

Social DSO Strategy

DSO for Good.

2025

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Introduction to Electricity North West

Electricity North West is the North West's power network for 2.4 million properties and over 5 million people. It is one of fourteen licensed Distribution Network Operators (DNOs) in Great Britain. Some DNOs serve multiple regions, but as the name suggests, Electricity North West is dedicated to the North West.

Our main responsibility is to keep the power flowing by operating and protecting our network. We maintain equipment to ensure reliability and quickly fix any faults or damage. We connect customers by using existing capacity, upgrading infrastructure, or building new network assets as needed. Additionally, we operate a smart system that manages two-way power flows and flexibility services to support a more sustainable energy network.

Through 57,415 km of overhead lines, underground cables and substations, we deliver a 24/7 essential service—for just £123 per year. As a high-performing organisation, we have achieved 92% customer satisfaction while providing some of the strongest network reliability in Great Britain. Through Distribution System Operation (DSO), we are transforming traditional ways of working by:

- Accelerating progress toward net zero through innovative, large-scale network optimisation and control.
- Enabling a fair and inclusive energy transition by fostering meaningful collaboration with local authorities, communities, businesses and individuals—making it easier for them to participate.
- Driving economic growth and the green economy by enhancing network capacity and supporting competitive and efficient flexibility markets.

Our business plan follows five-year regulatory cycles, with the current period running from April 2023 to 2028. Our [DSO Strategy](#) and [transition plan](#) aligns with this timeframe and we [report on our progress](#) annually. Over the past two years, we have made significant advancement in delivering our commitments and evolving our activities to meet stakeholder needs.

What you'll find in this Social DSO Strategy

Our Social DSO Strategy extends our DSO Strategy and Transition Plan and has been developed in collaboration with our customers and stakeholders.

It outlines how we will remain responsive and adapt our transition to a DSO through a social business model—a model that creates economic value while also delivering societal benefits and addressing both current and future challenges.

DSO is not a single activity but a range of functions that enable us to develop a smart, flexible distribution system, delivering network capacity for the region in the most efficient way.

This strategy—formalising a culture and mindset already embedded in our business—ensures that these DSO functions continue to be carried out in a distinctive, purpose-driven way.

It establishes a clear framework for our vision to be the leading Social DSO, with defined goals, targeted activities and measurable success criteria. At the heart of our 'DSO for Good' approach is a commitment to making the energy transition inclusive, fair and just for everyone.



Executive summary

1. Executive summary

The purpose of this strategy

Our Social DSO Strategy aims to achieve our vision ‘to be the leading Social DSO in Great Britain’. It combines a strong focus on decarbonisation, economic growth and affordable infrastructure while maximising societal benefits and addressing both current and future challenges. The strategy provides a clear framework for ensuring a fair and inclusive energy transition, making sure the shift to clean energy benefits everyone—leaving no one behind. This is what we mean by ‘**DSO for Good.**’

Traditionally, the conversation around DSO often begins with what energy networks, the regulator and the wider industry are doing to implement the DSO model. We advocate for a more progressive approach where **DSO activities are delivered in a distinctive way**, enhancing the ability of individuals and organisations to contribute to achieving net zero.

Our social DSO business model

A just energy transition refers to ensuring fairness, equity and inclusivity as societies shift from fossil fuels to renewable and sustainable energy sources.

As part of our Social DSO business model, we will make specific social commitments—explicit promises, goals and initiatives that tackle societal issues, enhance community well-being and fulfil our responsibilities to customers. **This social model will guide our actions, providing a new perspective on the decisions we make.** This approach is crucial for addressing social inequalities and supporting a just energy transition.

Collaborating for maximum impact

This strategy has been co-created with customers and stakeholders through a collaborative approach that integrates diverse perspectives to develop, shape and refine our strategy.

Ongoing engagement with customers and stakeholders is central to the strategy. Engagement will not only improve our approach but also build a pipeline of future Social DSO initiatives. This collaborative approach ensures that the strategy is well-informed, inclusive and reflective of stakeholder needs. Regular feedback, workshops and stakeholder panels will drive more effective and sustainable outcomes. Together with our stakeholders we are powering the energy future.

Collaboration at both national and local levels is crucial for the success of our Social DSO strategy, reflecting the shared challenges and potential benefits of working together. At the national level, we will partner with industry bodies, regulators, and stakeholders to align with regulatory frameworks and promote systemic change. Locally, engaging with communities, local authorities and regional partners will ensure our initiatives are **tailored to specific needs** and drive long-term social value.

Our goals

Our Social DSO strategy is a natural extension of our wider organisational purpose and goals, aligning seamlessly with our long-standing culture and mindset. Put simply, **it is in our DNA.** We know that stakeholders value not just what we do, but how we conduct ourselves and this is reflected across our strategy, vision, mission and goals.

Goal 1:

Timely investment to enhance the network’s ability to support regional and national net zero targets.

Goal 2:

Make investment decisions that maximise social benefits in the North West, supporting the environment, economy and community resilience.

Goal 3:

Promote broader sharing of net zero benefits by supporting clean energy investments, sustainability and climate projects in vulnerable communities.

Goal 4:

Increase participation in the energy transition, extending beyond the usual groups to include those at risk of being left behind.

Goal 5:

Work collaboratively to increase system efficiency, using smart technology and partnerships to maximise clean renewable energy when it is available.



At Electricity North West, we are committed to doing the right thing, delivering social and environmental value for our colleagues, customers and wider society. It’s enshrined in our purpose—together we have the energy to transform our communities—and aligned to our values of being switched on, adaptable and taking pride.

We have always operated with a strong sense of responsibility, going beyond our core obligations to deliver lasting benefits for customers and communities. By maintaining trust, tackling social inequalities and making responsible investment decisions, we reinforce this commitment—ensuring our actions not only serve society but also strengthen our business and industry leadership.

“Through being the leading Social DSO, we aim to inspire other DSOs to adopt the same focus, providing widespread societal benefits across Great Britain. We welcome continued industrywide collaboration on our shared goal of a Just Energy Transition.”

The energy sector is undergoing a period of exciting but significant change. The way we deliver this transformation in our region matters, and it’s clear to us that it has never been more important to act as a responsible business, rising to meet the changing expectations of our customers. Our Social DSO strategy demonstrates how we turn this into action, finding better ways to deliver a positive impact for our people, communities and environment.

Through being the leading Social DSO, we aim to inspire other DSOs to adopt the same focus, providing widespread societal benefits across Great Britain. We welcome continued industrywide collaboration on our shared goal of a just energy transition.

In the pages of this document, you’ll see a summary of some of the fantastic engagement we’ve delivered this year, and our ambitions for the future. There’s still more to do, and I’m excited by the challenge and opportunity of the years ahead.



Ben Grunfeld
Strategy and Growth Director

Background

2. Background and context

How the strategy was developed

Our Social DSO Strategy has been co-created with customers and stakeholders through a **collaborative approach** that brings together diverse perspectives to develop, shape and refine our strategy. Rather than a top-down model, we embraced **co-creation** to ensure our strategy is well-informed, inclusive and reflective of stakeholder needs.

Our co-creation engagement began in Autumn 2024. Our process was open and inclusive, incorporating workshops, deliberative research and feedback loops to build a shared vision and actionable plans. This approach has fostered strong engagement, a sense of shared ownership and greater buy-in, which we believe will drive more effective and sustainable outcomes.

Customer panel

We recruited a focus group of energy users representing a diverse cross-section of customers from across the region. This included individuals of different ages, life stages and income levels, as well as those in vulnerable situations, users of low-carbon technologies (LCTs) and people with varying attitudes toward climate change and net zero. Most had never heard of or interacted with Electricity North West before but agreed to take part in a series of deliberative research discussions.

A customer panel member said:

“Through my experience on the customer panel, I now understand that the way we use, and store energy is changing. What initially felt abstract became crystal clear—there are ways ENWL can support customers and ways we, in turn, can support the DSO to ensure an inclusive and collaborative transition for all. The goal is mutual benefit, with ENWL stepping in to protect and support those most at risk of being left behind, regardless of the reason.”

To ensure the panel had a strong foundation of knowledge, we partnered with Create Clarity, an independent research consultancy, to provide impartial education on the structure of the electricity industry, the role of a DSO and the ongoing changes in the energy transition. The **deliberative research** approach enabled deeper insights and well-considered feedback, with panel members completing ‘homework’—including background reading and drafting their own social DSO communications—and refining their views across multiple sessions.

Stakeholder roundtable event and polling

Over 100 stakeholders registered, and 73 attended our **Energy Transformation with Purpose online roundtable** on Wednesday 26 February 2025. Attendees included representatives from our DSO Stakeholder Panel, local and combined authorities, consumer and business sectors, charities and third-sector agencies, educational institutions, energy companies and infrastructure organisations (utilities, telecoms, rail and road). Also present were flexibility service providers, industry bodies, consultancies and supply chain partners.

Our 90-minute agenda featured **Ian Smyth, CEO of Electricity North West**, alongside expert colleagues from across our business, discussing how our Social “DSO for Good” model can deliver greater societal benefits and promote inclusion in the energy transition.

Thirty minutes were devoted to small-group discussions, with key themes shared in plenary. To tailor the event to stakeholder interests, we asked participants in advance to submit topics they were keen to explore and questions for our speakers. After the event, attendees were invited to provide their reflections on our Social DSO Strategy through a post-event survey.



DSO stakeholder panel

Comprised of representatives from various stakeholder groups—including customers, community organisations, gas distribution networks and industry experts—our **expert panel** brings together diverse voices and perspectives from across the DSO stakeholder community. The panel provides valuable insights, independent oversight, challenge and strategic guidance on our DSO initiatives. The panel held its first meeting on 7 June 2023 and continues to meet quarterly. It is chaired by Andrew McIntosh who serves as Director of Place for the Greater Manchester Combined Authority, overseeing the Housing, Planning, Infrastructure, Culture, Land and Property and Delivery teams.

Andrew McIntosh, Independent Chair of our DSO stakeholder panel said:

“Electricity North West has been working hard to ensure that the DSO Stakeholder Panel has visibility of its plans to better serve its customers and stakeholders. It has been really positive to see this transparency, understand the benefits that have been delivered and, as a stakeholder group, have the opportunity to influence and review the future plans.”

In November 2024, we sought early feedback from the DSO stakeholder panel on our Social DSO vision and mission. The panel supported our vision and suggested considering:

- Evidencing the societal value of DSO activities, such as aiding fuel-poor customers, targeting those in need, enabling local power plans and ensuring a just transition.
- Proactively communicating and engaging stakeholders to co-create the strategy.
- Demonstrating ambition through continuous learning with annual targets.

Their challenges and insights helped shape our engagement plans and refine how we communicated our goals more broadly. We also shared the outputs from our engagement activities, providing oversight on how stakeholder feedback influenced our forward plans.

Social DSO working group

Senior leaders from across our business played a key role in overseeing and championing the development of the Social DSO Strategy. Their involvement included regular meetings to refine the strategy’s purpose, goals and governance arrangements, as well as to develop, test and refine potential Social DSO activities. These activities were informed by an independent triangulation of customer and stakeholder feedback. Their work will now continue with the implementation of the strategy and next steps.

What consumers want from utility providers

Electricity North West has a licence from the Office of Gas and Electricity Markets (Ofgem). This ‘license to operate’ allows the distribution of electricity in the North West of England, regulates our activities and ensures we meet our obligations to customers.

Our latest insights reveal that customers and stakeholders want us to deliver a safe, reliable and sustainable network. This remains consistent with the key priorities used to guide our 2023-2028 business plan. We must carefully balance these priorities to satisfy customers’ near-term needs while ensuring future network resilience. Additionally, as a cost-efficient operator, we must keep the cost of distributing electricity as affordable as possible for today’s bill payers.

