ED3 DATA & DIGITALISATION ANNEX

ED3-S13

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1. EXECUTIVE SUMMARY

1.1 WHY DATA AND DIGITALISATION MATTERS

The ED3 Data & Digitalisation Annex (ED3-S13) sets out the investments required to deliver the data, digital and AI capabilities that complement and enable the wider ED3 investment portfolio. As a supporting annex to the ED3 IT & Telecoms Strategy (ED3-S11), these investments provide the trusted data, interoperability, visibility and decision-support capabilities that support:

- Faster electrification and local growth
- A reliable and secure network for the future
- Easier access and a better customer experience

ED2 established significant digital capabilities across customer services, planning, flexibility, network visibility, data management and open data. The challenge entering ED3 is not creating digital capability from scratch. It is connecting, governing and scaling those capabilities so they can be used consistently across planning, customer service, flexibility, network operations and asset management.

Our Data and Digitilisation (D&D) portfolio is organised around three strategic objectives:

- Trusted data for whole-system coordination, supported through the Data Ecosystem pillar.
- Intelligent decisions, faster, supported through AI-Driven Decision Making & Automation.
- Frictionless customer journeys, supported through Digital Experiences & Digital Spine.

These objectives are delivered through five strategic investment themes:

- Enable Build & Flex
- Connect & Serve
- Manage Assets & Work
- Operate an Intelligent Network
- Manage & Exploit Data, AI & Automation

Together, these themes support earlier access to network capacity, more effective use of flexibility, improved customer journeys, stronger asset-information management and more informed operational and investment decisions.

Ultimately, the D&D portfolio enables the smarter decisions, trusted information and coordinated action needed to support faster electrification and local growth, a reliable and secure network for the future, and easier access and a better customer experience.

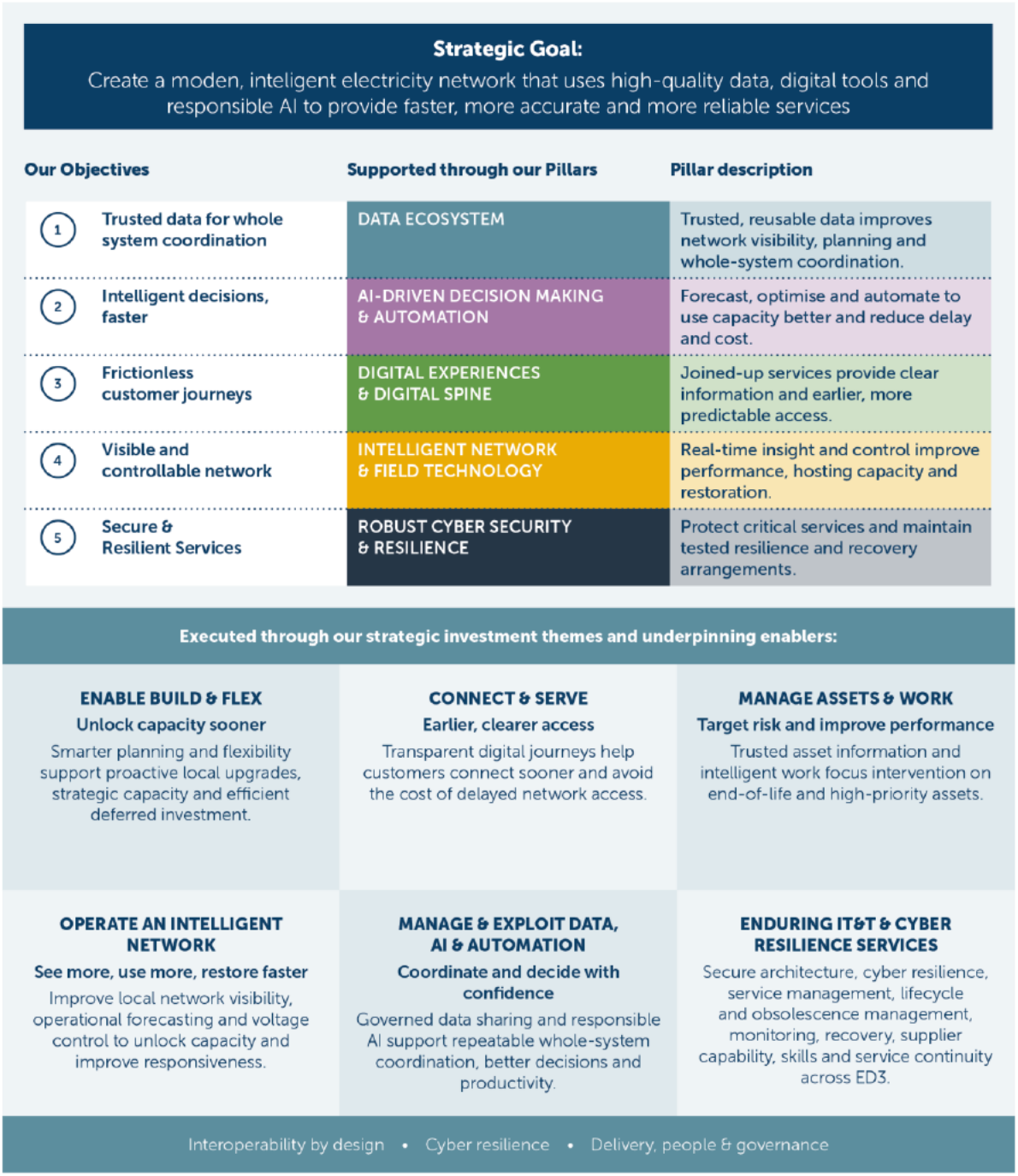
The portfolio directly supports Ofgem's Data & Digitalisation objectives and the principles of the Energy Digitalisation Framework. It does this through trusted data, information sharing, interoperability and whole-system coordination. The most material risks relate to data quality, interoperability, evolving industry arrangements and specialist digital capability. Our approach therefore focuses on reusable, governed and modular capabilities that can be used across multiple business functions. This means reducing duplication, supporting consistency and enabling future requirements to be addressed through the reuse of existing capabilities wherever practical, helping support long-term affordability for consumers.

1.2 OUR ED3 STRATEGIC GOAL

Our strategic goal is bold: create a modern, intelligent electricity network that uses high-quality data, digital tools and responsible AI to provide faster, more accurate and more reliable services. This “north star” will guide all our strategic initiatives. It is not about technology for technology’s sake, but about harnessing technology to build a more resilient, more flexible, and more customer-centric energy system.

We have identified five strategic pillars based on consumer research and business objectives. These pillars guide our investments and long-term planning, keeping consumer value central to every decision. ***Figure 1.1*** below shows our approach.

Figure 1.1: Our ED3 IT & Telecoms Strategy (ED3-S11) Summary



1.3 OUR TOTEX ASK AND CONSUMER BENEFITS

Table 1.1: Our D&D Totex Investment Summary for ED3

£M	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	TOTAL
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

1.3.1 VALUE AND BENEFITS ENABLED

Our proposed investments in D&D support our overall benefits stated in our ED3 IT & Telecoms Strategy (ED3-S11). They enable faster customer connections, improve network reliability and restoration, strengthen support for vulnerable customers and provide the operational visibility required to manage a growing and increasingly complex electricity system. Together, they create a smarter network that delivers better outcomes for consumers while maintaining long-term affordability.

For customers seeking to electrify homes, businesses and communities, our investments will accelerate access to network capacity and simplify the connections journey. Investments in digital customer services, network planning, flexibility and operational technology are expected to provide approximately 5GW of earlier connection capacity by 2033, up from 2.3GW in ED2, and increase the proportion of applications processed through automated workflows to 90%. The value is realised through the Connections, Planning and Distribution System Operator (DSO) functions. This is where improved planning, flexibility and customer-service capabilities support earlier capacity release, more informed connection decisions and a more transparent customer journey.

For network reliability and resilience, the investments improve visibility, control and asset intelligence across the network. Enhanced operational technology, modern telecommunications and risk-based asset management capabilities will support faster fault identification, more informed operational decisions and improved restoration performance, while reducing operational and cyber risk associated with ageing technology. Predictive maintenance and improved asset visibility are expected to remove 20% of network risk in SEPD and 12% in SHEPD, while modern control room capabilities and network simulation tools will improve restoration times and network management performance leading to reduction in Customer Interruptions (CI) and Customer Minutes Lost (CML). The value is realised through Asset Management, Network Operations and Network Planning activities, where improved asset information, condition insight and operational visibility support better maintenance, investment and restoration decisions.

Our investments also deliver significant benefits for vulnerable customers and communities. By combining vulnerability, outage and operational data, we will provide targeted support to 90% of vulnerable customers, reduce home-visit prioritisation times from 12 hours to three hours and reduce welfare hub mobilisation times from up to eight hours to one hour during major incidents. These improvements will enable faster, more targeted assistance when customers need it most and support a reduction in storm-related customer complaints. The value is realised through Customer Service, Distribution Operations and Storm Response teams, enabling earlier identification of vulnerable customers, more effective welfare planning and better coordination with resilience partners during severe weather events.

