on Clean Power 30 (CP30) included:	transparency around our inputs and clearer explanations of our pathways, modelling and data background. We must also build our resources to enhance clarity and credibility. • **Improve collaboration and coordination with industry** – Several responses indicate we should go further with partnership working with Distribution Network Operators (DNOs) and have more dialogue with Subject Matter Experts (SMEs) from across industry. Another added we could do more to align with Transmission Owner (TO) objectives. • **Do more to demonstrate our independence and leadership** – A couple of responses said we need to demonstrate independence from Government and leadership in this area, including Market Reform. We must grow our "knowledge and expertise in this field" within NESO so we can grow into our advisory role and not seek validation. • **More detail within the report** – Some responses have asked us to provide more detail in some respects, like the role of other energy sources such as biomethane. Others wanted more details on post 2030 scenarios, clearer cost benefit analysis, and more detail on impact on all vectors of industry.
"Below Expectations" **51** stakeholders scored us as "below expectations". In response to being asked what we need to do to meet their expectations, we received the following feedback:	• **Go further to show independence** – Some responses said they feel we are not doing enough to show independent decision making from Government and Ofgem. • **Be more open and transparent** – Some responses said we need to be more open to feedback and advice from the wider sector. Others said we need to provide more transparency around our inputs and clearer explanations of our pathways, modelling and data background, as well as adding more detail on justification and data behind options we set out. • **Improve communications and engagement with wider industry** – Some responses have said we should enhance how we engage with wider industry including DNOs while also being more cognisant of the asks involved in this piece of work. • **Incorporate evidence on more variables** – Some feedback said we should incorporate more detail on the role of batteries. Another would like us to

	include evidence provided on the potential of Customer Load Active System Service (CLASS) in delivering vital CP30 objectives. **Other feedback suggested we should:** - Show better consideration of environment and environmental targets at the outset. - Examine the value of consumer led flexibility. - Ensure the strategy conversations do not lack the risk and mitigations that enable a secure Electricity Transmission system. - Outline some pathways to reach CP30 and scenarios which affect our ability to get there to indicate where we might fall short and how we could mitigate for this. - Provide a clear path to realistic delivery.
160 Responses to Strategic Spatial Energy Planning (SSEP)	
"Exceeding Expectations" **21** stakeholders scored us as "exceeding expectations". Feedback on what we have done to exceed stakeholder expectations in Strategic Spatial Energy Planning (SSEP) included:	• **Effective communications and engagement** – Many responses feel we provide good initial communications on this area and made information readily available. • **Creation of a robust methodology** – One response called out the "robust methodology we have provided" but added we can go further on value of open-source modelling. • **Good early delivery** – One highlighted that we have delivered a lot of reform in a short period of time in this area.
"Meeting Expectations" **97** stakeholders scored us as "meeting expectations". Feedback on what we need to do to exceed stakeholder expectations in Strategic Spatial Energy Planning (SSEP) included:	• **More modelling and data transparency** – Several responders have said they'd like us to do more modelling in this area, with more granular detail down to Grid Supply Point (GSP) level. • **Factor in local demographic and economic conditions** – One response said we should show more understanding of demographics and assess households in particular regions. • **Demonstrate the independence of NESO and role of Government** – Some responses feel we need to do more to demonstrate our independence from Government / Ofgem. • **Go further with stakeholder engagement** – Some responses praised our events but would like more stakeholder Q&A sessions. Others feel we should have more direct engagement with stakeholders who can assist in this area.

	Other feedback suggested: - It is too early to give an effective view on progress in the area. - We should include heat waste from thermal stations in the report. - Increase speed and be more agile on our Holistic Network Design (HND) / Holistic Network Design Follow-Up Exercise (HNDFUE) Impact Assessments. - Provide clarity on how SSEP and CP30 interlink.
"Below Expectations" **42** stakeholders scored us as "below expectations". In response to being asked what we need to do to meet their expectations, we received the following feedback:	• **Improve transparency** – Several responders ask for more transparency around this area of work and the inputs involved. • **More communications and engagement** – Some responses suggest we need more activity in this area, including proactive communications. Another adds we should do more to engage the right industry stakeholders and bring them on the journey. • **Provide more detail on area of work** – A couple of responses ask for more detail, including the need to provide more realistic planning and development, information on the method and expected results and on the impacts and decisions that need to be taken by industry stakeholders. **Other feedback suggested:** - Setting technology capacity limits across the UK has created massive uncertainty in the renewable energy industry. It would have been better to be technology agnostic and focus on the required generator characteristics to ensure grid operability and security of supply. - Must align better with Centralised Strategic Network Plan (CSNP).
132 Responses to Resilience and Emergency Management	
"Exceeding Expectations" **26** stakeholders scored us as "exceeding expectations". Feedback on what we have done to exceed stakeholder	• **The value of the exercising provided so far** – praise for the evaluation exercises that have taken place and suggest they'd would like more of these going forward. • **Effective engagement and communications with stakeholders** – Several responders praised our joint working with stakeholders to help create shared understanding, and our general