More broadly we discussed what consumers need and want from utility providers with our customer panel. They agreed on six key themes, illustrated below:

Figure 1: What consumers want from utility providers



The customer panel acknowledged that escalating living costs, a decline in living standards and increasing challenges for vulnerable customers are prominent issues in current discourse. They agreed that it is more crucial than ever for businesses to “do their bit” to support those facing social inequalities. However, amidst political and economic uncertainty, they also noted a concerning trend of diminishing trust in businesses’ ethical conduct.

The panel emphasised that society will be more willing to adopt the behaviour changes required of them in the long term if large corporations set a strong example through ethical behaviour, as this builds legitimacy, trust and shared responsibility. In this context, utilities are expected to forge strong links with local communities, enabling them to better respond to their needs and involve people in the solutions. The panel expressed a desire for companies to “give back” to the communities that help them achieve their goals.

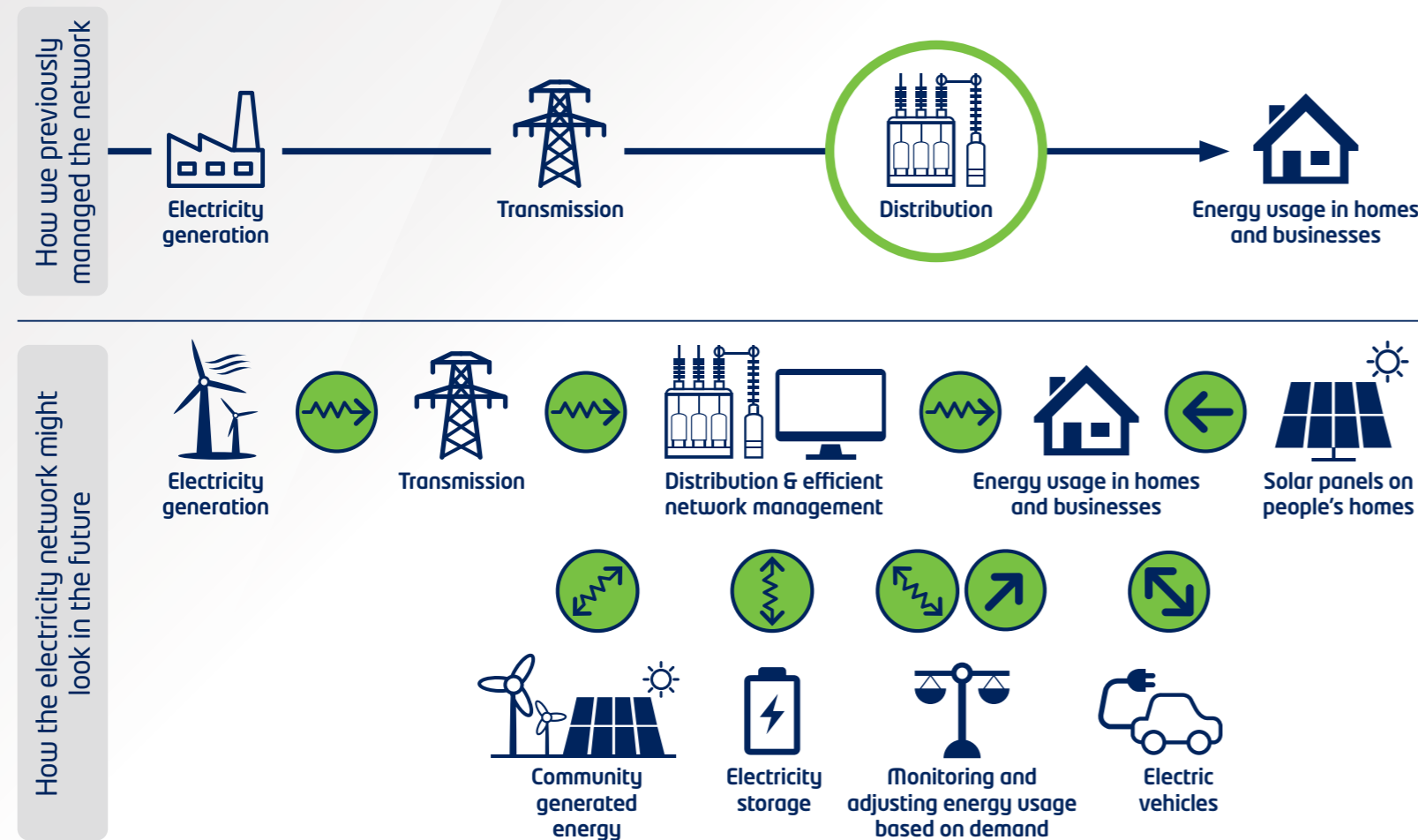
These insights offered a valuable foundation for us to rethink and adapt our strategies in pursuit of sustainability and addressing climate change challenges. They also serve as a guide for other companies to follow our lead, encouraging them to take a proactive role in supporting social responsibility, building trust with communities and fostering long-term, ethical business practices that contribute to a more sustainable and equitable future. By aligning business goals with the needs of society, we can collectively drive meaningful change across industries.

Fast fact: In a survey of **183** local stakeholders during January 2025, 79% of responders said it was either fairly or very **important for ENWL to prioritise being a good corporate citizen** (making a positive impact on society, the environment, and the economy while conducting its business in an ethical and responsible manner).

The case for change: industry landscape and energy transition

Great Britain is undergoing an unprecedented transformation in how electricity is generated, stored, transported and traded. The traditional ‘top-down’ model—where electricity flows from large power plants through the national transmission system to distribution networks and then to homes and businesses—is evolving. In its place, a decentralised model is emerging, with local producers generating energy and supplying it directly to their communities.

Figure 2: The role of DSO in the energy transition



In this new world Electricity North West can be a force for good in reducing the cost of the energy transition and, through collaboration, accelerating decarbonisation, promoting economic growth, and providing the critical infrastructure needed to achieve net zero.

What the changes mean for customers and networks

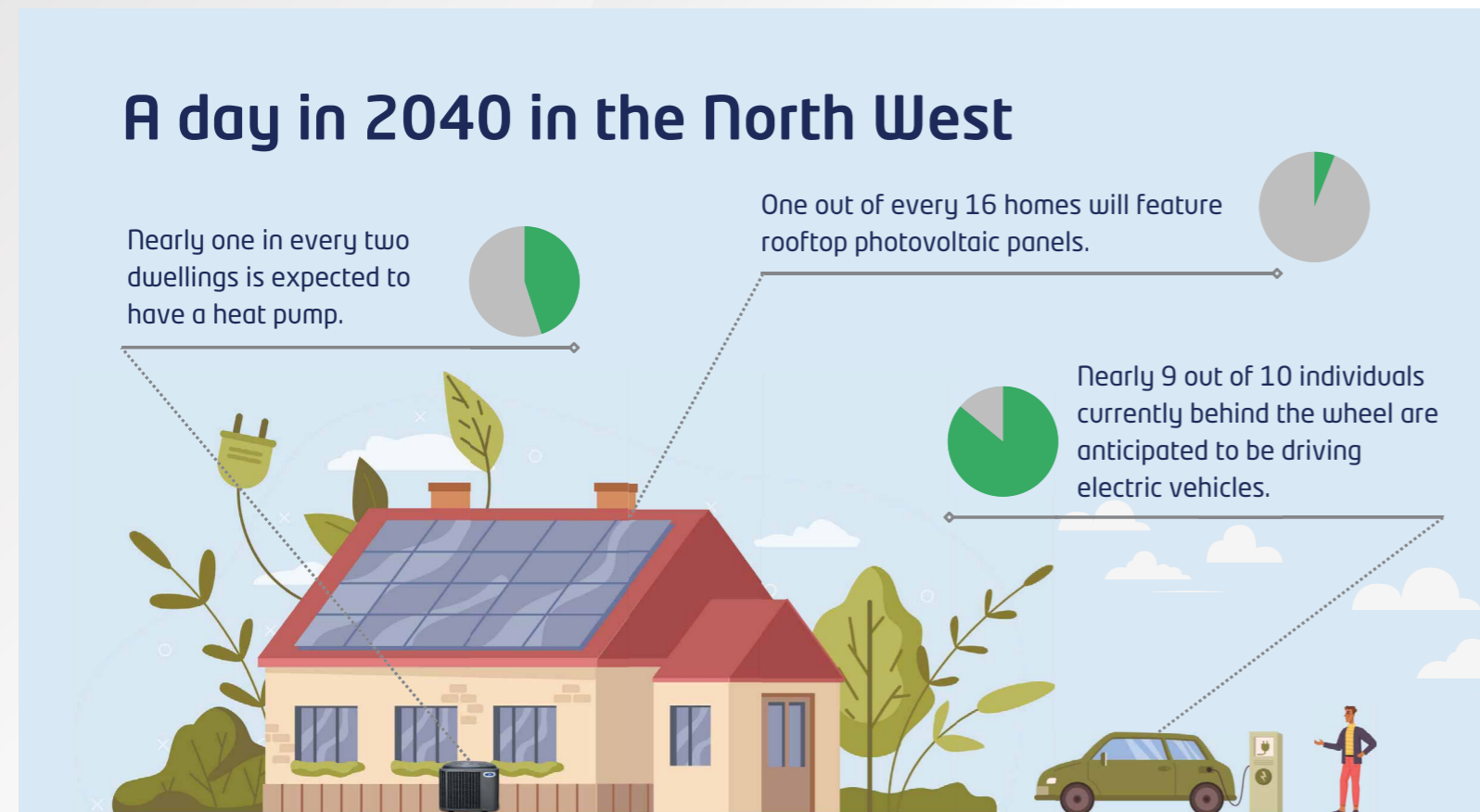
Climate change is talked about a lot in the media, and in our engagement both consumers and stakeholders sense that the pace of change and urgency is growing. Customers see the decentralised, local approach to energy distribution as “the future” and “the right way to go”. They prefer improving system efficiency and incentivising user flexibility over traditional reinforcement but have mixed views on what may be needed to encourage behaviour change.

To inform our research and development we have conducted collaborative research with the broader DNO community including an independently facilitated, bi-annual LCT tracker. This initiative has reached over 4,000 households to date and tracks understanding, perceptions and LCT adoption rates over time. Our data indicates a modest yet increasing level of adoption of LCTs overall since the cost-of-living crisis, along with high expectations for their use in the future.

Figure 3: Examples of consumer behaviour changes

Our [2024 Distribution Future Electricity Scenarios](#) (DFES) outlines the expected demand, distributed generation (DG) and battery storage uptake across the North West up to 2050. By 2040, we expect energy demand in the North West to double under our ‘best view’ scenario (high-certainty assumptions). This increase is primarily driven by the adoption of around 3 million electric vehicles (EVs) and more than 1.2 million heat pumps.

Figure 4: How changes in LCT adoption will affect demand for electricity on our network



In response the electricity system must be managed more dynamically to maintain reliability while keeping costs down. In simple terms, to meet peak demand capacity requirements, we currently use three key methods:

- Option A – Build a bigger network:** DNOs traditionally meet demand by investing in new equipment (substations, cables, etc.) to expand the capacity of the network.
- Option B – Improve system efficiency:** As a DSO, we deploy new technologies that optimise existing infrastructure managing the need for traditional reinforcement
- Option C – Incentivise user flexibility:** As a DSO, we compensate customers for adjusting when, where and how electricity is used or generated, balancing demand to manage the need for traditional reinforcement.

Increasingly, regulators and the National Infrastructure Commission set out how investment in capacity can often be the most beneficial solution for customers.