Collectively, these investments improve customer outcomes, strengthen network resilience and provide the foundations for a more flexible, efficient and future-ready electricity network capable of supporting electrification, economic growth and the transition to net zero.

2. PORTFOLIO BASELINE AND CURRENT STATE

We enter ED3 with a significantly stronger digital baseline than at the start of ED2. Through our (ED3-O03) Digitalisation Strategy and Action Plan (DSAP), Digitalisation Business Plan commitments and wider ED2 programme, we have improved data governance, expanded open data, increased network visibility, strengthened digital services and developed new planning, forecasting and flexibility capabilities.

The June 2026 Digital Action Plan describes digitalisation as a "central enabler" of our future ambitions and highlights progress in network operations, customer participation, data quality, accessibility and transparency. It reports continued growth in digital products and services, including planning and connections data, real-time and operational data, flexibility services, resilience tools and customer-facing platforms. It also confirms ongoing investment in network visibility, flexibility, data quality, interoperability and open data services.

These foundations provide a strong platform for ED3. Existing monitoring, telemetry, network models, smart-meter data and analytics provide established capability for asset and operational visibility, while the wider capabilities and architectural foundations established through ED2 are summarised in ***Appendix 2***: ED3 Technology impact against Strategic Impact Themes. However, capability remains uneven. Static network-asset information is held across multiple authoritative and supporting systems, and we do not yet have a single estate-wide measure of monitored assets, Distributed Energy Resources (DER) or Consumer Energy Resources (CER). Gaps also remain in consistent identifiers, master and reference data, lineage, standards adoption and cross-system interoperability, while some business processes continue to depend on manual data sharing, reconciliation and specialist knowledge. The ED3 portfolio therefore builds on the progress made during ED2 while addressing the remaining barriers to becoming a more connected, data-driven and digitally enabled network operator.

2.1 CURRENT BASELINE ASSESSMENT AND WHAT THIS MEANS FOR ED3

Table 2.1: D&D Baseline Assessment

DSAP DIGITAL STRATEGY STRATEGIC GOAL	ED2 PROGRESS AND CURRENT POSITION	JUNE 2026 DSAP UPDATE: MEASURES OF SUCCESS	CRITICAL ASSESSMENT AND REMAINING CHALLENGE ENTERING ED3
Improve customer performance and efficiency ***Maintain or improve the industry-leading 9.3 digital satisfaction score.*** ***Continue to meet obligations and align with best practice.*** ***Use data in line with the expectations and intent of Data Best Practice Guidance.*** ***Publish and regularly review the (ED3-O03) Digitalisation Strategy and Action Plan.***	ED2 has established well-used customer-facing digital services, a substantial Open Data service and increasingly automated access to published information. Customer channels such as Power Track, the website and social media demonstrate strong levels of use and satisfaction. Open-data publication, Application Programming Interfaces (API), external assurance and supporting methodologies also demonstrate progress in making information accessible and usable. However, progress is stronger in individual channels and published data services than it is across complete customer journeys.	**308 datasets** published openly, supported by **556+ methodologies, maps, dictionaries and insight reports**. **65 datasets** fully accessible through APIs. **50% of datasets** independently Icebreaker One Level 1 assured. Power Track used **more than 10 million times**, with **over 120,000 reports**, in the previous 12 months. **3.2 million website views** and **over 285,000 incoming social-media messages**. Social-media digital satisfaction of **9.2/10**. Power Track digital satisfaction of **4.6/5**.	The priority is to build on digital services that customers already use and value. Social-media satisfaction of 9.2/10 and Power Track satisfaction of 4.6/5 demonstrate the strength of individual channels, but not yet a consistently connected customer journey. This matters because customers expect services to be responsive, transparent and accessible through digital and non-digital routes. Connections information, progress tracking and vulnerability support still draw on separate systems and manual processes. ED3 must connect the information and processes behind these services, making connections easier to navigate and enabling more timely, targeted support during outages. It must also embed Data Best Practice more consistently through clearer ownership, definitions, lineage, quality controls and evidence that data is fit for use.
Grow the network and underpin net zero transition ***Enable stakeholders to access key network data and platforms.***	ED2 has materially increased access to smart-meter, network, planning and local-energy information. Data-quality tooling is operating at significant scale, providing better visibility of data issues and anomalies. Network modelling, the Unified Network Model, Local Energy Net Zero Accelerator	**3.23 billion smart-meter data points** published through a daily-updated, street-level, half-hourly open API. A **20-day service level** introduced for updates requested by stakeholders through the Data Portal.	The priority is to turn the scale of data established in ED2 into quicker, more transparent and better-targeted network decisions. The publication of 3.23 billion smart-meter data points and quality profiling across 66 billion data points provides a substantial foundation but does not itself mean that planning and asset information is complete or connected.

DSAP DIGITAL STRATEGY STRATEGIC GOAL	ED2 PROGRESS AND CURRENT POSITION	JUNE 2026 DSAP UPDATE: MEASURES OF SUCCESS	CRITICAL ASSESSMENT AND REMAINING CHALLENGE ENTERING ED3
Provide open data to support understanding of coordinated investment strategies. Enable smart digital access to local net-zero delivery plans.	(LENZA), Strategic Development Plans and Local Area Energy Planning provide foundations for more proactive and localised planning. However, the supporting information remains distributed across planning, connections, asset, transmission, customer and operational sources.	The Data Quality Engine applies **600+ rules** using a governed methodology aligned to SSE data-quality dimensions. Data-quality profiling covers **1,617 tables and 66 billion data points**.	This matters because customers prioritise reliability and value for money, while connections customers and local authorities need earlier clarity about capacity, constraints and investment. ED3 must connect planning, asset, customer, transmission and operational information so teams can assess uncertainty, compare build and flexibility options consistently, target investment and release capacity without unnecessary delay.
Lead in delivering the future system ***Enable digitalisation across the business for customers and stakeholders.*** ***Provide an integrated and collaborative digital platform.*** ***Implement data sharing to support better whole-electricity-system coordination.***	ED2 has improved forecasting, data automation, flexibility services and whole-system data exchange. Planning data and network models increasingly inform operational constraint management and flexibility dispatch. Initial Data Sharing Infrastructure (DSI) and Inter-control Centre Communications Protocol (ICCP) activity demonstrates the ability to exchange operational information securely. Automated source-to-portal data flows and Data Lake validation provide strong foundations for broader reuse. However, these capabilities are not yet consistently integrated across planning, flexibility, asset management and network operations.	**Over 90% short-term forecasting accuracy**, enabled through machine-learning integration using NeRDA and third-party analytics. Automated data flows from source systems to the Data Portal, with data validated in the Data Lake and quality issues logged and tracked to resolution. Secure operational-data links established through **DSI pilots and ICCP interfaces**. Flexibility opportunity maps, tender outcomes and constraint data published to reduce barriers to entry.	The priority is to connect the forecasting, data-sharing and flexibility capabilities established during ED2 into day-to-day planning and network operation. Forecasting accuracy of more than 90%, automated data flows and initial DSI and ICCP links show strong progress, but these remain individual capabilities rather than a fully connected operating model. This matters because customers expect a reliable and affordable network, while market participants need transparent and consistent information as flexibility and distributed generation grow. Planning, outage, flexibility and operational processes still rely on separate systems and manual hand-offs. ED3 must establish reusable data-sharing routes, better-integrated operational information and governed decision support. This will enable quicker, more consistent decisions and better use of existing capacity, while live network control and material decisions remain with accountable people and operational systems.

The assessment above demonstrates both the progress achieved during ED2 and the opportunities that remain. Our ED3 Strategic Investment Themes are designed to build on these, addressing the remaining gaps while delivering the capabilities needed to support future network operations, customer services, flexibility and whole-system coordination.

3. STRATEGIC OUTCOMES AND TARGET STATE

Our strategic goal is bold: create a modern, intelligent electricity network that uses high-quality data, digital tools and responsible AI to provide faster, more accurate and more reliable services. The target technology architecture supporting this vision in ED3 is shown in ***Appendix 2***: ED3 Technology impact against Strategic Impact Themes.