expectations in Resilience and Emergency Management included:	engagement and communication. This includes our stakeholder workshops, which were clear and effective. • **Level of expertise within the business** – Responders complemented the level of understanding in the business. They suggest we are well equipped in terms of knowledge and expertise, and from the work completed it seems we are well placed to support GB resilience. • **Actions to provide resilience** – One response praised our quick and effective handing of winter power cuts. Another added that we enhanced grid strength and resilience through a series of presets.
"Meeting Expectations" **82** stakeholders scored us as "meeting expectations". Feedback on what we need to do to exceed stakeholder expectations in Resilience and Emergency Management included:	• **Improve the pace of the progress in this area of the restoration work** – Some responses feel we need to be faster in our progress with restoration work. • **Provide greater clarity to industry** – One response said we need to enhance clarity and monitoring for service rule. • **Consider the burdens these activities of work are placing on industry** – Some responders feel the demands we place on them are too much and add that "the survey approach of requesting information which is not relevant to NESO responsibilities and detailed working documents is not working". • **More effective and proactive communications and engagement** – Several responses feel we can be clearer and more proactive in our communications and messaging in this area. **Other feedback suggested:** - We should incorporate other energy vectors into the plan, as it seems to electricity focused. - Give details on the Local Joint Restoration Plan (LJRP) process and it's impacts on stakeholders. - Need more interaction with Transmission Owners (TOs). - Must continue to grow knowledge and expertise of the team. - Provide smoother decision making and onboarding of new products and services.
"Below Expectations"	• **Improve speed and clarity of our communications** – One stakeholder suggested we

24 stakeholders scored us as "below expectations". In response to being asked what we need to do to meet their expectations, we received the following feedback:	need to Improve speed of our responses to requests for information. Others said we should improve clarity in our communications. • **Engage better and more proactively with wider industry** – Some responses said we need to go further with our industry engagement across all vectors. This includes a request for detailed workshops to prepare stakeholders for report requests. Another stated we need more engagement with the Transmission Owners (TOs) to benefit from their experience and expertise in emergency real time management. • **Do more to address stakeholder concerns** – Responses said they would like us to do more to address stakeholder concerns. This includes addressing industry concerns raised in the Frequency Risk and Control Report (FRCR) consultation and webinars and take action to address high rates of Balancing Mechanism Skips. **Other feedback suggested**: - We should be more mindful that messaging around methods of resilience can detract from other means, and that NESO should not "put all our eggs in one basket". - Review our Emergency System Restoration (ESR) ambitions as volume of restorations seem impossible. - Incorporate the evidence provided on the potential of Customer Load Active System Service (CLASS) in delivering flexibility to help with resilience in the move to Net Zero.
140 Responses to Regional Energy System Planning (RESP)	
"Exceeding Expectations" **18** stakeholders scored us as "exceeding expectations". Feedback on what we have done to exceed stakeholder expectations in Regional Energy System Planning (RESP) included:	• **More receptive to the wider industry** – One response felt since becoming independent of National Grid we are more open to alternatives to renewables. • **Good publications and communications** – Several responses praised the publications and communication we have provided. • **Effective engagement with stakeholders** – Responders praised the relationships developed by NESO and the levels of knowledge and expertise within the team.

"Meeting Expectations" **86** stakeholders scored us as "meeting expectations". Feedback on what we need to do to exceed stakeholder expectations in Regional Energy System Planning (RESP) included:	• **More details and transparency of RESP outputs and decisions** – Many stakeholder responses indicate they want more detail on how RESP will work, including more modelling. Another adds they would like a view of how RESP impacts full queue analysis. Another responder asked for deeper explanations of rejection reasons. • **More proactive engagement and improve speed of responses** – Several responses say they would like more engagement in this area and would like us to provide faster responses to stakeholder enquiries. • **Go further with partnership working** – A number of responses said they would like to see more coordination with different stakeholders including Welsh Government, liaison with National Grid Electricity Transmission and Distribution Network Operators (DNOs). • **Provide more clarity on how RESP works with different NESO activities** – Some responses say they would like more details on how Centralised Strategic Network Plan (CSNP), Future Energy Scenarios (FES), CP30, RESP and SSEP all work together, their interactions and the inputs needed from external stakeholders. **Other feedback suggested**: - It's too early in the days of RESP to make a judgement of our performance, and faster delivery would help. - More automated tools to help planning from NESO. - The regulations and governance need to soften to enable timely execution of planning. Moreover, sometimes need for extra resources is felt to a critical stage. This is even reflected in the documents that are issued to review /for consideration.
"Below Expectations" **36** stakeholders scored us as "below expectations". In response to being asked what we need to do to meet their expectations,	• **Provide greater levels of transparency** – Some responses feel we need to provide more transparency of our activities in this area. • **Are NESO the right to lead this area?** – A couple of responses question NESO's role in this area. One adds: "NESO should allow developers to be the ones leading this development". Another feels we

we received the following feedback:	should allow the Transmission Owners (TOs) to work together and that we are "getting in the way". • **Improve communications and engagement** – Some responses feel we need to do more proactive communications and engagement with the stakeholders involved in this area. This includes doing more to help industry understand needs across transmission, distribution and varying energy vectors. **Other feedback suggested**: - Need to demonstrate we value other organisation's electricity network assumptions. - Provide greater clarity on consequences of changes that will be made. - Need to go further to ensure realistic timescales.

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