DSO activities can at least delay the need for investment and create bill savings for customers – in our 2023-2028 business plan we estimated £212m over this period. However, through our Social DSO Strategy, we aim to ‘**squeeze every pound**’—a goal that our customer panel and wider stakeholders have strongly supported—ensuring that every investment delivers maximum value by stacking societal benefits. This means not only driving efficiency and cost-effectiveness, but also ensuring that the positive impacts—such as improved energy access, economic growth, job creation and carbon reduction—are layered and widely shared across society. In the next sections of this report we explain how our Social DSO strategy supports the aims of our stakeholders.

Strategic objectives

3. Strategic objectives

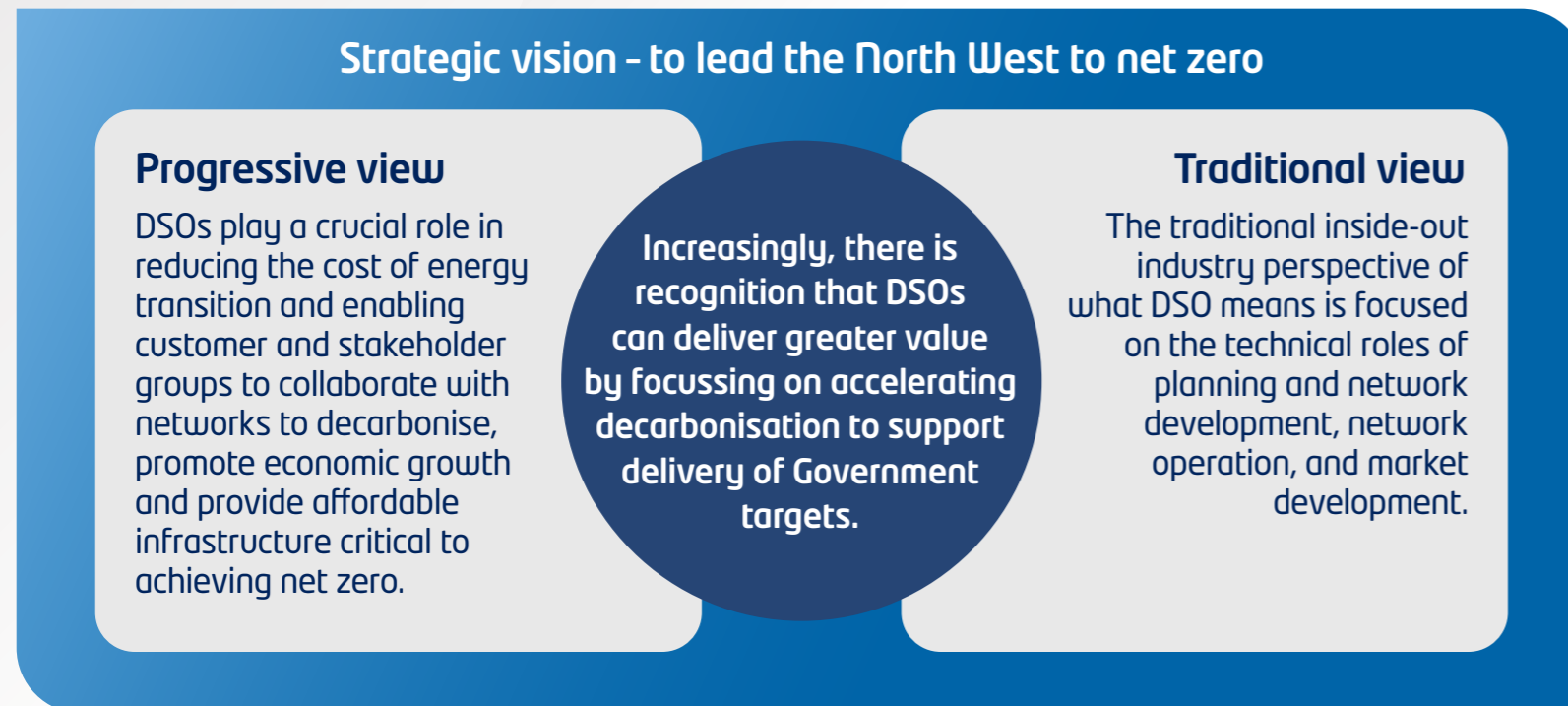
Our approach and strategy

Traditionally, the conversation around DSO often begins with what energy networks, the regulator and the wider industry are doing to prepare for and implement the DSO model.

But what about the people it is ultimately for? From local authorities, transport operators and other infrastructure providers all the way through to commercial, industrial and domestic end users, what do stakeholders want and need from DSOs and how is the industry responding?

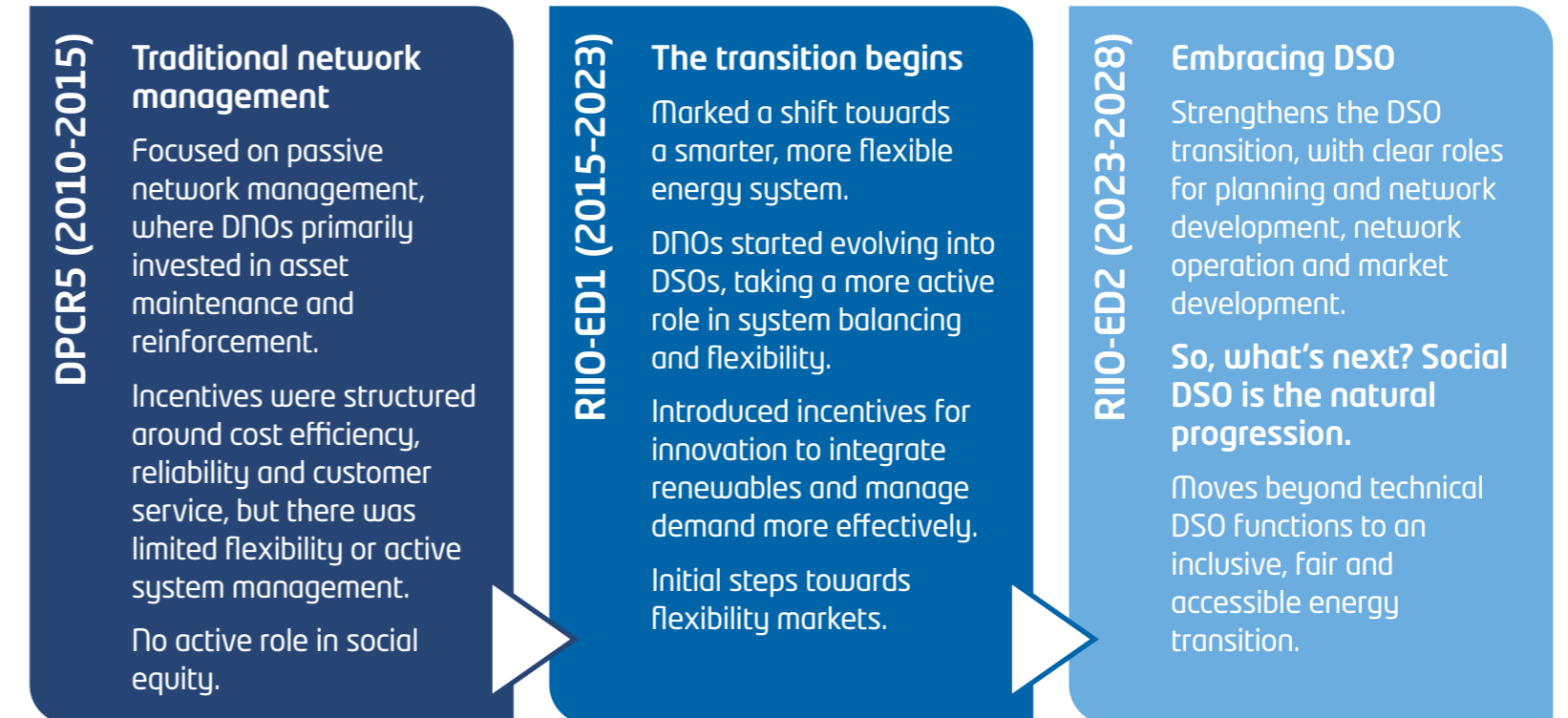
We advocate for a more progressive approach where DSO activities are delivered in a distinctive way, enhancing the ability of individuals and organisations to contribute to achieving net zero while optimising benefits delivered to wider society.

Figure 5: A progressive view of what DSO means to consumers



This evolving perspective reflects a 15-year progression from the distribution price control review (DPCR5) regulatory period (2010–2015) to the present RII0-ED2 framework (2023–2028). It marks a shift from passive network management to active system operation and now to a Social DSO model, where fairness, inclusion and accessibility are integral to the transition to net zero.

Figure 6: Social DSO - a 15-year evolutionary journey



We know that to be the leading Social DSO, our focus must extend beyond simply getting from A to B. **We promise to go the extra mile to ensure a just and fair transition**—one that guarantees the shift to clean energy benefits everyone, leaving no one behind. This is what we mean by **‘DSO for Good.’**

Our overarching vision, mission and goals

This Social DSO Strategy establishes the overall vision, objectives and guiding principles of DSO for Good. In this section, we outline the broad, high-level scope of the Social DSO, including the ‘why’ and ‘what’—defining its goals and key areas of focus.

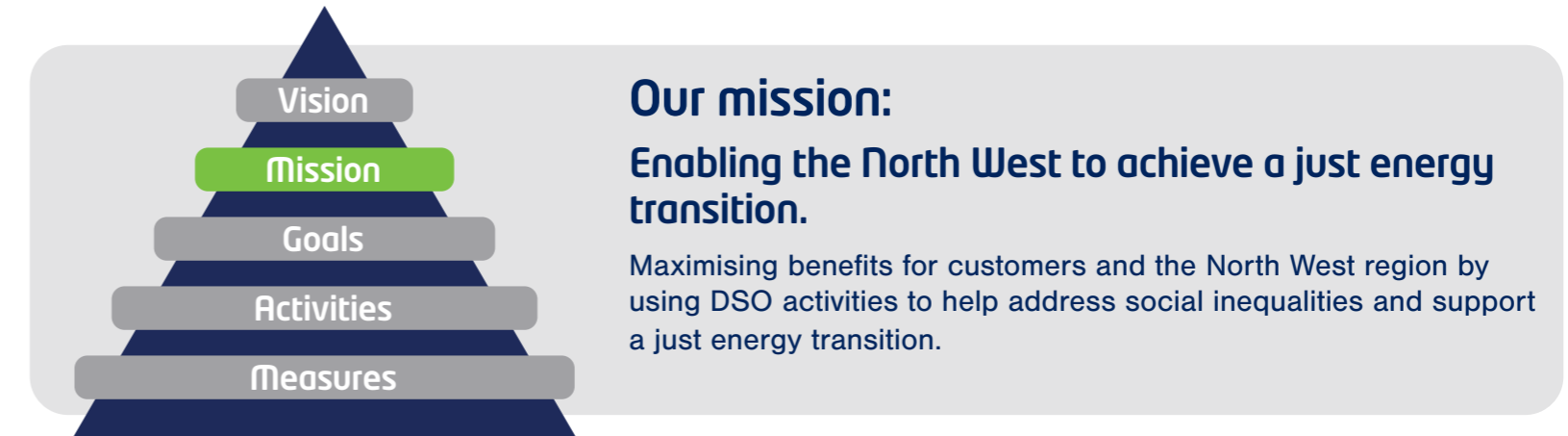


The central tenants for customers are around inclusion, fairness and affordability. In our engagement, customers embraced the vision and expressed it in their own words:

“The Social DSO provides a reliable, sustainable energy network that fairly meets customer needs while integrating renewables. Smart technologies and community involvement make this possible, supporting net zero and local economic growth.”