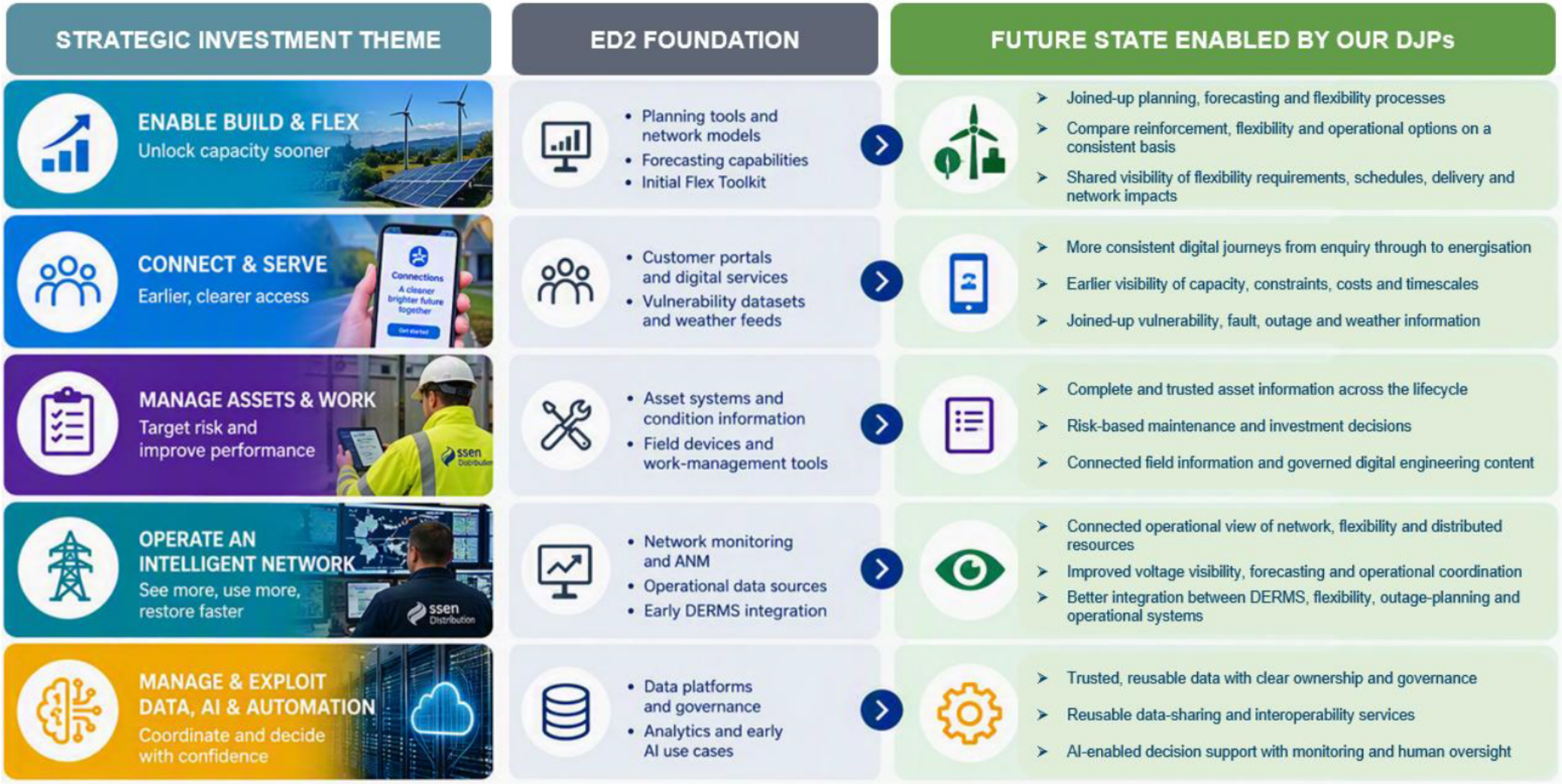
Table 3.1 sets out more information on the strategic objectives and pillars for D&D. These three objectives were selected because they address the recurring themes identified through stakeholder engagement, customer feedback, ED2 lessons learned and the June 2026 Digital Action Plan. Stakeholders consistently identified the need for trusted and reusable data, faster and more informed decision-making, and simpler access to services. Together, the objectives provide a direct line of sight from stakeholder needs to the strategic pillars, strategic investment themes and individual Digital Justification Papers (DJP) that make up the ED3 portfolio. Please see ***Appendix 6***: Stakeholder engagement for further details on stakeholder engagement.

Table 3.1: IT & Telecoms Strategic Objectives and Pillars

STRATEGIC OBJECTIVE	STRATEGIC PILLAR	HIGH LEVEL DESCRIPTION
Trusted data for whole system coordination	DATA ECOSYSTEM	Trusted, reusable data improves network visibility, planning and whole-system coordination. This supports not only how we use data internally within the organisation for network visibility and system planning, but also how we interoperate with the wider energy ecosystem through industry initiatives such as DSI
Intelligent decisions, faster	AI-DRIVEN DECISION MAKING & AUTOMATION	Forecast, optimise and automate to use capacity better and reduce delay and cost. Bringing reliable and accurate data and intelligence into the hands of the decision makers so that, in turn, decisions can be made quickly and confidently – knowing that they are made using the best possible insight. Speeding up processes, reducing friction and building trust.
Frictionless customer journeys	DIGITAL EXPERIENCES & DIGITAL SPINE	Joined-up services provide clearer information and earlier, more predictable access. Making access to our services simpler and easier for all consumers, providing better support for vulnerable customers. Automating customer journeys including a wider range of connection application types. Also considering our customers of digital services being the internal users of our business, we will drive efficiency and effectiveness through digitalisation and automation.

Figure 3.1 sets out the capabilities that we will deliver in ED3 through our strategic investment themes.

Figure 3.1: Our Strategic Investment Themes linked to our Strategic Pillars



3.1.1 HOW OUR PLAN MEETS OFGEM'S FIVE ED3 DIGITALISATION OBJECTIVES AND ALIGN TO THE ENERGY DIGITALISATION FRAMEWORK

We are delivering on Ofgem's digitalisation objectives through an integrated portfolio rather than by standalone investment themes. Detailed evidence, investment responsibilities and delivery measures are provided in the relevant DJPs. We also cover Asset Visibility and Dynamic Asset Data in more detail in ***Appendix 5***: Asset visibility and dynamic data. The ED3 IT & Telecoms Strategy (ED3-S11) and ED3 Cyber Resilience Overview Document (ED3-S15) provide the infrastructure, telecommunications and security foundations needed to deliver these outcomes. ***Table 3.2*** maps out how our Strategic Investments Themes and how these meet the Sector Specific Methodology Decision (SSMD) requirements.

Table 3.2: Strategic Investment Themes mapped to SSMD requirements

STRATEGIC INVESTMENT THEME	STRATEGIC AND INTERNAL OUTCOMES CAPABILITY	DSI PARTICIPATION	INTEROPERABILITY AND COORDINATION	ETHICAL AND PROPORTIONATE USE OF AI	ASSET VISIBILITY AND DYNAMIC ASSET DATA
ENABLE BUILD & FLEX	●	◐	●	◐	●
CONNECT & SERVE	●	○	●	◐	◐
MANAGE ASSETS & WORK	●	○	●	◐	●
OPERATE AN INTELLIGENT NETWORK	●	◐	●	◐	●
MANAGE & EXPLOIT DATA, AI & AUTOMATION	●	●	●	●	●

Key: ● Primary contribution | ◐ Supporting contribution | ○ Limited or indirect contribution

Our approach is to start to adopt the Energy Digitalisation Framework principles for ED3 digitalisation activities, rather than introducing an alternative set of company-specific principles. These principles will be embedded through a combination of governance, operating processes and enabling technologies to ensure they influence investment decisions, solution design, data management and service delivery. This provides a consistent framework for establishing trusted and secure data, promoting interoperability, improving accessibility, supporting future adaptability, enabling innovation and ensuring deliverable outcomes across the portfolio. ***Table 3.3*** maps out how our Strategic Investments Themes start to adopt the Energy Digitalisation Framework principles.

Table 3.3: Strategic Investment Themes mapped to Energy Digitalisation Framework principles

STRATEGIC INVESTMENT THEME	TRUSTED AND SECURE	INTEROPERABLE	SIMPLE, ACCESSIBLE AND USER-FRIENDLY	RESPONSIVE AND FUTURE-PROOF	EFFICIENT AND COST-EFFECTIVE	INNOVATIVE AND COMPETITION-DRIVEN	DELIVERABLE
ENABLE BUILD & FLEX	◐	●	◐	●	●	●	●
CONNECT & SERVE	◐	●	●	◐	●	○	◐
MANAGE ASSETS & WORK	●	●	◐	●	●	○	●
OPERATE AN INTELLIGENT NETWORK	●	●	◐	●	◐	○	◐
MANAGE & EXPLOIT DATA, AI & AUTOMATION	●	●	◐	●	●	●	●

Key: ● Primary contribution | ◐ Supporting contribution | ○ Limited or indirect contribution

