

Terms of Reference (ToR) for DSO Stakeholder Panel

Date of review: September 2025

1. Role of the DSO Stakeholder Panel

The SP Electricity North West (SP ENW) DSO Stakeholder Panel (“Panel”) is a committee made up of independent individuals covering the broad spectrum of DSO stakeholders for the purpose set out in these ToR. The primary purpose of the Panel is to provide insight, independent oversight, challenge, review and guidance on SP ENW’s ongoing DSO activities. SP ENW will use the output from the Panel to better inform both the ongoing delivery of its DSO transition plan and the development of its forward DSO strategy and activities.

2. Scope and Objectives

2.1 The Panel has the following scope:

- To represent the diverse needs and viewpoints of SP ENW’s DSO stakeholders,
- To guide SP ENW’s engagement with its DSO community, ensuring stakeholders are appropriately engaged, noting that the Panel is not a substitute for wider stakeholder engagement and consultation,
- To guide SP ENW’s approach to open data access for all stakeholders and specifically network users, subject to privacy and confidentiality constraints; including what data, in what format, delivered where and at what frequency whilst complying with relevant industry codes and statutory obligations,
- To operate independently of the SP ENW leadership team but to assist the team in its considerations and decision making on DSO, noting that the Panel has no decision-making powers and SP ENW remains accountable and responsible for the DSO strategy and delivery, and
- To inform SP ENW of DSO developments outside of the SP ENW organisation, including potential insights from around the world and sharing best practice to guide SP ENW’s DSO strategy and activities.

2.2 The Panel has the following objectives:

- To provide appropriate oversight, challenge, review and guidance on SP ENW’s DSO activities
- To act as the review body of proposed decisions that have been challenged by an affected third party, make observations on the challenge and where appropriate make observations on a process or methodology
- To act as the review body for DSO forecasting, modelling and decision-making methodologies and, where requested, make observations to change relevant methodologies, and
- To support the ongoing performance of the DSO transition using the measures of the DSO incentive mechanism, supported by evidence gathered from the DSO community, in accordance with Ofgem’s performance framework and guidance.

2.3 In most instances, the Panel shall meet its objectives through making observations as appropriate to those responsible for the management and/or delivery of DSO activities across SP ENW.

3. Functions

3.1 The Panel has the following functions:

- To periodically review and discuss, at least once every two years, SP ENW’s DSO strategy, transition plan and ongoing activities and the appropriateness and adequacy of the DSO strategy
- To provide a forum for discussion and, where necessary, observations on DSO stakeholder engagement, data and data access, methodologies and decision-making processes and ongoing delivery performance related to SP ENW’s DSO transition; and specifically,
 - To undertake a decision review process where the Panel makes any observations on the proposed investment decisions challenged by third parties, and

- To undertake a review process where the Panel, on request, reviews the methodologies used in forecasting, modelling and network planning and, as appropriate, makes observations.
- To review, evaluate and verify the performance and compliance reports presented to the Panel on an ongoing basis and discuss, as appropriate, areas for improvement, and
- To consider reports, guidance notes and other relevant information provided by Ofgem, HM Government or independent bodies that may have potential to affect SP ENW's DSO activities and strategy.
- To publish an annual report on the Panel's activities, observations and key areas of impact

4. **Authority**

- 4.1 The Panel is authorised to make observations to colleagues with responsibility for making decisions regarding SP ENW's DSO activities.
- 4.2 The Panel shall have no executive powers.
- 4.3 The Panel is authorised to obtain information required to fulfil its objectives as outlined in these terms of reference, and to facilitate effective discussions with nominated SP ENW DSO representatives.
- 4.4 The Panel is not authorised to obtain information if:
- it would be against the interests of national security or against the law
 - it is about an individual or body who has not given their permission for it to be given out
 - it would cause substantial injury to the organisation or, if supplied by someone else, to the business of that person, or
 - the information has been obtained for the purpose of any legal proceedings.
- 4.5 The Panel will **not** review or discuss any issues that are subject to any commercial or any legal restrictions.
- 4.6 Panel members may be approached by the press or requested to speak at public events on behalf of the Panel. This must be discussed with the Chair and the SP ENW Head of DSO before agreeing to respond or comment.

5. **Membership**

- 5.1 The Panel shall comprise a Chair and up to twelve representatives from across the following stakeholder categories. An individual may represent multiple categories:

Flexibility Provider x1	Aggregator x 1	Generator x 1
Supplier x 1	Academia x1	Storage operator x 1
Regional Authority x 4	Community & Local Energy x 1	Consumer Protection Party x 1
IDNOs x 1	System/Network Licensee x 1	Independent x 1

- 5.2 The Panel will be led by an independent Chair, initially appointed by SP ENW. Once the Panel has been established any changes to the Chair must be endorsed by the Panel members and the SP ENW Head of DSO. In the absence of the Chair the Panel members present shall elect one of themselves to chair the meeting.
- 5.3 Membership of the Panel shall normally be reviewed biannually. Each Panel member shall normally serve on the Panel for two years but to ensure continuity at the end of each two-year period only half of the Panel members will be up for reappointment. A Panel member may serve multiple terms.

6. **Secretariat**

- 6.1 SP ENW will provide secretarial resources to allow the Panel to discharge its activities. The secretarial resources shall not be a member of the Panel.