Underpinning our vision is a Social DSO business model—a mission to create economic value while also benefiting society by addressing both current and future challenges. As part of this, we will make specific social commitments—explicit promises, goals and initiatives that tackle societal issues, enhance community well-being and fulfil our responsibilities to customers. This social model will guide our actions as a DSO, providing a new perspective on the decisions we make.

Stakeholders participating in a poll following their participation in our roundtable event exhibited strong support for the vision, with 77% perceiving it to be new and different compared to other DSO approaches.



Our mission to enable the North West to achieve a just energy transition received strong consensus support from customers and stakeholders during our engagement. Stakeholders overwhelmingly support the intent and uniqueness of the mission, viewing it as the hallmark of a responsible business that humanises the organisation. However, we were challenged to clearly define what this means in practice.

What does this mean?

- Championing the region and collaborating with others
- Taking action to support groups most at risk of being left behind, improving their circumstances
- Maximising the value of our activities, delivering benefits to society beyond every pound invested
- Adapting decision-making processes to consider broader social benefits, not just economic ones
- Ensuring the DSO and the North West network operate in the best interests of customers.



Customers and stakeholders support our five goals, especially increasing participation, which is crucial to achieving the mission and generating momentum towards wider social goals.

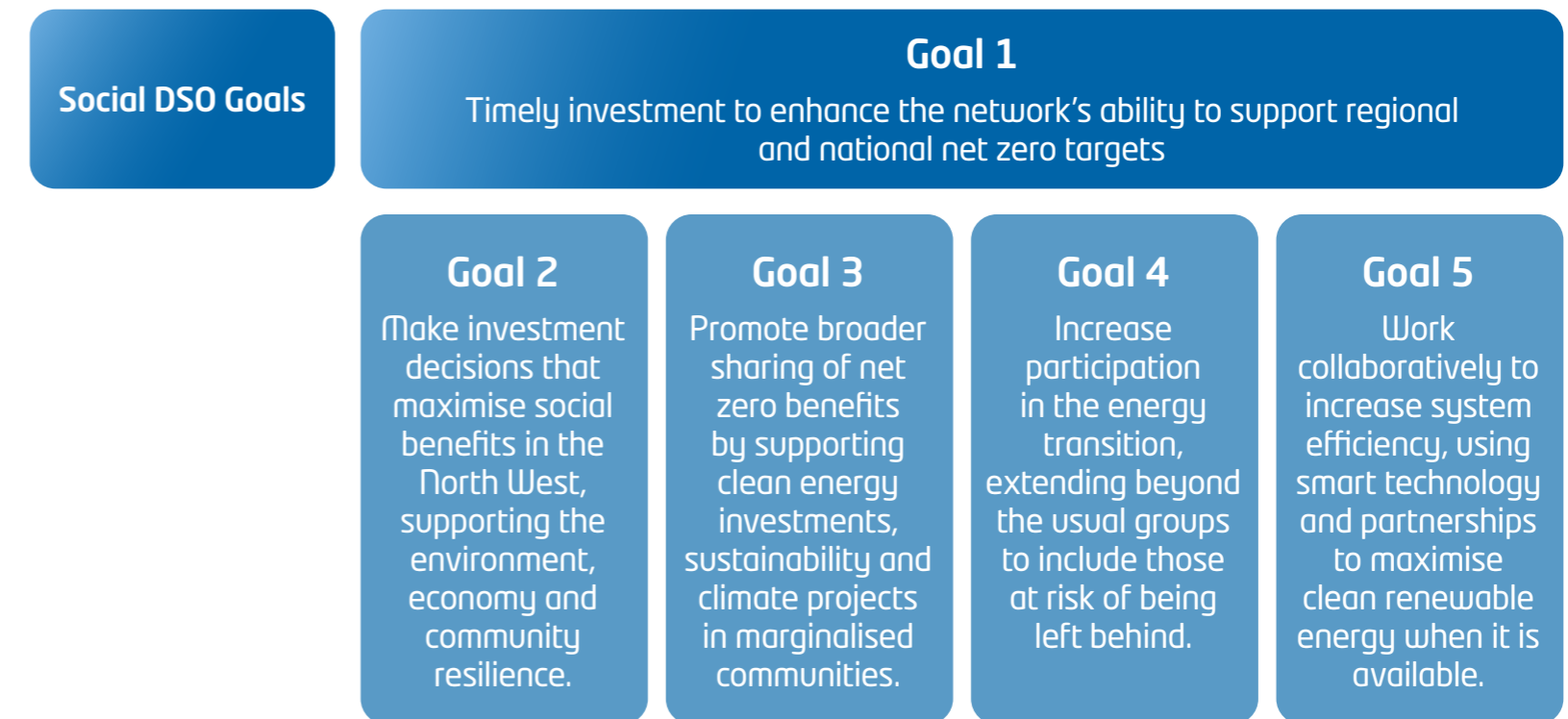
Based on stakeholder feedback, we revised Goal 1, which was originally: “Reduce network capacity constraints in the North West and keep them low while prioritising flexibility.” Stakeholders felt that these activities should be considered business-as-usual for a DSO.

There is a risk that the phrase ‘prioritising flexibility’ can be misunderstood. It simply means that once a constraint or network need is identified, it is assessed for suitability for a flexible-based solution. If feasible, it would then be signalled to the market, and then market-tested via, in our case, a bi-annual tender process. This does not mean that flexibility solutions, or indeed any other solution is held above another in terms of priority or preference. Every network need should be considered on its own unique circumstances. The optimal solution should be selected in an open and transparent manner. Sometimes, this may be a flexibility market-based solution, in others an innovative solution or a traditional asset-based solution.

With this context and in consultation with our stakeholders, we refined Goal 1 to better highlight the importance of timely investment in network capacity to support net zero ambitions. This goal is a key enabler of our broader objectives, and through our Social DSO model, we will explore various options to optimise capacity enhancements.

Our five overarching goals will guide the activities we invest in as part of our social business model, as illustrated in the graphic below.

Figure 7: High-level Social DSO goals



Stakeholders emphasised the importance of a strategy that remains relatively stable while evolving in response to market trends, regulatory guidance and new insights. This includes ongoing engagement during implementation and monitoring to assess the continued relevance of our goals, acknowledging that some may evolve, or new goals may be introduced.

Alignment with broader DSO and company objectives

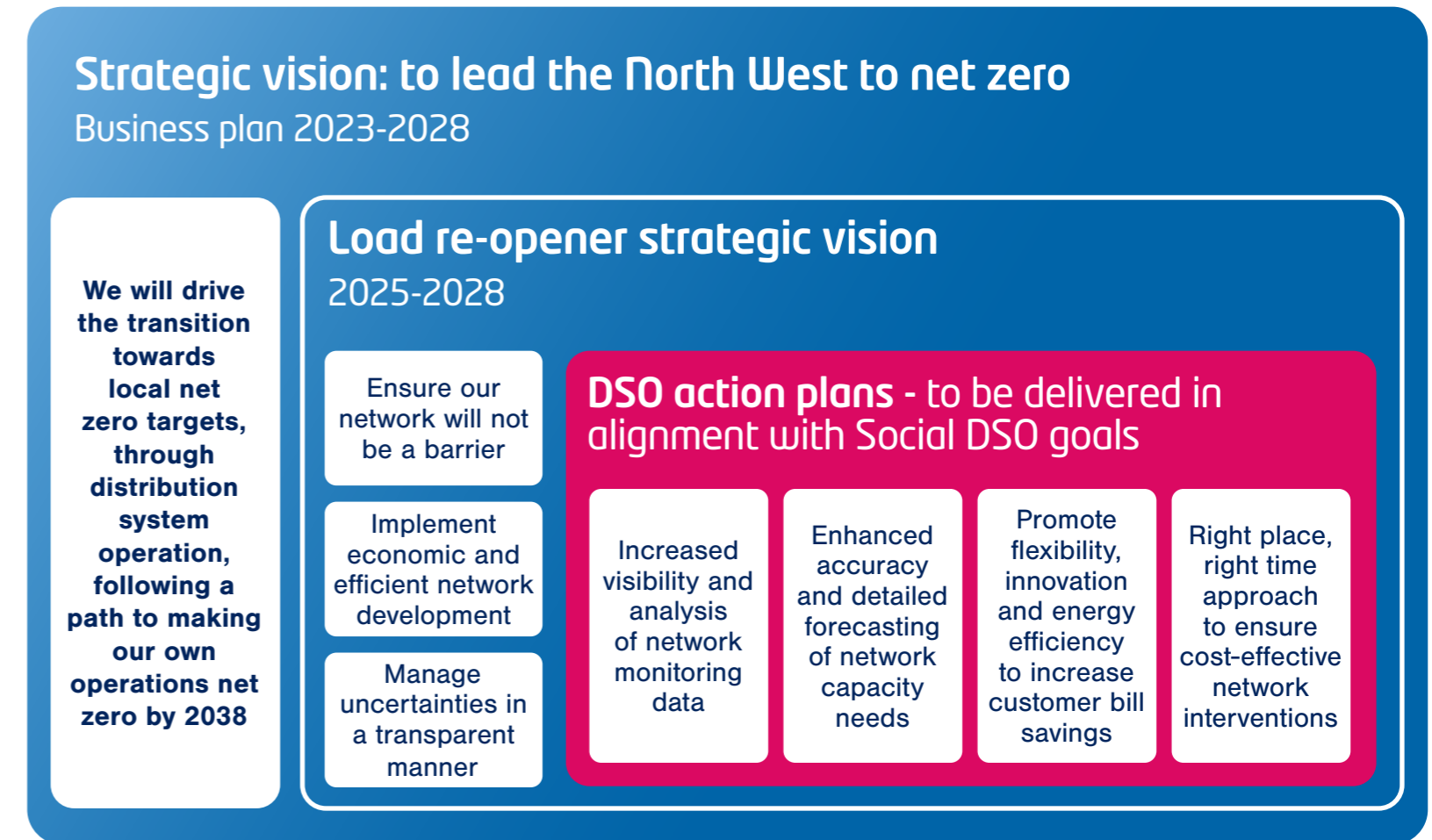
Figure 8 illustrates how our strategic vision is supported by our network (load) investment strategy, the core elements of our DSO action plan, and our new Social DSO strategy.

Our DSO action plans set out the key activities required to ensure the North West’s electricity distribution network enables decarbonisation, supports economic growth, and delivers an affordable, resilient system for all. These action plans are guided by our fundamental DSO principles: ensuring transparency, driving efficiency, and enabling flexibility across the energy system.

Alongside this, our Social DSO Strategy strengthens our approach by ensuring that our decision-making prioritises societal benefits, not just financial and operational efficiency. This strategy embeds social considerations—such as fairness, accessibility, and community impact—into our investment and operational choices, helping us to maximise benefits for all customers and contribute to a just energy transition.

Together, our load investment strategy, DSO action plans, and Social DSO Strategy form a cohesive framework that allows us to proactively manage uncertainties, remove barriers to net zero, and unlock opportunities for the North West’s communities and economy.

Figure 8: How our Social DSO Strategy links to our strategic vision

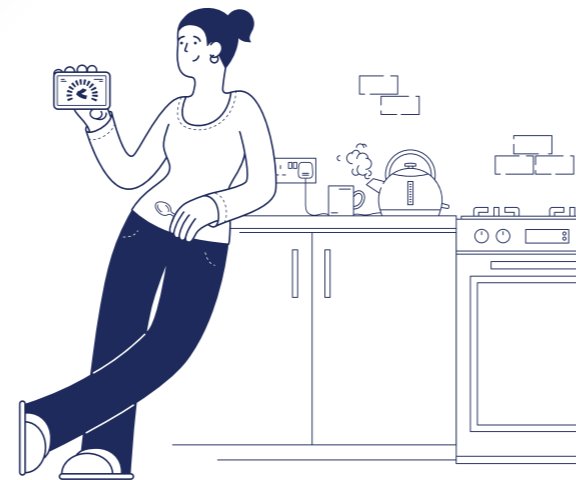


Why adopt this social model?