3.1.2 HOW THE ED3 PORTFOLIO TRANSLATES STRATEGIC THEMES INTO DELIVERED CAPABILITY

Table 3.4: DJPs mapped to our Strategic Investment Themes and what they deliver

STRATEGIC INVESTMENT THEME	FUTURE STATE ENABLED BY THE DJPS	WHAT OUR DJPS WILL DELIVER
ENABLE BUILD & FLEX **Unlock capacity sooner** *Plan ahead with greater confidence, make better use of the existing network and build new capacity where and when it is genuinely needed.*	By the end of ED3, planners will work from a joined-up view of network demand, available capacity, transmission constraints, customer connections and local growth plans. Instead of relying mainly on a single forecast or manually assembling information from different systems, planners will be able to compare a range of credible futures and see the likelihood, timing and location of emerging constraints.	**DIGI-03-01 Probabilistic Planning and Power Flow Tools** will provide a common planning-data layer, multi-scenario forecasting, probabilistic power-flow analysis and enhanced cost-benefit assessment. This will allow teams to compare reinforcement, flexibility and other operational options on a consistent basis, make uncertainty visible and target investment more precisely. It will also support connections and outage decisions by showing where capacity is likely to be available without defaulting to the most conservative assumption. For consumers, this means capacity and investment decisions based on the risk the network is actually expected to carry, rather than a single worst-case assumption that can hold back connections, narrow outage windows and trigger investment before it is needed.
		DIGI-03-02 Evolution of Flex Toolkit will turn flexibility from a collection of partly separate market and operational processes into an integrated operating capability. Planning, procurement, provider onboarding, scheduling, dispatch, settlement, performance assurance and reporting will use governed, connected information. Planning, DSO and Control Room teams will share visibility of flexibility requirements, availability, schedules, delivery and network impacts. This will make flexibility a dependable option for managing constraints and outages, rather than a separate market activity requiring manual coordination. For consumers, this is what turns flexibility from a promising market mechanism into an assured operational service: flexibility can be used to release capacity, manage outages and defer reinforcement, with evidence that the service paid for was delivered.
	By the end of ED3, operational and DSO teams will have a more joined-up view of network conditions, distributed energy resources, voltage, constraints, outages and planned flexibility actions. Information will move more consistently between DSO planning, flexibility and operational systems, reducing the need to coordinate activity through separate views and manual hand-offs.	**DIGI-10-01 DSO Enhanced Systems & Orchestration** will extend Active Network Management and Voltage Management Control for approved use cases, supported by additional monitoring and telemetry. Operators will have improved voltage visibility and prediction, stronger support for voltage optimisation and network-loss analysis, and closer integration between Distributed Energy Resource Management System (DERMS), flexibility, outage-planning and operational systems. The refreshed DERMS and supporting monitoring capability will provide a more reliable platform for coordinating distributed resources and flexible connections. Together with the planning and flexibility DJPs, this will help teams make better use of existing network capacity, respond more consistently to changing network conditions and coordinate restoration and outage activity using a shared operational picture.

STRATEGIC INVESTMENT THEME	FUTURE STATE ENABLED BY THE DJPS	WHAT OUR DJPS WILL DELIVER
		For consumers and connected generators, this turns voltage and curtailment management from fragmented, reactive activity into coordinated operational decisions, helping the Control Room use more of the existing network while reducing avoidable curtailment and unnecessary intervention.
CONNECT & SERVE **Earlier, clearer access** *Give customers the information and support needed to make informed decisions, progress connections and receive appropriate help during outages and severe weather.*	By the end of ED3, customers will experience a more consistent digital journey from initial enquiry through application and delivery. Customers will be able to explore realistic connection options before applying, understand likely capacity, constraints, indicative costs and timescales, and follow the progress of an application without relying on repeated manual enquiries.	**DIGI-01-01 Evolution of Customer-Facing Applications** will extend digital optioneering and self-service beyond smaller connections. Applications will be checked when submitted, straightforward cases will be assessed and routed more automatically, and complex cases will reach the right specialist teams with better information. Customers will be able to see milestones, dependencies, risks, queue position and delivery progress through a connected digital experience. Internal teams will use the same underlying connections, planning and network information, reducing avoidable checking, rework and inconsistent updates. For customers, the practical change is that they can understand whether, where and how to connect before committing to an application, then follow the same project through delivery without repeatedly asking different teams for the latest position.
		DIGI-01-02 Customer Vulnerability will give authorised teams a governed view of vulnerability, customer preferences, faults, outages, weather risk and available welfare support. Geospatial insight and vulnerability-risk indicators will help identify communities likely to need assistance earlier. Operational dashboards will support the prioritisation of welfare resources, home visits, community hubs and partner support. Approved welfare information can be surfaced through customer-facing journeys, while outcome reporting will provide a clearer record of the support provided. For customers in vulnerable circumstances, this turns storm support from a manual exercise shaped by spreadsheets and local knowledge into an evidence-led response that identifies risk earlier and directs welfare support to the people and communities most likely to need it.
MANAGE ASSETS & WORK **Target risk and improve performance** *Understand the condition and risk of the asset base, direct maintenance and investment to the right places,*	By the end of ED3, each in-scope asset will have an authoritative record in a designated system, based on an agreed information standard and common identifier. New assets will enter operation with the required structured information, while completed field work, inspections and maintenance outcomes will update asset records more consistently. Drawings, manuals and inspection evidence will be linked to the relevant asset rather than remaining disconnected	**DIGI-04-03 Ensuring Complete and Trusted Asset Information Across the Lifecycle** will hold one governed view of what is installed, where it sits and what has been done to it. [redacted] Asset managers and engineers stop arbitrating between conflicting sources and start working from a single record with known provenance. This is the foundation the theme depends on: risk assessment, maintenance targeting and investment optimisation are only as good as the asset record beneath them, and consumers pay less for rework, repeat visits and decisions made on stale information.
		DIGI-04-01 Improve Network Reliability Through Risk-Based and Predictive Maintenance will bring condition, age, fault history, telemetry and maintenance records together for selected asset classes so that we can separate assets performing as expected from those showing evidence of deterioration. Inspection and maintenance effort is then directed by the risk an asset presents rather than by a fixed cycle, and predictive approaches are adopted where the data and evidence are strong enough to justify them. The same evidence

STRATEGIC INVESTMENT THEME	FUTURE STATE ENABLED BY THE DJPS	WHAT OUR DJPS WILL DELIVER
and keep records current through delivery and field activity.	across document stores.	base strengthens our Common Network Asset Indices Methodology (CNAIM) and Network Asset Risk Metric (NARM) inputs, so condition understanding feeds investment planning as well as maintenance. For consumers this means intervention before failure on the assets that matter most, and maintenance spend concentrated where it changes the outcome.
		DIGI-04-05 Integrating Investment Optimisation with Asset Management and Network Planning will connect asset risk, network need, cost, deliverability and project delivery information in a single optimisation capability, replacing today's more manual and fragmented comparison of investment options. Investment teams will be able to test alternative programmes against each other on consistent assumptions, quantify what deferral costs in risk and whole life terms, and follow an unbroken line of sight from an individual asset's condition through to an approved programme and the outcome it delivered. This is where understanding of risk becomes a funded plan. Consumers get a portfolio that is demonstrably the best use of the available envelope, with the reasoning behind each choice auditable after the fact.
		DIGI-04-07 Intelligent Work Management and DIGI-06-02 AR AI Supported Workforce Training will give field teams more timely access to asset history, work instructions and relevant engineering information through modern field devices and digital workflows. Information captured during work will update maintenance and asset systems at source, reducing duplicate entry, incomplete close-out and delays in making field evidence available to planners and asset managers. This establishes a closed feedback loop between work execution and asset management, improving the quality, timeliness and completeness of the asset information used to support future maintenance, operational and investment decisions.
		DIGI-05-05 Standardise network design through digital engineering will turn agreed engineering standards, design content and specialist knowledge into governed, searchable and reusable information. Teams and delivery partners will be able to find approved content more easily, reuse proven designs and identify the current controlled version, reducing dependence on local document stores and individual knowledge. For consumers, this helps protect the pace and cost of the ED3 delivery programme by identifying design issues earlier, reducing repeated approval and rework, and allowing delivery partners to work from the same current standards.
MANAGE & EXPLOIT DATA, AI & AUTOMATION **Coordinate and decide with confidence**	By the end of ED3, priority data will be treated as an actively managed business asset, with clear ownership, definitions, quality expectations and traceability. Approved information will be shared through repeatable services rather	**DATA-01 AND AI-01** Data Ecosystem – Central Data Sharing Framework will provide standard routes for approved internal and external data exchange through reusable APIs, events and data products. Published information will have defined access controls, data contracts and ownership, supporting interoperability, Data Sharing Infrastructure participation and more efficient reuse across customer, planning, operational and partner services. Data Quality and Governance will establish clearer accountability for priority data domains. Data owners and

STRATEGIC INVESTMENT THEME	FUTURE STATE ENABLED BY THE DJPS	WHAT OUR DJPS WILL DELIVER
Make trusted information easier to find, share and reuse, while introducing AI and automation in a controlled and accountable way. **This also has a secondary link to OPERATE AN INTELLIGENT NETWORK**	than one-off extracts and bespoke integrations. Operational data will be available for agreed planning, asset, analytical and reporting uses without moving live network control out of existing Operational Technology (OT) systems.	stewards will have common definitions, metadata, lineage, quality rules and monitoring, making it easier to understand where information came from, whether it is fit for a particular decision and who is responsible for resolving issues. [redacted] AI-Enabled Decision Support will provide a governed route for deploying selected AI and automation use cases. Models and automated processes will be supported by trusted data, defined owners, monitoring, audit records and human oversight. AI will assist people by bringing together information, identifying patterns, generating options and reducing repetitive work, while accountable colleagues retain responsibility for material decisions. For consumers, the Data Ecosystem provides a critical shared underpinnings for the wider D&D portfolio, providing the trusted data, common standards and reusable sharing services that support the other DJPs, participation in DSI and wider energy-system interoperability.

4. THE DIGITALISATION SUMMARY INDEX TABLE

Table 4.1 sets out the D&D investments, where the primary investment driver is Data & Digitalisation, over the ED3 period. Relationships between the investments listed below and the wider ED3 technology architecture are shown in ***Appendix 2***: ED3 Technology impact against Strategic Impact Themes.