6.2 The DSO Governance & Compliance Lead shall attend the Panel meetings to support the workings of the Panel.

6.3 SP ENW subject matter experts and external advisers may be invited to attend meetings of the Panel as appropriate.

6.4 The secretariat will also support the Panel in communicating with internal or external parties such as other SP ENW Panels, market participants, trade associations, Regulators, or Government etc.

7. Conflict of interest

7.1 A person appointed as a Panel member shall act impartially and in the best interests of all stakeholders and customers, in line with the requirements on SP ENW as a regulated DNO.

7.2 At the start of every Panel meeting a Panel member must declare any actual or perceived conflict of interest. The SP ENW DSO representative shall decide the most appropriate course of action with the conflicted Panel member absenting themselves from the Panel's deliberations.

8. Meetings

8.1 The Panel shall normally meet six times each year. Additional meetings may be arranged by exception as dictated by SP ENW DSO activities.

8.2 A forward programme of indicative meeting dates and times will be agreed on at least a six-month rolling basis. At the end of each meeting the date and time of the next meeting will be agreed by the Panel; including any additional meetings required between normal quarterly Panel meetings. A notice detailing the venue, time and date of each meeting together with the agenda of items to be discussed, shall be forwarded to each member of the Panel, and any other person required to attend, no later than 5 working days before the date of the meeting. Supporting papers shall be sent to Panel members and to other attendees as appropriate, at the same time.

8.3 Where the Chair decides an additional meeting is necessary the secretary will propose potential dates and times to maximise the attendance of Panel members.

8.4 Members may place items on the agenda up to 10 working days before the date of the meeting. Materials shall be circulated 5 working days in advance where materials are required.

8.5 The secretariat shall record the names of those present and in attendance and the agreed actions of all meetings of the Panel.

8.6 The agreed actions of the meetings shall be circulated promptly, and not later than 5 working days after the meeting, to all members of the Panel. As appropriate, summary reports of the Panel's feedback and observations will be published on the SP ENW website. Where necessary to preserve confidentiality or commercial sensitivity the Panel's reports shall be redacted, with the redactions agreed with Panel members.

9. Expenses

9.1 The Panel must ensure that it retains its independence from SP ENW but recognises that costs may be incurred by Panel members in discharging their responsibilities.

9.2 The level of compensation available to Panel members in performing their responsibilities as part of the Panel are:

- The Chair and the Panel members of the DSO Stakeholder Panel will be paid by SP ENW, and
- All Panel members can claim reasonable costs and expenses incurred in attending meetings or otherwise conducting Panel business. This can include payment for time spent outside of Panel meetings representing the Panel, if agreed by the Chair and SP ENW and is fully disclosed by the Panel in advance.

10. Terms of Reference review

- 10.1 SP ENW and the Panel recognises that the DSO transition is dynamic in its nature and that it will need to review the agreed ToR to ensure the Panel can respond to market changes or regulatory policy.
- 10.2 A formal review of the ToR will be completed on an annual basis by the Panel, with the support of SP ENW DSO representatives. Any changes to the ToR shall be accepted when the Panel and the SP ENW Head of DSO unanimously agree.
- 10.3 Changes to the ToR can be proposed by a Panel member at any time and will be incorporated into the annual review unless the Chair believes the matter is urgent.

11. Confidentiality

- 11.1 The Secretariat shall produce notes which will reflect the views of the Panel. These notes will be agreed by the Chair of the Panel. In so far as the Panel reaches a conclusion the Panel members will uphold collective decision making.

Annex 1: Stipend and expenses policy statement

Stipend

- A1.1 As per 9.2 of the Terms of Reference all Panel members, including the Chair, will receive a fixed fee for attending each Panel session in recognition for their individual contribution to the successful functioning of the DSO Stakeholder Panel. The Panel Secretary will keep an attendance register for each Panel session.
- A1.2 The fixed session fee is set at £225 for all Panel members from 1 April 2023 and will increase by inflation (specifically CPI index rate to 31 March) annually. From 1 April 2024 the session fee will be £235. From 1 April 2025 the session fee will be £245.
- A1.3 Every six months (in April and September) the Panel secretary will calculate the stipend to be payable to each Panel member for the previous six months' attendance and arrange for a payment to be made.
- A1.4 Panel members can opt out of receiving payment for their attendance at any time by informing the Panel Secretary.

Expenses

- A1.5 As per 10.2 of the Terms of Reference all Panel members can claim reasonable costs and expenses in attending meetings or otherwise conducting Panel business.
- A1.6 All expenses claims must be submitted with receipts to the Panel Secretary, using the attached form.

Claim Form



Annex 2: Meeting arrangements

These clauses have been drafted to define a structure and ground rules for the meetings of the DSO Stakeholder Panel, at least initially for the formation of the Panel. It is expected that the Panel, guided by the Chair, will update these clauses as it forms into a fully operational Panel over time.

Frequency

A2.1 As per 8.1 of the Terms of Reference the Panel will meet at least six times per year (five in 2025/26).

Meeting timings

A2.2 The Panel sessions will be held on the first Wednesday on alternate months. Additional meetings will be scheduled on dates agreed with the Panel Chair, as required.

A2.3 The Panel sessions will be between 4 and 7pm.

Operation of meetings

A2.4 The Panel sessions will be delivered as a mix of face-to-face and online meetings. The Forward Programme will be reviewed each meeting and will set out the proposed type of meeting for the current year of operation.

A2.5 Where the Panel meetings will be conducted in person members can claim reasonable costs and expenses in attending meetings or otherwise conducting Panel business, as per the clause 9.2 of these Terms of Reference.