Our DSO strategy is a natural extension of our wider organisational purpose and goals, aligning seamlessly with our long-standing culture and mindset. Put simply, it is in our DNA.

We know that stakeholders value not just what we do, but how we conduct ourselves. We have always operated with a strong sense of responsibility, going beyond our core obligations to deliver lasting benefits for customers and communities. Some examples of this in action are:

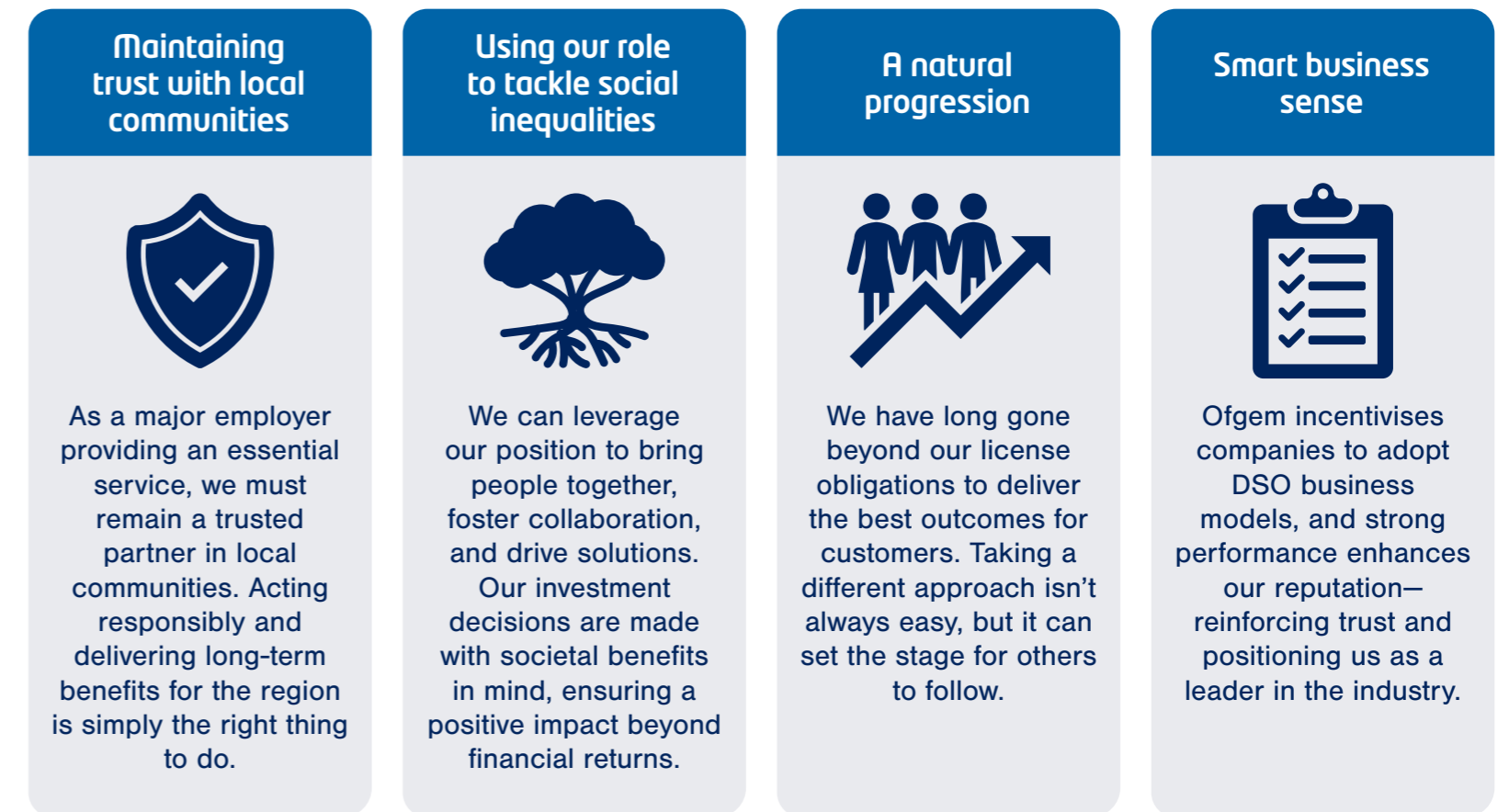
- Establishing our Green Financing Framework which sets out how we develop and identify eligible projects, giving investors clarity that they are aligned with the best market principles and international principles governing sustainable financing
- Being an industry leader in fuel poverty support (energy and money advice) through our [Take Charge programme](#)
- Delivering [Dig, Fix and Go](#) – a bespoke programme for our region focused on safety and minimising social disruption to accelerate restoration following emergency streetworks
- Rolling out [Smart Street](#) – homegrown innovation that controls the voltage on our network so that it can work more efficiently and reduce customers’ bills, without them having to take any action – while focussing our rollout on areas of deprivation first.



Fast fact: In a survey of 183 local stakeholders during January 2025, 73% of responders said it was either fairly or very important for ENWL to focus more on how it delivers its services, not just on what it delivers.

By maintaining trust, tackling social inequalities and making responsible investment decisions, we reinforce this commitment—ensuring our actions not only serve society but also strengthen our business and industry leadership. The diagram below illustrates how these principles shape our strategy.

Figure 9: Business drivers for adopting a social business model



Ultimately, we believe adopting our Social DSO business model benefits Ofgem, our shareholders, our organisation, our customers and the wider region.

Stakeholder groups

4. Stakeholder groups and beneficiaries

Key stakeholder groups

The value created by DSO activities impacts various customer and stakeholder groups, often collectively referred to as ‘personas’. We have developed user personas to bring to life the unique needs, goals, behaviours and challenges of our key stakeholders and to explain how DSO activities are delivering for our customers and stakeholders.

The stakeholder groups are summarised below, noting the differentiation between end consumers—the primary beneficiaries of DSO activities through improved service quality and lower bill impacts—and facilitating parties who benefit due to enhanced grid transparency and data, and improved integration of renewable energy sources.

Category 1: Consumers

1. Domestic customers (including those in vulnerable situations).
2. Commercial and industrial customers.

Category 2: Facilitating partners

3. Flexibility service providers and aggregators.
4. National Energy System Operator (NESO).
5. Distributed energy resource (DERs).
6. Local authorities.

The stakeholder groups listed above are not exhaustive. Through our collaboration with other DSOs, we have identified these as common across GB. However, we continue to identify additional groups and sub-groups that better reflect the makeup and needs of our region.

We **report annually** on the benefits delivered both in-year and since the start of our business plan period (2023). To support this, we have adopted the theory of change model (see Figure 10), providing a structured framework to describe DSO benefits and link them to DSO activities.

Figure 10: Theory of Change model for Social DSO



Why equity is so important in the energy transition

A just energy transition refers to ensuring fairness, equity and inclusivity as societies shift from fossil fuels to renewable and sustainable energy sources. It is about ensuring that the energy transition benefits everyone, leaving no one behind.

As we progress toward net zero, achieving fairness from the outset is unlikely—but in the long run, this approach offers some benefits. Innovation, which drives the transition, typically begins with a smaller group of early adopters—those with the means and willingness to change first. These pioneers play a crucial role in refining new services through trial and improvement, ultimately reducing risks and making the transition smoother for others as adoption grows.

Unfairness could be described as carrying more than your fair share of energy transition costs while being unable to access the benefits of the transition due to your circumstances, while other consumers with more suitable capabilities can take advantage of the new services on offer to better manage their energy use and reduce their costs. In workshops with our customer panel, most participants highlighted the inherent unfairness in their energy distribution bills increasing due to socialised costs of reinforcing the network so that wealthier individuals can connect and charge EVs, which in turn helps them lower their overall cost-of-living.

A customer panel member said:

“ I really want to have an EV and solar panels on my house, but I just cannot afford them. It is unfair that my bill will increase to enable wealthier people to have them while I am left behind. ”

In discussions, consumers highly valued the infographic in Figure 11 for clearly illustrating how equity can play a key role in creating more fairness in the energy transition. It highlights the importance of providing custom tools and tailored services that address social inequalities and align with consumers’ circumstances, capabilities and preferences.

A customer panel member said:

“Customers having equal access is one thing. But they need to be able to use the tools available to them, which is why equity is so important.”

While systemic reform from central government were seen as outside the scope of Electricity North West, both consumers and stakeholders supported actions aimed at promoting equity.

Figure 11: The role of social equity



The groups most at-risk of being left behind

It is important that DSO activities make it easier for individuals and organisations to contribute to achieving net zero. Ofgem’s aim in its Decarbonisation Programme Action Plan is that the changes occurring will be easy to make and will benefit, rather than disrupt, people’s lives. But for some people, the changes may be more challenging. The consumer groups at risk may be in circumstances such as:

- Being digitally excluded (in respect of participating in the energy system)
- Financial vulnerability
- Living in areas of deprivation
- Having a lack of time or opportunity to participate
- Lack of willingness to take risks on new technology
- Lack of understanding of new technology
- Lack of knowledge of new technology.

Figure 12: Some of the groups that are most at-risk of being left behind



Fast fact: In a survey of 183 local stakeholders during January 2025, 80% of responders said it was either fairly or very important for ENWL to share the benefits of the energy transition to ensure that communities at risk of being left behind are included.

Social DSO activities

5. Key Social DSO themes and activities

A greater focus on societal benefits

The benefits of DSO activities can be either direct or indirect.

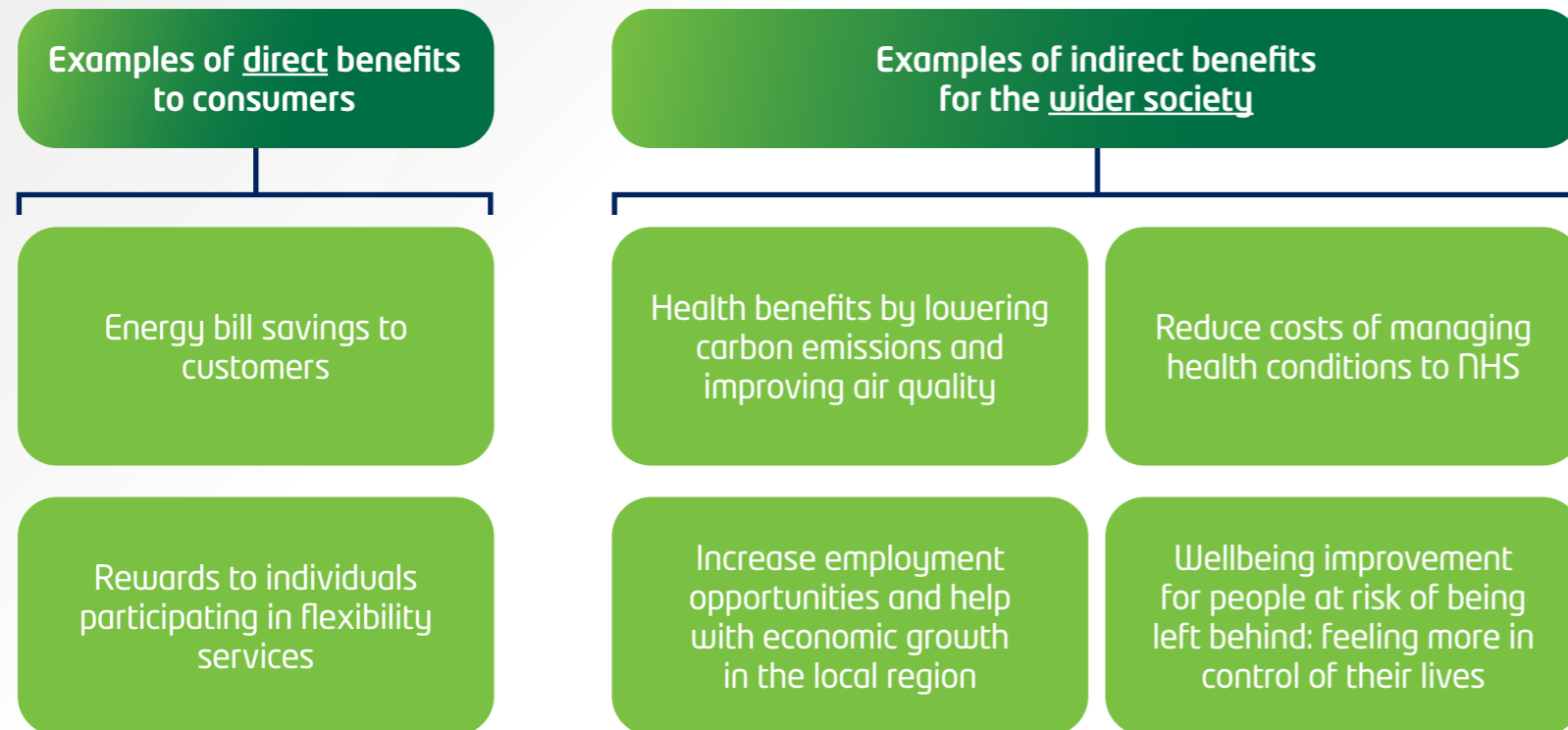
Direct benefits arise from outcomes that can be directly attributed to a specific activity or investment, with a clear cause-and-effect relationship.