Table 4.1: Our D&D Investments*

INVESTMENT TITLE	REQUESTED ED3 TOTEX	BPDT REF.	D&D SUB-CATEGORY, PRIMARY IN BOLD	INVESTMENT ID & DJP REF	DSAP WORKSTREAM	DEPENDENCY ON IT&T	LINKS OUT TO OTHER IDPs
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

INVESTMENT TITLE	REQUESTED ED3 TOTEX	BPDT REF.	D&D SUB-CATEGORY, PRIMARY IN BOLD	INVESTMENT ID & DJP REF	DSAP WORKSTREAM	DEPENDENCY ON IT&T	LINKS OUT TO OTHER IDPs
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
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INVESTMENT TITLE	REQUESTED ED3 TOTEX	BPDT REF.	D&D SUB-CATEGORY, PRIMARY IN BOLD	INVESTMENT ID & DJP REF	DSAP WORKSTREAM	DEPENDENCY ON IT&T	LINKS OUT TO OTHER IDPs
[redacted]							

* Our Digital Action Plan does not use action IDs, so we have instead mapped these to workstreams

5. CROSS-CUTTING PORTFOLIO THEMES

5.1 REQUIREMENTS TO CROSS-CUT OUR PORTFOLIO

Table 5.1: Summary of cross-cutting themes addressed by our investments

CROSS-CUTTING THEME	ENABLING INVESTMENT	PRIMARY INVESTMENTS ENABLED	WHY DELIVERY OF THESE INVESTMENTS DEPENDS ON THIS CAPABILITY
Trusted and governed data	**(DATA-01-AI-01) Data Ecosystem Programmatic DJP** **Data Quality and Governance**	DIGI-01-01, DIGI-01-02, DIGI-03-01, DIGI-03-02, DIGI-04-01, DIGI-04-03, DIGI-04-05, DIGI-10-01, DATA-01-AI-01	These investments rely on information being trusted, understood and reused consistently. For example, Probabilistic Planning Tools depend on traceable planning inputs and forecast assumptions; Customer Vulnerability depends on governed customer, outage and welfare information; Investment Optimisation depends on consistent asset risk, cost and planning data. Without common ownership, quality controls, lineage and definitions, these investments could still be delivered, but their outputs would be more difficult to assure and use consistently in operational and investment decisions.
Interoperability and information sharing	**(DATA-01-AI-01) Data Ecosystem Programmatic DJP** **Central Data Sharing Framework**	DIGI-01-01, DIGI-01-02, DIGI-03-01, DIGI-03-02, DIGI-04-03, DIGI-10-01	These investments are intended to connect information held across customer, planning, flexibility, operational and asset systems. The Central Data Sharing Framework provides the APIs, events, data products and exchange patterns needed for that information to move between systems and organisations. Without it, Customer Applications would require additional point-to-point integrations, Probabilistic Planning Tools would need separate data feeds, and Flex Toolkit and DSO capabilities would depend on more bespoke interfaces and manual exchange processes.
Reuse of operational and network data	**(DATA-01-AI-01) Data Ecosystem Programmatic DJP** **OT Data Fabric**	DIGI-01-02, DIGI-03-01, DIGI-03-02, DIGI-04-01, DIGI-04-05, DIGI-10-01, DATA-01-AI-01	These investments depend on access to monitoring, telemetry and operational information. The OT Data Fabric provides a controlled mechanism for making approved operational data available for planning, forecasting, asset management, reporting and analytics. Without it, Operational Orchestration, Flex Toolkit, Probabilistic Planning and Risk-Based Maintenance would continue to rely more heavily on separate extracts and bespoke integration approaches to access operational information.
Governed AI and analytical decision support	**(DATA-01-AI-01) Data Ecosystem Programmatic DJP** **AI Enabled Decision Support**	DIGI-03-01, DIGI-04-01, DIGI-04-05, DIGI-10-01	These investments use forecasting, optimisation, risk assessment or decision-support techniques to improve planning and operational decisions. AI Enabled Decision Support provides a common route for model governance, oversight, monitoring and

CROSS-CUTTING THEME	ENABLING INVESTMENT	PRIMARY INVESTMENTS ENABLED	WHY DELIVERY OF THESE INVESTMENTS DEPENDS ON THIS CAPABILITY
			auditability. Without it, individual programmes would need to establish separate approaches to AI governance and assurance, creating duplication and reducing consistency across planning, investment and operational use cases.
Complete and trusted asset information	**(DIGI-04-03) Ensuring Complete and Trusted Asset Information Across the Lifecycle**	DIGI-04-01, DIGI-04-05, DIGI-04-07, DIGI-05-05, DIGI-03-01	DIGI-04-03 is explicitly identified as the information foundation for risk-based maintenance, investment optimisation and wider asset-management activities. Risk-Based Maintenance depends on complete condition, fault and maintenance records; Investment Optimisation depends on trusted asset risk and lifecycle information; Intelligent Work Management depends on current asset records being updated as work is completed. Without a trusted and complete asset record, these investments would continue to rely on information distributed across multiple systems, reducing their ability to target maintenance, justify investment decisions and maintain a consistent view of asset condition.

5.2 MAJOR EXTERNAL DEPENDENCIES

Some portfolio outcomes depend on decisions or information outside our direct control.

Table 5.2: External Dependencies and impacted DJPs

EXTERNAL DEPENDENCY	AFFECTED DJPS	POTENTIAL EFFECT
Development of DSI requirements and governance.	(DATA-01-AI-01) Data Ecosystem, (DIGI-10-01) DSO Enhanced System & Orchestration. These investments are identified as supporting DSI participation and future industry data-sharing arrangements.	May affect the sequence and design of external data-sharing activity.
Development of the Energy Digitalisation Framework and domain standards.	(DATA-01-AI-01) Data Ecosystem, (DIGI-03-02) Evolution of Flex Toolkit, (DIGI-05-05) Standardised Network Design Through Digital Engineering, (DIGI-10-01) DSO Enhanced System & Orchestration. These investments are identified as supporting interoperability, standards alignment and information exchange.	May affect the standards and exchange routes used by individual investments.
Development of asset-registration arrangements.	(DATA-01-AI-01) Data Ecosystem, (DIGI-03-02) Evolution of Flex Toolkit, (DIGI-04-03) Ensuring Complete and Trusted Asset Information Across the Lifecycle. The Annex identifies these investments as the enabling route for future DER/CER registration, data exchange and asset identity requirements.	May affect the information and interfaces needed for asset and flexibility data.
Access to transmission	(DIGI-03-01) Probabilistic Planning and Power Flow Tools, (DIGI-03-02) Evolution of Flex Toolkit.	May limit whole-system planning and forecasting if

EXTERNAL DEPENDENCY	AFFECTED DJPS	POTENTIAL EFFECT
and third-party information.	Probabilistic Planning Tools explicitly includes transmission visibility capability and depends on transmission data access arrangements.	suitable information is not available.
Market, reporting and flexibility requirements.	(DIGI-03-02) Evolution of Flex Toolkit, (DIGI-10-01) DSO Enhanced System & Orchestration, (DIGI-01-01) Evolution of Customer Facing Applications, where flexibility services are surfaced to customers. Flex Toolkit is specifically intended to support flexibility markets, dispatch, settlement and reporting.	May change the scope or timing of flexibility-system changes.

These external requirements are still developing, so we are reducing risk by engaging early and designing capabilities that can change as requirements become clearer. We were the first DNO to pilot the Data Sharing Infrastructure and are building on that work through reusable, governed data-sharing services rather than separate solutions for each use case. We also work with Icebreaker One, the Energy Networks Association and other DNOs on data assurance, common methodologies and interoperable datasets. For asset registration and flexibility, our plans recognise the Elexon-developed Flexibility Market Asset Register and provide for integration with our flexibility systems as requirements mature. Across the ED3 portfolio, common definitions, reusable interfaces and modular delivery will allow us to adjust scope and sequencing as DSI governance, industry standards, third-party data access and market requirements develop, without redesigning the whole capability.

5.2.1 READINESS FOR COMMON DER AND CER ASSET-REGISTRATION ARRANGEMENTS

We enter ED3 with established data-platform, API, event and initial DSI exchange capability. However, API and event contracts are not yet consistently standardised across priority use cases, master and reference data remain fragmented, and there is not an estate-wide measure of DER or CER registration completeness.

During ED3, (DATA-01-AI-01) Data Ecosystem will provide versioned data contracts, reusable APIs and events, controlled publication and consumption processes, access controls and repeatable DSI participation. (DATA-01-AI-01) Data Ecosystem will provide the common definitions, metadata, lineage, data-quality rules and selected master and reference-data controls needed to align DER and flexibility identifiers. (DIGI-03-02) Evolution of Flex Toolkit will establish governed flexibility asset and provider master data and integrate associated constraint, availability, scheduling, dispatch, performance and settlement information. Trusted-identity patterns from (DIGI-04-03) Ensuring Complete and Trusted Asset Information Across the Lifecycle will be reused where applicable.

Together, these capabilities will enable us to profile, validate, de-duplicate and reconcile relevant DER and CER records; map them to common data items, identifiers and standards designated through the Energy Digitalisation Framework and relevant domain coordination; retain source and transformation lineage; and transfer approved records through the exchange pathway selected under the final asset-registration arrangements. The enabling investment is included within (DATA-01-AI-01) Data Ecosystem and (DIGI-03-02) Evolution of Flex Toolkit, with relevant identity capability provided through (DIGI-04-03) Ensuring Complete and Trusted Asset Information Across the Lifecycle. The associated investment values are set out in the Digitalisation Summary Index and supporting DJPs; no separate incremental amount has been identified solely for a future centralised register.

If the DER and CER registration occurs through the DSI, then there will be limited to no further investment needed. Depending on the outcome of the relevant consultations, then the approach may need to change and then consideration taken on how to fund including any recovery of funds through a re-opener.

5.2.2 SUMMARY

Our approach combines early industry engagement with reusable, governed and modular capabilities that can adapt as external requirements are confirmed. We are building on our DSI pilot activity and continue to work with Icebreaker One, the Energy Networks Association and other DNOs on data assurance, common methodologies and interoperable datasets. For asset registration and flexibility, our plans provide for integration with emerging industry arrangements, including the Elexon-developed Flexibility Market Asset Register, as requirements mature. This approach allows scope and sequencing to respond to changes in DSI governance, industry standards, third-party data access and market requirements without requiring wholesale redesign.

6. DELIVERY CONFIDENCE AND PORTFOLIO ASSURANCE

We will deliver our Data & Digitalisation investments through an architecture-led approach, applying Agile or Waterfall delivery methods as appropriate to the nature of the investment, while using value-led portfolio governance to maintain alignment with business outcomes, delivery priorities and customer value. See ***Appendix 3***: Delivery methodologies for our delivery methodologies.

Delivery will build on the governance, portfolio management and workforce capabilities established during ED2. The portfolio will be supported by enduring product and delivery teams, specialist internal capability in strategic areas, and strategic supplier partnerships that provide additional delivery capacity where required.

6.1 PORTFOLIO GOVERNANCE

Figure 6.1: Our Governance structure



6.2 PRIORITISATION AND RE-PRIORITISATION

The Front Door process provides structured analysis of cost, benefits, deliverability, workforce capacity and strategic value before new demand is approved or existing demand is changed. This supports investment sequencing, prioritisation decisions and the allocation of scarce delivery capacity.

We recognise that many of the external factors influencing the portfolio will continue to evolve during ED3. These include the development of the DSI, Energy Digitalisation Framework standards, future flexibility-market arrangements, interoperability requirements, regulatory obligations, emerging technologies and changing consumer and stakeholder expectations. In some cases, these requirements may not be fully defined when investment delivery begins.

Rather than waiting for all uncertainty to be resolved, we will actively monitor developments and design investments around reusable capabilities that can adapt as requirements mature. Emerging changes will be identified through industry engagement, regulatory consultation activity, DSI and Energy Digitalisation Framework participation, supplier roadmaps, stakeholder feedback, portfolio performance monitoring and ongoing business planning activities. The impact of these changes will be assessed regularly throughout ED3.

Where material changes occur, we will assess whether existing priorities, delivery sequencing, scope or technical design remain appropriate. This may include:

- accelerating investment where new requirements create greater consumer or system value;
- deferring investment where dependencies are not sufficiently mature;
- changing scope to align with new regulatory obligations or industry standards;
- adapting solution designs in response to changing technology or market conditions; or

- reallocating workforce and supplier capacity towards higher-priority outcomes.

Programme Delivery Boards will identify delivery risks, dependency issues, emerging requirements and capacity constraints. Architecture and Solution Boards will assess the impact of proposed changes on architecture intent, interoperability, standards, security and long-term value, whilst also providing foresight on changing technology and customer requirements.

Material trade-offs, significant scope changes, funding reallocations or reprioritisation decisions will be escalated to the Transformation Sub-Committee (TRSCO). TRSCO provides executive oversight of the portfolio, monitors programme health, benefits realisation, deliverables achieved and expenditure against plan and is responsible for ensuring that changing conditions are reflected in portfolio priorities.

This approach treats reprioritisation as an expected part of managing a long-term portfolio. It provides a structured mechanism to respond to uncertainty, changing requirements and delivery constraints, while maintaining a clear line of sight to consumer value, strategic objectives, affordability and overall portfolio deliverability.

6.3 PORTFOLIO BENEFITS TRACKING

Benefits will be monitored at both programme and portfolio level through the governance framework. The TRSCO will monitor portfolio health using a combination of benefit realisation, delivery performance, deliverables achieved, expenditure against plan and risk indicators. This provides ongoing visibility of whether investments remain aligned to strategic priorities and are delivering the intended customer and system benefits.

Table 6.1: Portfolio benefits tracking

BENEFIT CATEGORY	PORTFOLIO-LEVEL MONITORING APPROACH
Strategic outcomes	Measured through progress against portfolio objectives and strategic priorities.
Consumer value	Considered through the Front Door process and portfolio prioritisation decisions.
Delivery performance	Monitored through programme health, deliverables achieved and expenditure against plan.
Risk reduction	Tracked through portfolio governance, architecture assurance and programme delivery reporting.

6.4 PROGRAMME KPIS AND PERFORMANCE MANAGEMENT

We will use KPIs at both portfolio and programme level to monitor delivery confidence, operational performance, benefits realisation and overall value delivered to customers.

Portfolio measures provide oversight of delivery progress, strategic alignment and resource utilisation across the full ED3 Data & Digitalisation portfolio. Programme measures provide more detailed insight into the health, performance and outcomes of individual investments and capabilities.

To support transparent delivery throughout ED3, the portfolio will also monitor outcomes aligned to the Energy Digitalisation Framework principles. Each principle will be associated with defined outcomes, measures and evidence sources, supported by appropriate governance and assurance processes. This provides a clear line of sight between digitalisation investments, delivered capabilities and realised benefits.

Table 6.2: KPI examples

KPI LEVEL	KPI AREA	EXAMPLE MEASURE
Portfolio	Portfolio health	Deliverables achieved against plan.
Portfolio	Benefits realisation	Delivery of planned customer, operational and whole-system benefits.
Portfolio	Financial performance	Cost of delivery and expenditure against plan.
Portfolio	Workforce capability	Strategic workforce churn, capacity utilisation and delivery capability.

KPI LEVEL	KPI AREA	EXAMPLE MEASURE
Portfolio	Architecture assurance	Number of architecture exceptions and compliance with agreed standards.
Programme	Delivery performance	Delivery of programme milestones, outputs and planned capabilities.
Programme	Benefits performance	Delivery of programme-specific outcomes and benefits defined within the relevant DJP.
Programme	Capacity and demand	Ability to meet planned demand using available workforce and supplier capacity.
Programme	Service adoption and usage	Adoption and utilisation of delivered capabilities where relevant.
Programme	Quality and assurance	Delivery-readiness findings, assurance actions and remediation progress.

Programme Delivery Boards will monitor programme-level measures to identify emerging risks, delivery constraints and benefits performance. TRSCO will monitor portfolio-level measures including programme health, benefit realisation, deliverables achieved and expenditure against plan to ensure delivery remains aligned with strategic priorities and consumer value.

6.5 COST BENCHMARKING, RESOURCING AND COST VALIDATION

Please refer to Section 6 of the ED3 IT & Telecoms Strategy (ED3-S11).

6.6 DELIVERY ASSURANCE

Assurance is embedded throughout the delivery lifecycle using a three-lines-of-defence model and risk-based stage gates. Ownership of delivery remains with programme teams, with increasing levels of independent challenge and assurance applied as investments progress.

Table 6.3: Assurance layers

ASSURANCE LAYER	ROLE
First line	Delivery teams own risks, controls, plans, evidence and mitigations.
Second line	Compliance, cyber, governance and business assurance teams provide challenge, readiness reviews and oversight of controls.
Third line	Internal audit and independent review provide assurance over the effectiveness of controls and governance arrangements.

Assurance is supported through a structured lifecycle of reviews covering business case approval, architecture review, cyber assurance, procurement, delivery readiness, business and service readiness, and benefits realisation. All investments pass through these assurance activities, with additional targeted health checks and assurance interventions applied to higher-risk programmes where appropriate.

6.7 KEY DELIVERABILITY RISKS

Table 6.4: Overview of deliverability risks

DELIVERABILITY RISK	POTENTIAL EFFECT ON DELIVERY	MITIGATION
Solution designs become increasingly complex or diverge from agreed architecture principles.	Increased effort to integrate solutions, manage dependencies and deliver	Architecture and Solution Boards review designs against agreed architecture principles, standards and target-state architecture before delivery proceeds.