Indirect benefits include:

- Secondary effects that result from an outcome not directly linked to the activity or investment but occurring as a consequence
- Broader societal benefits, where positive impacts extend beyond the immediate effects of a specific action or investment.

Traditional economic appraisals tend to focus on direct financial benefits, whereas a Social DSO model seeks to maximise value for individuals by optimising benefits across wider society.

Figure 13: Examples highlighting the difference between direct and indirect DSO benefits:



Our customer panel strongly concluded that, as a natural regional monopoly, Electricity North West has a “duty of care” to maximise the societal benefits of its investments—beyond those realised by shareholders, colleagues and individual customers. They compared this to “squeezing the pound” to extract the greatest possible value. When considering indirect benefits such as reducing carbon emissions, driving economic growth and improving well-being for disadvantaged groups, they felt these impacts matter to people now more than ever.

Fast fact: In a survey of 183 local stakeholders during January 2025, 78% of responders said it was either fairly or very important for ENWL to actively contribute to societal wellbeing and environmental protection in the communities it serves.

‘DSO for Good’ - initiatives that are supported by customers and stakeholders

During the development of our strategy, customers and stakeholders found it useful to discuss examples of DSO activities that could be delivered distinctively through a Social DSO business model. Some of these involve rolling out proven technologies, services or engagement methods in a targeted way to reach audiences at risk of being left behind during the energy transition, while others are entirely new.



‘Smart Street’ rural



Scale-up our Smart Street initiative to enable customers to save on their overall bill through reduced energy usage.

We created a technology called ‘**Smart Street**’ that controls the voltage on our network so that it can work more efficiently. This can reduce customers’ electricity usage by up to 8%, which is equivalent to a reduction of up to £60.00 off an annual household electricity bill.

We are delivering Smart Street to 170,000 customers by 2028, and through applying our Social DSO model, targeting deployment in areas that are most likely to benefit from it, such as those with greater numbers of households who can’t afford to keep their home warm.

A traditional economic model shows that Smart Street is more cost-effective and easier to implement on the underground cable network in urban areas. However, as a Social DSO, we aim to roll out Smart Street more widely across the region, ensuring that everyone benefits, starting with low-income and rural areas that are most disadvantaged.

BENEFIT: Energy bill savings for customers without them needing to take any action and a more Just Energy Transition.

Take Charge



Rollout of expert ‘Go Low’ advice that you can trust.

Transitioning to net zero will bring significant changes to how we all use energy. We can support electricity users’ understanding of these new technologies through our free expert advice service.

Available via our [website](#), phonenumber and low-carbon events across the region, we cover topics such as smart meters, flexibility services, solar power and EVs. We explore these technologies, discuss available options, highlight benefits, costs and grants, and debunk common myths. Our personalised advice service is independent and free—ENWL does not sell any technologies.

Currently, we are supporting up to 7,000 customers by 2028, focusing on households that face barriers and are most at risk of being left behind in the energy transition. As a Social DSO, we will take a wider perspective and expand this support to other groups, such as small businesses and farmers.

BENEFIT: Customers will have easy access to advice that inspire changes which enable cost savings to them and reduce societal carbon emissions.

Inclusive flexibility services



Breaking barriers: Expanding participation beyond the usual suspects through a dedicated outreach team.

When electricity demand in an area exceeds available supply, we can purchase ‘Flexible Services’ to balance supply and demand.

These services can be provided by companies or individual customers who own or operate generators, storage, or low-carbon technologies connected to the network. They can either generate more or consume less when requested, receiving financial payments in return.

The current model encourages participation from all organisations, whether local or international. However, many public-sector organisations, such as the NHS and charities, meet the requirements but often lack the time, knowledge or capacity to participate in flexibility.

As a Social DSO, our dedicated outreach team will proactively engage with these public-facing organisations, offering personalised support to help them take part if they choose.

This targeted approach transforms energy from a cost and distraction into an asset. Every pound saved by public bodies like the NHS and charities delivers greater societal value than savings for commercial businesses, helping to fund essential services.

BENEFIT: The financial and environmental benefits of flexibility services are maximised within the North West.

Launch of a new Social Impact Fund



Introduce a new fund to support investment in clean energy, sustainability and climate-related projects.

Our research shows that Flexibility Services are more likely in urban, wealthier areas where there are higher numbers of low-carbon technologies.

As a Social DSO, we will rebalance these benefits by encouraging individuals and organisations bidding for services to opt into receiving a slightly lower compensation (e.g. a standard 10% reduction in payment), to contribute to the Green Bank.

To further support equitable access, we will self-fund an independent body to manage the Social DSO Social Impact Fund, providing grants to local community groups across the region for initiatives such as community EV charging hubs, battery storage and solar projects.

Some flexibility services providers, such as a Local Authorities, may choose to reinvest 100% of the revenue earned from flexibility services into a disadvantaged community they serve, rather than sharing benefits with third parties. Our expert technical advice will support them in achieving this, providing practical examples of successful social impact projects.

BENEFIT: Investment and opportunities are distributed more fairly across the region.

Supporting EV charging



Intervening where the market falls short to enable EV charging to happen.

During peak times, visitors increase Cumbria's population by up to 50%, and many will soon travel by EV. By 2030, up to 9,600 public charge points will be needed—far beyond the 700 currently available.

EV charging expansion is largely market-driven, risking exclusion for communities where connections are more costly. As a Social DSO, we worked with the Local Authority and

Cumbria Tourism to address this gap. In 2022, we found 122 remote sites unsuitable for independent council development and proposed mini-substation kiosks to enable future third-party-owned EV charging points.

By developing 50 sites by 2024, we have improved EV charging access in rural areas, including libraries, community centres, crematoriums and tourist attractions. As a Social DSO we will continue collaborating with stakeholders to expand smart charging infrastructure in underserved locations across the North West.

BENEFIT: Local tourism and economy boosted through affordable infrastructure. Carbon emissions reduced through adoption of EVs.

Keeping renewable energy flowing



Maximising clean energy use when it's available.

Electricity grid operators pay generators to reduce output during periods of high supply and low demand to stabilise the system—effectively costing consumers money for unused electricity. This practice is often criticised in the context of renewable energy, particularly wind power, where weather-driven fluctuations can lead to significant restrictions.

While keeping renewable energy flowing is not our core role, operating as a Social DSO requires a new approach. As a Social DSO, we aim to:

- Partner with stakeholders to use grid-scale batteries to store and distribute excess power
- Encourage consumers to shift electricity usage to peak generation periods, helping to balance the grid without restricting renewable output
- Deliver an innovation project working with an energy supplier to provide a tariff for smart meter users to use surplus green electricity for free.

BENEFIT: Energy bill cost savings and reduced carbon emissions.

Feedback summary

All the Social DSO activities received support, with the Social Impact Fund emerging as the standout idea among both customers and stakeholders. It has been cited as a priority for immediate development and piloting. Similarly, there was a strong call to focus on inclusive flexibility services, an area where we can make swift progress.

Stakeholders were generally more supportive of the EV charging initiative than customers, who favoured initiatives like Go Low – Take Charge, which helps those without EVs who want one. However, there was broad agreement that both approaches have a role to play.

Keeping renewable energy flowing is another key priority, requiring further development and partnerships. Stakeholders emphasised that we must demonstrate how the benefits of the energy transition are being shared widely, rather than concentrated among a select few.

Evaluation and reporting

6. Evaluation and reporting

As a business that embraces wider social and environmental objectives and adopts a performance-based culture, we measure the impact of our investments to target our resources towards initiatives that deliver maximum value and scale for our customers.

Through engagement with the customer panel, we identified four key criteria needed to guide our effectiveness - delivering tangible outcomes for communities:

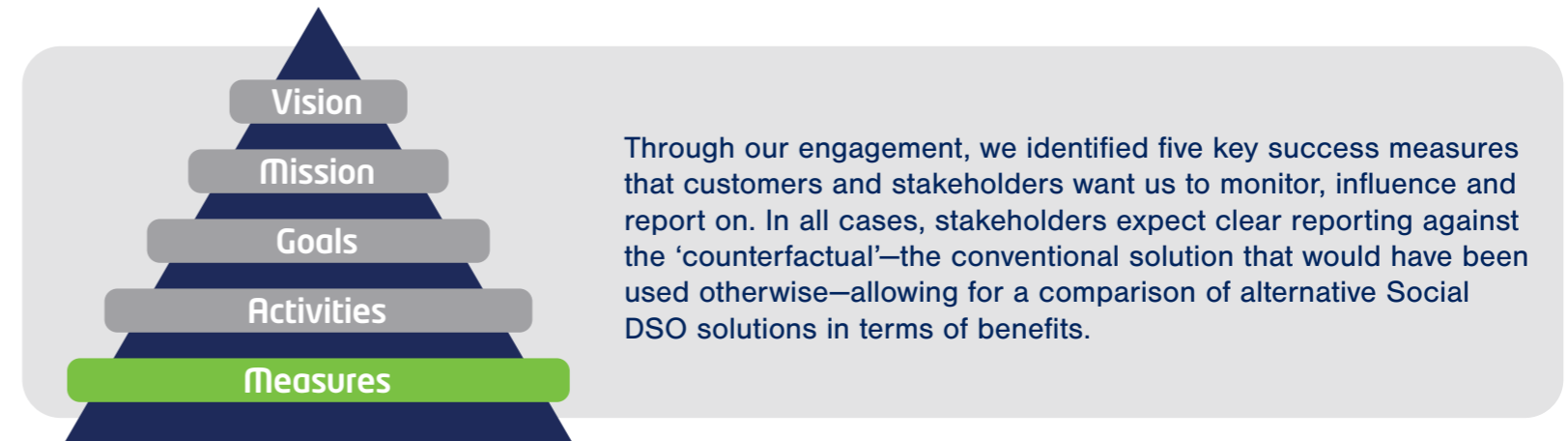
1. Activities that go over and above ‘business as usual’
2. Addressing industry-specific barriers to a just and fair energy transition
3. Action-oriented, meaningful initiatives that make a lasting difference
4. Projects that support people and places across the North West.