DELIVERABILITY RISK	POTENTIAL EFFECT ON DELIVERY	MITIGATION
	change consistently across the portfolio.	
Portfolio demand exceeds available delivery capacity, or multiple priorities compete for the same resources.	Delivery sequencing may need to change, and lower-priority work may need to be deferred or re-prioritised.	Managed through integrated portfolio planning, demand and capacity modelling, Front Door governance and value-led prioritisation.
Required supplier capability, products or specialist services are not available when needed.	Delivery activities may need to be re-sequenced or alternative delivery approaches considered.	Managed through strategic supplier relationships, framework agreements, forward planning and ongoing market engagement.
Demand for specialist digital, data, architecture and delivery skills exceeds available workforce capacity.	Capacity constraints may affect delivery timing, sequencing or resource allocation across programmes.	Managed through workforce planning, demand and capacity forecasting, capability development, recruitment and targeted use of specialist external resources where appropriate.

6.8 AVOIDING DUPLICATION ACROSS EVIDENCE ROUTES

The ED3 Data & Digitalisation Annex (ED3-S13) provides the portfolio-level narrative for the D&D investment portfolio. Detailed needs cases, costs, benefits, risks, dependencies and delivery plans are contained within the relevant DJPs. The Annex therefore acts as the single portfolio view and evidence map across the wider Business Plan, avoiding duplication of detailed information held elsewhere.

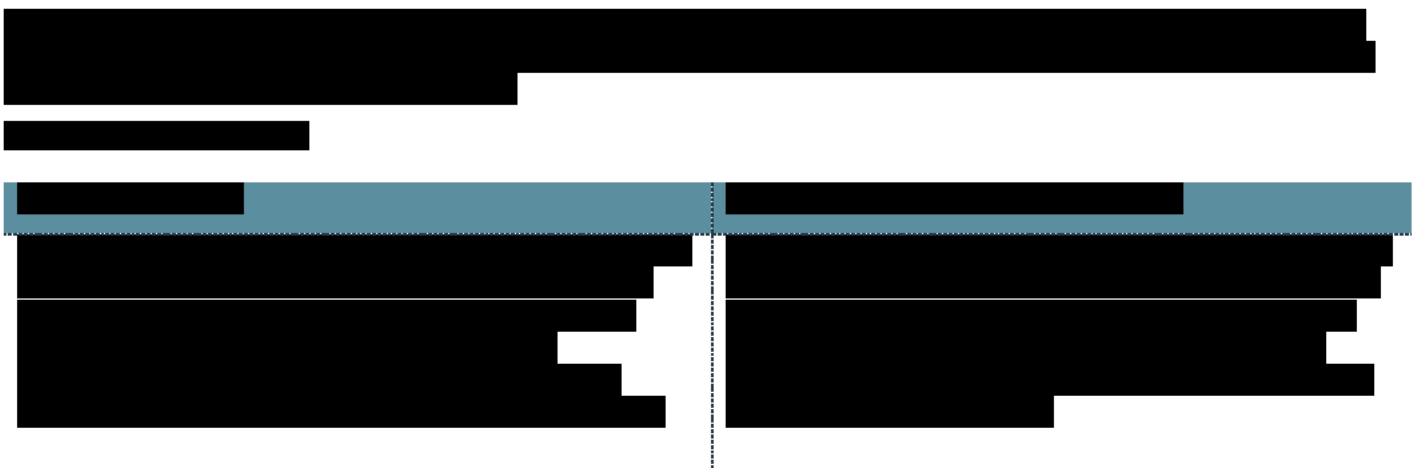
Architecture, cyber resilience, operational technology and telecommunications dependencies are documented within their respective submissions, whilst investment-specific evidence remains within the relevant DJPs and Business Plan Data Tables. This ensures a clear line of sight between the portfolio, supporting evidence and regulatory submissions without creating duplicate reporting routes.

6.9 ALIGNMENT WITH DSAP AND REGULATORY REPORTING

The DSAP will remain the primary transparency mechanism for reporting progress on digital products, services and digitalisation outcomes. Portfolio governance will maintain alignment between Business Plan commitments, investment delivery and DSAP reporting through a shared evidence model. We will publish an updated Digital Strategy every two years and a Digital Action Plan every six months per licence conditions.

Rather than creating separate reporting mechanisms, DSAP updates and regulatory reporting will draw on the same underlying delivery, milestone, benefit and risk information used within portfolio governance. This provides consistency, traceability and transparency while avoiding parallel reporting structures.

6.10 DELIVERABILITY AND WORKFORCE CAPABILITY



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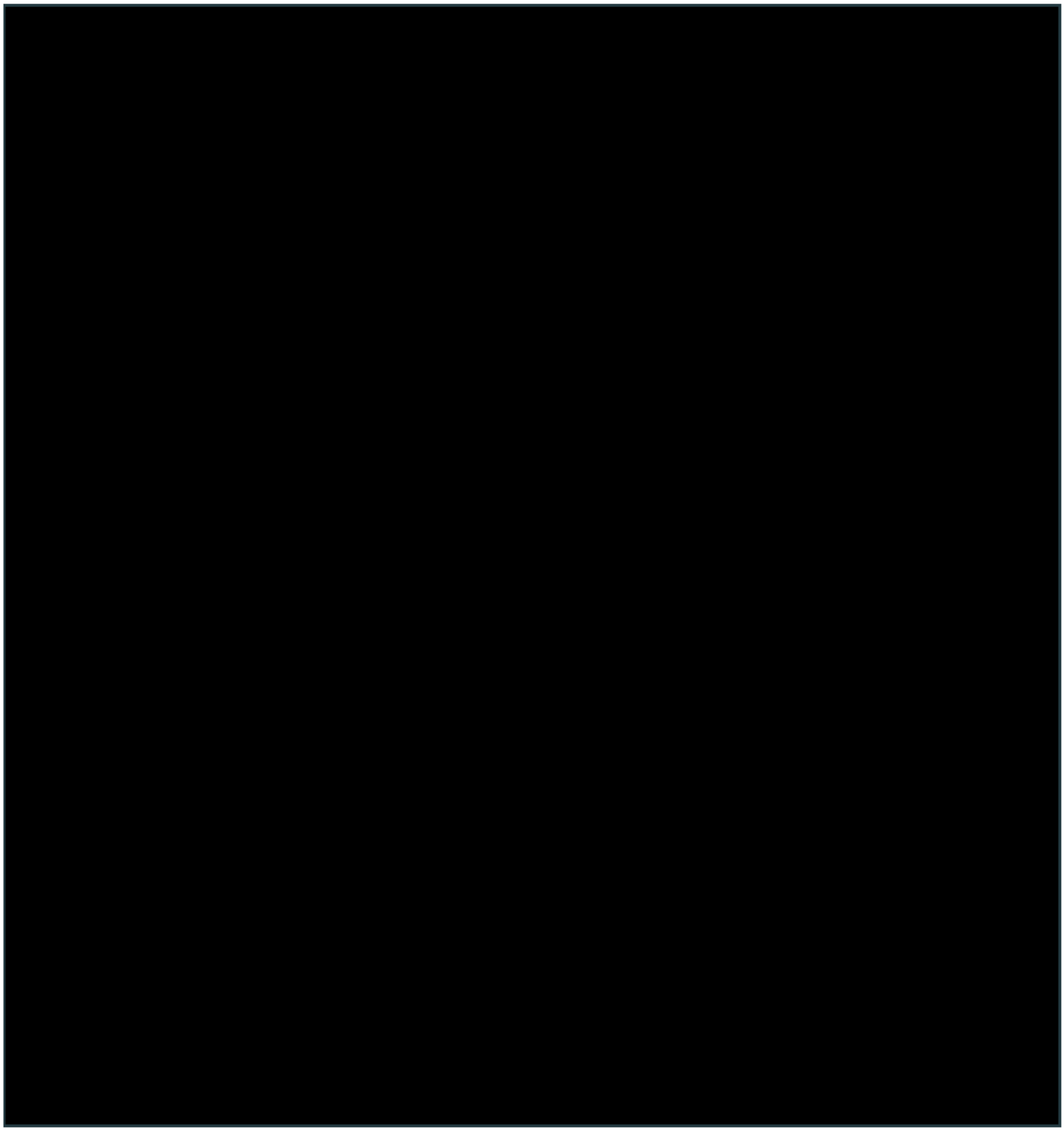
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APPENDIX 1: ARCHITECHTURE ASSUMED END STATE FOR ED2