Transparency is also key to being a Social DSO. Stakeholders have asked us to remain honest and open about our performance, even when things don’t go to plan.

Fast fact: In a survey of 183 local stakeholders during January 2025, 70% of responders said it was either fairly or very important to see transparency from ENWL in reporting its social impact.

Measures for monitoring our progress and success in achieving our goals

In our engagement we asked stakeholders to help co-create the measures for monitoring our progress and success in achieving our goals with our customers. Stakeholders emphasise the need for both quantitative and qualitative success measures. Customers also urge us not to forget the “people behind the numbers”—highlighting that success is not just about financials. At the heart of this mission is inclusion, making it equally important to learn from what works (and what doesn’t) and to share these insights.



Social DSO success measures

Measure 1 Total annual value of financial benefits directly delivered to customers (e.g. energy bill savings).	Measure 2 Total annual value of benefits delivered to wider society (e.g. environmental).	Measure 3 The number of flexible connections enabled.	Measure 4 Volume and financial value (£) of projects enabled through Social Impact Fund.	Measure 5 Number of individuals engaged in DSO activities who are considered at risk of being left behind in the energy transition.
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Stakeholders emphasised the need for better tracking of benefits, noting that while business cases and industry forecasts are often clear, there is a need for greater transparency on actual outcomes, beneficiaries and timelines. Additionally, they advocated for using both quantitative and qualitative data, drawing on established social proxies to measure social value.

Stakeholders had mixed views on the value of benchmarking against other DSO activities across GB, given the lack of a consistent methodology.

Stakeholders asked for clarification on the meaning of flexible connections in Measure 3. In response, we explained that it includes:

- Domestic low-carbon technologies connected with load limiters to allow fast access ahead of wider network upgrades.
- Flexible connections activated through advanced network management, optimising capacity while minimising delays.

This measure tracks how flexibility supports customer outcomes and accelerates low-carbon technology adoption.

Continually enhancing measurement using the Social Value Framework

Our Social DSO business model is designed to maximise the value of our work, delivering benefits to society and the environment beyond every pound we invest.

To measure this, we take the broadest view of value, considering the full spectrum of impact our activities create. In collaboration with industry partners, we have developed a social value framework that integrates social return on investment (SROI) methodology with bespoke research. This framework helps organisations assess the value they contribute to society.

Beyond measuring actual impact, we also use social value measurement to guide decision-making, evaluating initiatives before implementation. When determining whether to stop, adjust, or scale up a pilot initiative, social value is a key factor. However, we do not rely on SROI alone—customer, stakeholder and colleague feedback, as well as other evaluation methods, play a crucial role.

Not all outcomes can be quantified as financial benefits. To address this, we integrate SROI with qualitative data and other impact measurement tools. Our forecasts include a confidence rating, indicating whether all expected benefits have been captured and how sensitive results are to assumptions. If an SROI estimate does not meet a green rating, we apply greater scrutiny to other metrics before making decisions.

In some cases, the benefits we can currently model and measure may not outweigh the costs, resulting in a negative SROI—yet still delivering a net benefit to society. This underscores the need for additional data or refinements to maximise impact. In such cases, SROI modelling helps us refine our approach for greater effectiveness.

We also recognise that the timeframe of impact varies. Some activities provide immediate, one-off benefits, meaning their social value is measured only for the year of delivery. Others generate ongoing benefits that take years to fully materialise. For these, we take a long-term view, measuring SROI over 5–10 years to capture the full extent of their impact.

Robust governance

7. Robust governance

Commitment at a senior level

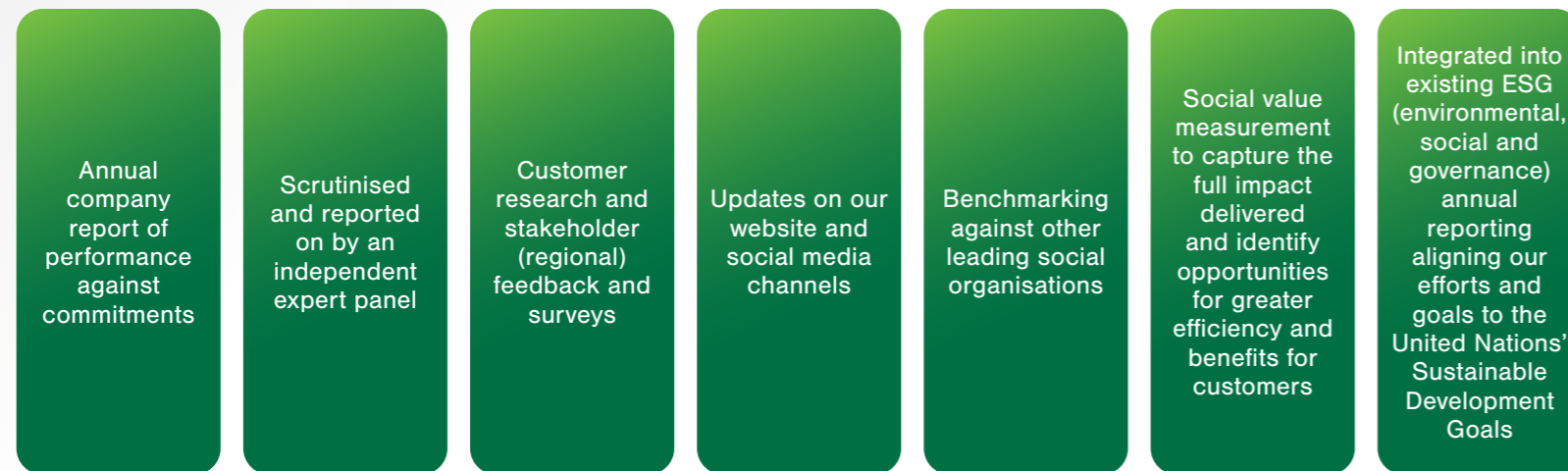
Commitment to our Social DSO strategy starts at the highest level of the company. Our CEO, Ian Smyth, actively engaged with stakeholders during our Social DSO co-creation programme, and his executive team is fully committed to ensuring the model’s success. Ben Grunfeld, Strategy and Growth Director, serves as the Executive Sponsor of Social DSO, with the responsible team providing regular updates to the wider Executive Leadership Team.

How we will be held accountable

To assure customers and stakeholders that we are delivering on our promises, maximising learning to enhance our effectiveness, and maintaining ongoing engagement for continuous improvement, we have established a multifaceted governance approach.

Through our co-creation engagement, customers and stakeholders expressed a preference for a variety of methods, as illustrated in Figure 14. These include annual performance reporting, independent reviews, best practice sharing, and benchmarking to exchange ideas and learn from other approaches. Additionally, our approach incorporates ongoing research, a robust and industry-comparable method for measuring social value, and alignment with well-known sustainability frameworks such as the United Nations Sustainable Development Goals.

Figure 14: Methods we will use to evidence performance and progress



Honest, meaningful and ongoing engagement

Our culture of engagement is the linchpin of our success. The characteristics of our culture are ownership; alignment to strong governance; a focus on doing the right thing for our customers, even when it is hard; acting on stakeholder feedback; and continuous improvement.

Fast fact: In a survey of 183 local stakeholders during January 2025, 59% of responders said it was either fairly or very **important to have a framework for customers to hold ENWL accountable** for social commitments made.

Our [DSO stakeholder panel](#) provides valuable insights, independent oversight and strategic guidance on our Social DSO initiatives. The panel meets four times a year, and regional stakeholders noted during our co-creation engagement that its enduring role and baseline in-depth knowledge of DSO are essential for providing meaningful input and distinguishing between routine DSO activities and the benefits delivered incrementally through Social DSO.

Customer research—both deliberative and ad-hoc—along with stakeholder events and surveys, will remain key tools for updating stakeholders on our Social DSO progress and gathering feedback for ongoing improvement. In addition to targeted roundtable discussions, Social DSO will be a standing agenda item at our annual conference.

Clear, open and transparent annual reports

In our co-creation engagement we heard a call for annual performance reporting, including monitoring commitments made in future Social DSO implementation plans, tracking any changes to our strategy in response to regulation, stakeholder feedback or the socio-economic environment, and measuring benefits both in-year and cumulatively since the launch of Social DSO. Each year, we publish an Annual Performance Report as part of Ofgem’s Distribution System Operation Incentive, outlining our progress in meeting the DSO commitments set out in our 2023–2028 business plan. While future reports will include updates on our Social DSO progress and the benefits delivered, they represent just one part of the overall submission.

Updates available to all interested parties

Our customer panel urged us to communicate our achievements beyond ‘the usual suspects’. They saw themselves as a ‘forgotten group’, noting that public utilities often focus their communications on informed experts while failing to update the consumers who are actually paying for the services. Similarly, our regional stakeholders echoed this concern, suggesting that initiatives like Smart Street should be actively communicated to customers.

We also heard a call from customers for more accessible reporting on Social DSO, which may require supplementary formats alongside the formal annual report. These could include easy-to-read executive summaries, infographics, case studies and animated videos to present key insights in a clear and engaging way, using plain English and removing jargon. Not everyone wants to see quantitative data; there is also a role for qualitative data, particularly to maintain a focus on the people behind the numbers.

Materials must be available across multiple channels—including social media, our website, and printed formats—to ensure accessibility for as many people as possible. We will also consider digital inclusion by ensuring content is easy to understand, compatible with assistive technologies, and accessible to those with limited digital skills or internet access.

Social value measurement and benchmarking, where applicable

Since 2019, we have been working with energy distribution and transmission network operators across Great Britain to develop and continuously update social value frameworks, all built upon the foundation of the HMT Green Book. The HMT Green Book is the UK government’s guide for appraising and evaluating public policies, projects and programmes. It provides a framework for assessing the value of initiatives, focusing on ensuring that public investments generate societal benefits and contribute to the well-being of the population.

Ofgem references the calculation of DSO benefits in accordance with the HMT Green Book in its [DSO Incentive Governance Document](#). The Green Book’s social value measurement approach assesses the impact of activities on overall societal benefits. Therefore, our plan to align and report on societal benefits is consistent with this guidance.

These benefits are quantified using third-party analysis or data, or by using assumptions. Where no direct measurement of benefits or appropriate assumptions can be made, an appropriate proxy may be adopted to represent and estimate the value. There is still more research and work to be done, both independently and in collaboration with other networks, to ensure that the most up-to-date data is being used for calculating societal benefits. This will be accompanied by common assumptions and calculations, enabling more effective comparisons between regional approaches.

During our co-creation phase, local stakeholders expressed differing views on the value of benchmarking social value delivered through Social DSO in the North West compared to other regions. While some believed there was always something to learn from comparisons, others questioned its validity, noting that DSO activities and opportunities can vary significantly between regions. Some stakeholders argued that the focus should be on maximising the opportunities within each region—one region may deliver lower overall social value but could have made greater strides in maximising the societal benefits achievable from a smaller base.

We are committed to keeping our data and proxies up to date, testing our assumptions externally, and maintaining a robust benefits tracking framework to monitor the benefits delivered. In 2024, we initiated and have been co-leading an industry collaboration forum focused on standardising measurement approaches. This will help enhance stakeholder confidence in the accuracy, comparability and contextual understanding of reported benefits.

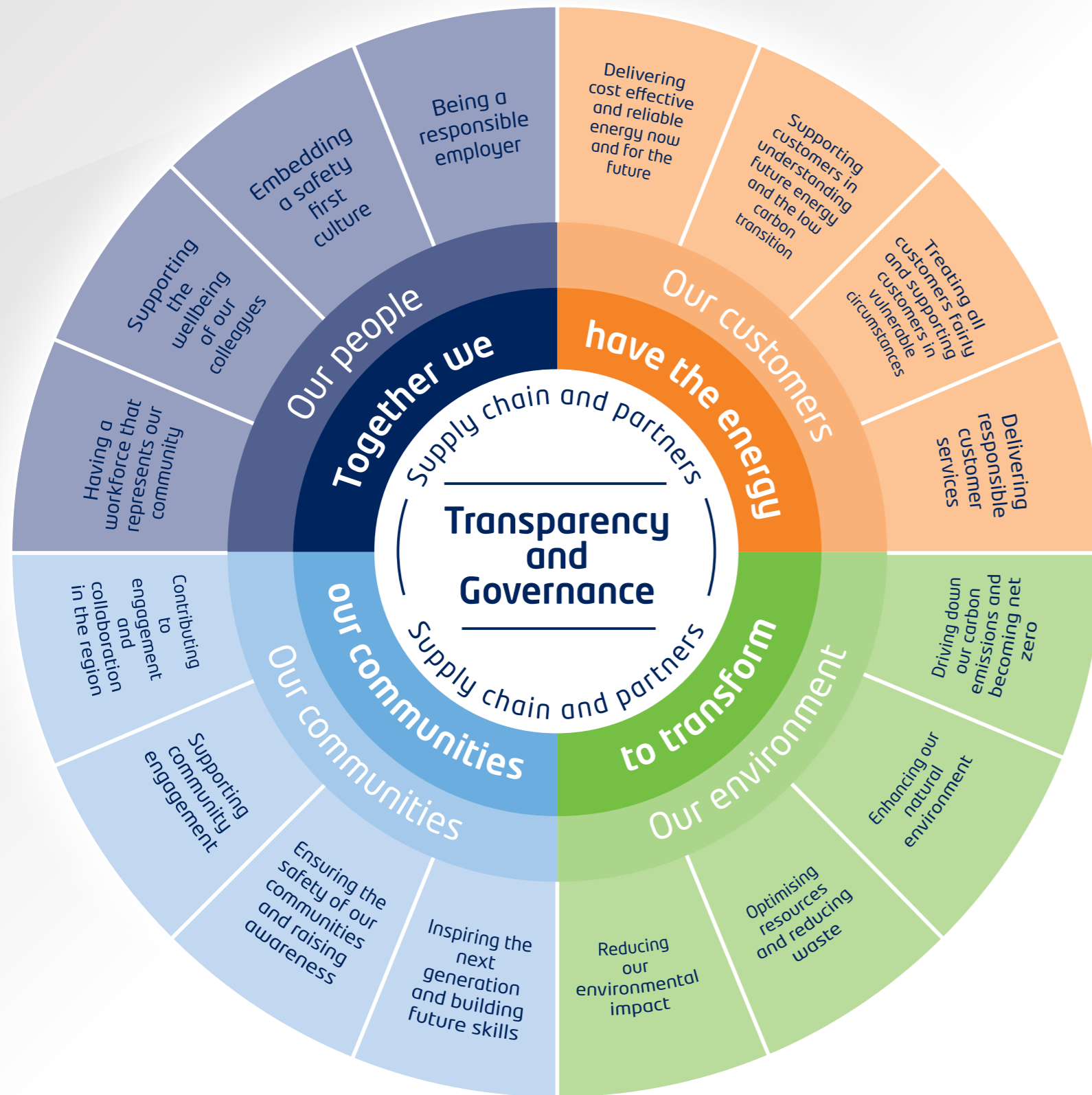
Our Responsible Business Framework

Electricity North West already has a framework to ensure that we consider a responsible approach towards everything we do – it is called the Responsible Business Framework.

Responsible business isn’t just part of our regulated operations – it forms the foundation of our licence to operate, aiming to minimise negative impacts and maximise positive outcomes. It’s not just an initiative, it’s who we are, it’s how we operate and everyone across our business contributes and benefits.

Our framework has a key focus on ESG (environmental, social and governance) reporting and aligns our efforts and goals to the [United Nations sustainable development goals](#) (UNSDG).

Figure 15: Responsible Business Framework



During 2023/24, in collaboration with Business in the Community (BITC), we conducted a comprehensive review of our existing framework and internal strategies related to responsible business activities. Additionally, we performed a competitor analysis and reviewed external benchmarks. Following the BITC review, we undertook a significant piece of work to align our approach with the new business plan commitments, the strategic review recommendations and the UNSDG. We mapped our activity as an organisation against all 17 UNSDGs and their individual targets.

We will report on our progress as a Social DSO under the customer component of the framework. This involves providing affordable, reliable energy now and for the future, while helping customers understand and support the transition to LCTs. It's about treating our customers fairly, ensuring accessibility and inclusivity, and delivering a responsible service. Our existing responsible business commitments align closely with our Social DSO goals:

Our commitments

- Deliver cost effective and reliable energy now and for the future
- Support customers in understanding future energy and the low carbon transition
- Treat all customers fairly and supporting customer inclusion
- Deliver responsible customer services.

In 2023/24, Electricity North West scored 83% in the BITC Responsible Business Tracker, compared to a cohort average of 43%. The tracker is a UK-wide, cross-sector benchmarking tool based on the UNSDG. It assesses our performance and helps identify areas for improvement. The responsible business steering group, along with our senior leaders, reviews the findings and develops improvement plans for the coming year. We hope that this report will be both informative and enjoyable for interested customers and stakeholders, offering valuable insights into the work we do beyond our license obligations.

Implementation

8. Implementation and next steps

High-level roadmap with phases

2024/25 - Phase 1: Co creation (completed)

- Co-create strategy with customers and stakeholders.
- Establish baseline data for social value success metrics.
- Build internal capabilities to support social value tracking and reporting.
- Prioritisation of 2025-2028 Social DSO activities, informed by our engagement.

2025/26 - Phase 2: Initiation and full mobilisation

Key activities:

- Enhance existing partnerships and create new ones to deliver Social DSO activities.
- Roll out initial Social DSO initiatives, ensuring alignment with stakeholder feedback.
- Ongoing stakeholder engagement to understand community and customer priorities.
- Share best practices with the wider industry to disseminate key learnings.
- Annual Review Point: First performance review to assess progress on our strategic objectives and social value success measures.

2026/27 - Phase 3: Stepping up momentum

Key Activities:

- Continue engaging with stakeholders to refine pipeline of activities and priorities.
- Roll out further Social DSO initiatives, ensuring alignment with stakeholder feedback.
- Refine measurement of social impact, enabling benchmarking wherever appropriate.
- Annual Review Point: Assess the effectiveness of early initiatives, identify areas for improvement and decide whether to scale or stop certain activities based on impact.
- Prepare for the transition to the next business plan period (RIIO-ED3).
- Through leadership, support other DSOs to embrace Social DSO. This could be through sharing best practices, initiatives and lessons learned, as well as collaborating on projects that drive positive social impact and inclusivity within the energy network.

2027/28 - Phase 4: Scaling and optimisation

Key Activities:

- Continue engaging with stakeholders to refine pipeline of activities and priorities.
- Scale successful initiatives, with a focus on delivering measurable social value.
- Optimise processes and refine the approach based on learnings from prior phases.
- Continually expand engagement to include broader groups and communities.
- Continue preparing for the transition to the next business plan period (RIIO-ED3).
- Annual Review Point: Evaluate the overall strategy's effectiveness, decide on activities to scale, stop, or adjust, and begin preparing for the strategic review in 2028.

2028 - Phase 5: Strategic review for RIIO-ED3

Key Activities:

- Conduct a comprehensive strategic review to assess the social value outcomes from 2025-2028.
- Prepare for the next business plan period (RIIO-ED3), incorporating learnings and results from the review and evolving regulatory guidance.
- Engage with stakeholders to align on goals for the upcoming period and refine strategy as needed.
- Annual Review Point: Final review to inform the next business plan period, identifying areas of focus for the next phase of the strategy.

National and local collaboration

Collaboration at both the national and local levels is essential to the success of our Social DSO strategy. The need for collaboration also reflects the magnitude of the shared challenges we face as an industry, which, in turn, increases the potential benefits of working together.

At the national level, we will work with industry bodies, regulators and other stakeholders to ensure alignment with broader regulatory frameworks and to share insights that drive systemic change. By collaborating nationally, we can amplify our collective impact and foster the adoption of best practices across the sector.

At the local level, engaging with communities, local authorities and regional partners is crucial for tailoring our activities to meet the specific needs of the areas we serve. Local collaboration ensures that our initiatives are relevant, effective and responsive to the diverse needs of the communities we support. It also enables us to build stronger, more sustainable relationships that contribute to long-term social value.

However, collaboration is not always straightforward. It requires concerted effort, particularly between organisations of varying sizes, strategies and ways of working. We are committed to remaining open and transparent throughout this process and to championing collaboration, ensuring that we work together to overcome challenges and maximise the shared benefits of our collective efforts.

Through a combination of national coordination and local engagement, we will ensure that our approach is both comprehensive and deeply connected to the communities we serve, driving meaningful, scalable social impact across all levels.

Ongoing feedback and continuous improvement

Stakeholders have valued early insights into Social DSO concepts and activities, preferring to help shape the strategy before it is finalised. There is strong support for ongoing engagement, not only to refine and improve the approach but also to build a pipeline of future projects. This includes reviewing new ideas, using engagement to identify those with the greatest potential, and connecting with stakeholders who can help shape and pilot them.

Stakeholder engagement is crucial to driving change and achieving results, and being a Social DSO will be no different. We are committed to an ongoing programme of engagement through various forums, events, research and communications, ensuring that stakeholders are kept informed of progress and have the opportunity to actively shape the future of Social DSO.

Glossary

9. Glossary

Distribution Network Operator (DNO)

A company licensed to distribute electricity in a specific region. Electricity North West is one of the fourteen licensed DNOs in Great Britain.

Distribution System Operation (DSO)

The systems and processes needed to operate energy networks in the net zero carbon future.

Distribution future electricity scenarios (DFES)

Forecasting plans for a range of scenarios for how low carbon technologies will be taken up and how the network could respond. The scenarios inform our investment plans and provide visibility of flexibility opportunities.

Electric vehicle (EV)

A vehicle powered by an electric motor instead of a traditional internal combustion engine.

Flexibility services

Services provided by companies or individual customers who own or operate generators, storage, or low-carbon technologies connected to the network. These services help balance supply and demand by generating more or consuming less electricity when requested.

Just energy transition

Ensuring fairness, equity, and inclusivity as societies shift from fossil fuels to renewable and sustainable energy sources. It aims to ensure that the energy transition benefits everyone, leaving no one behind.

Low carbon technologies (LCT)

Technologies that produce energy with lower carbon emissions compared to traditional fossil fuel sources. Examples include electric vehicles, heat pumps and solar panels.

Net zero

The balance between the amount of greenhouse gas emissions produced and the amount removed from the atmosphere. Achieving net zero means that any emissions are balanced by absorbing an equivalent amount from the atmosphere.

Ofgem (Office of Gas and Electricity Markets)

The government regulator for gas and electricity markets in Great Britain.

RIIO-ED2

The regulatory framework for electricity distribution network operators in Great Britain for the period 2023-2028.

Social business model

A strategy that creates economic value while also delivering societal benefits. It addresses social inequalities and ensures that the energy transition is inclusive and fair.

Social value framework

A framework that integrates social return on investment (SROI) methodology with bespoke research to assess the value contributed to society by an organisation's activities.

Social return on investment (SROI)

A methodology used to measure and evaluate the social, environmental and economic value created by an organisation's activities.

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