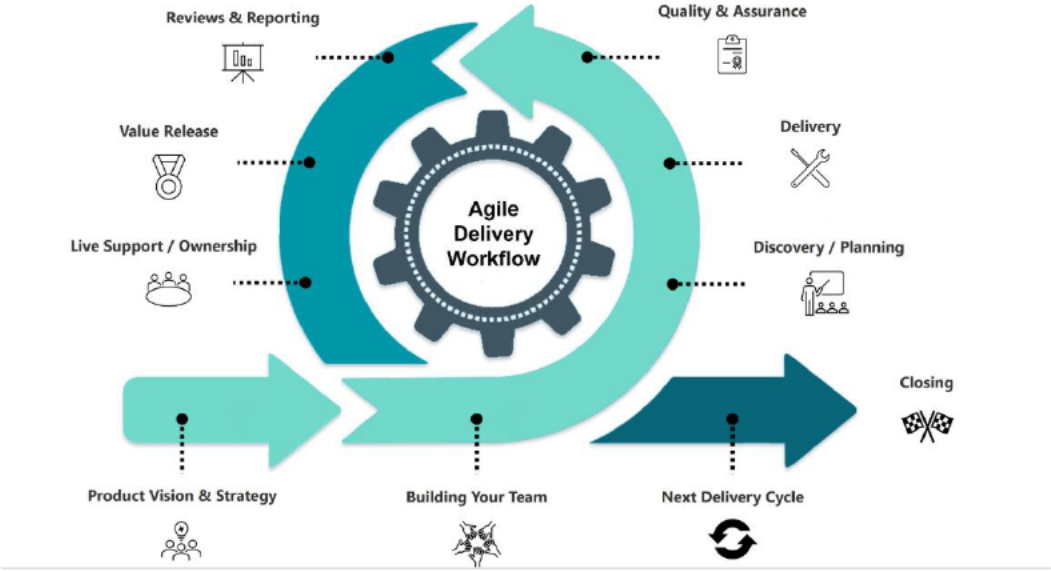


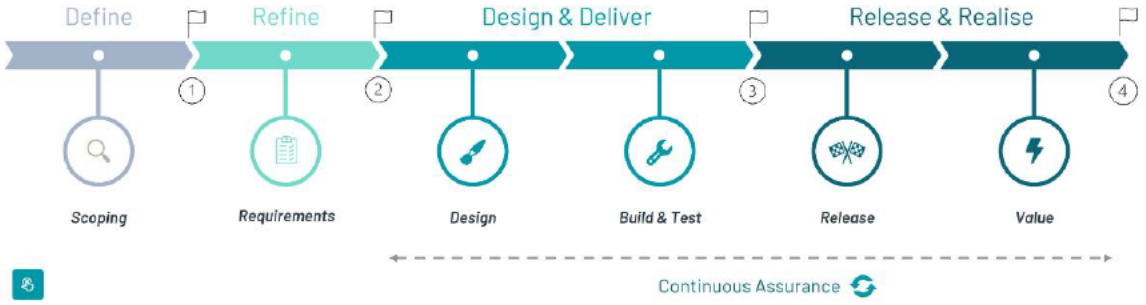
APPENDIX 2: ED3 TECHNOLOGY IMPACT AGAINST STRATEGIC IMPACT THEMES



APPENDIX 3: DELIVERY METHODOLOGIES

Agile stages: Discovery & Planning, Delivery, Value realisation





Waterfall stages: Define, Refine, Design & Deliver, Release & Realise

APPENDIX 4: OUR PROPOSED DELIVERY OPERATING MODEL FOR ED3



APPENDIX 5: ASSET VISIBILITY AND DYNAMIC DATA



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APPENDIX 6: STAKEHOLDER ENGAGEMENT

The table below sets out the stakeholder engagement undertaken and the feedback received that has shaped our ED3 IT &Telecoms Strategy (ED3-S11) and D&D Investments. It is aligned to the relevant Ofgem ED3 outcome areas and to our consumer-prioritisation key messages and includes the deliberative ED3 Stakeholder Engagement Workshops. We engaged with a broad range of stakeholders, including Distribution Network Operators (DNOs), Local Authorities, Independent Connection Providers (ICPs) and Independent Distribution Network Operators (IDNOs), Housing Developers, Distributed Energy Resource (DER) Operators, Industrial and Commercial Customers, Domestic and SME Customers, Vulnerable Customers, Consumer Advocates, Regulators, Government, NESO, Academia, Research Bodies, Community Energy Groups, Consultants, Installers, Technology Partners, Supply Chain Partners, Telecoms Providers, Data Specialists, and Internal Staff. Diverging views and continued trade-offs are summarised beneath the table.

ED3 OUTCOME	POLICY AREA (THEME)	TYPE OF ENGAGEMENT UNDERTAKEN	SUMMARY FEEDBACK	IMPACT ON BUSINESS PLAN
Smarter Networks	Sector modernisation and digitalisation	Webinars (Connections Forums - LA, DER, ICP/IDNO, Housing Developers), In-person Events (Connections Customer Conferences), Surveys (GPTW Survey), Industry Forums (DSO Autumn Series, Utilities Strategy Forum), Partner Engagements, Research (Consumer Priorities Research) ED3 Stakeholder Engagement Workshops, March 2026 (Perth, Reading & online deliberative workshops, independently facilitated): Session 1 - Planning for the ED3 price control.	Strong stakeholder consensus that digitalisation is essential for delivering reliable, resilient and affordable networks. 100% of respondents at Connections Forums supported AI and digital tools to enhance self-serve capabilities. Stakeholders emphasised digital transformation must be customer-centred, reducing effort rather than adding complexity. Clear demand for integrated/centralised data platforms and training in data analytics/data literacy. Staff feedback highlighted need for robust, user-friendly systems with automation that genuinely reduces manual workload. DSO stakeholders called for enhanced data quality, forecasting, and deeper insight into network constraints. Utilities Strategy Forum reinforced the need for inter-utility interoperability and common data standards, with learning from telecoms and open finance sectors.	Our ED3 plan commits to building the digital foundations needed to run the network more efficiently and make better decisions. In practice, this means improving the quality of our data, bringing key information into shared platforms, and making it easier for teams to access trusted information when they need it. We will deliver data and digital improvements as one joined-up programme, with clear governance so there is proper control over what is built, how it is used and the benefits it delivers. We will also design AI safeguards from the start, so any use of AI is responsible, explainable and supports people rather than replacing critical human decisions. The outcome will be simpler and more reliable tools for customers and colleagues, better information for planning and operations, and stronger foundations for a more resilient, data-led network over the long term.

ED3 OUTCOME	POLICY AREA (THEME)	TYPE OF ENGAGEMENT UNDERTAKEN	SUMMARY FEEDBACK	IMPACT ON BUSINESS PLAN
Smarter Networks	The use of AI	Webinars (Customer Service & AI Think Tank, Connections Forums, Data to Insights Show & Tell), Partner Engagements, Research (Consumer Priorities Research), Industry Forums (Utilities Strategy Forum) ED3 Stakeholder Engagement Workshops, March 2026 (Perth, Reading & online deliberative workshops, independently facilitated): Session 1 - Planning for the ED3 price control.	Stakeholders expressed mixture of excitement and apprehension about AI in customer service. Strong frustration with existing chatbots described as 'terrible' and 'confidently wrong'. Customers emphasised sensitive, emotional or complex issues must always be handled by humans with clear escalation options. Trust emerged as central theme - AI must be trustworthy, transparent and explainable. 100% of housing developers and 57% of ICPs supported AI for self-serve enhancement. Some stakeholders advocated small, specialised AI agents for cost/risk control over large LLMs, whereas others emphasised the need for transparent risk frameworks, board oversight, explainability and audit trails. Stakeholders cautioned against 'sledgehammers to crack nuts' - with a focus on simple, reliable solutions before advanced AI. Clear call for AI that enhances rather than replaces human service, protecting customer data and delivering accessible, fair interactions.	The plan will allow us to use AI safely and responsibly to support better decisions across the business. This means putting strong controls in place so that any AI we use is secure, properly governed and easy to explain. We will use smaller, targeted AI tools for specific tasks rather than relying on large, general-purpose models where they are not needed. AI will help teams by producing forecasts, highlighting risks, prioritising work and suggesting options, but it will not make critical safety or supply decisions on its own. People will remain accountable for important decisions, with AI used as a support tool rather than a replacement for human judgement.

ED3 OUTCOME	POLICY AREA (THEME)	TYPE OF ENGAGEMENT UNDERTAKEN	SUMMARY FEEDBACK	IMPACT ON BUSINESS PLAN
Smarter Networks	Data strategy: quality, sharing, security and governance	Webinars (Connections Forums, Have Your Say SDP Alignment), In-person Events (Connections Customer Conferences), Partner Engagements, Industry Forums (DSO Autumn Series), Surveys (GPTW Survey), Research (Consumer Priorities Research) ED3 Stakeholder Engagement Workshops, March 2026 (Perth, Reading & online deliberative workshops, independently facilitated): Session 1 - Planning for the ED3 price control.	Data transparency and quality was identified as critical with stakeholders asking for granular, timely and consistent network data including headroom, constraints, queue position and reinforcement plans. Requests for availability of raw data feeding SDPs with clear 'data lineage' across planning products. Strong desire for transparent, evidence-driven decisions shaped open-data strategy. Stakeholders raised concerns customer journey data is unreliable/incomplete with cost accuracy issues needing better management. There is clear value placed on treating data as a strategic asset with some stakeholders proposing quantification of data value and linking investment to measurable customer benefit.	The plan strengthens how we manage and share data so that customers, stakeholders and internal teams can rely on the information they use. This means improving the quality of our data, making it clearer where information has come from, and ensuring important datasets have proper ownership and controls. We will make more network data easier to find and reuse through open data where appropriate, while also putting secure sharing arrangements in place for information that cannot be published openly. The plan also improves how data is managed across its lifecycle, so it remains accurate, consistent and safe to use for planning, operations, customer service and responsible AI.

ED3 OUTCOME	POLICY AREA (THEME)	TYPE OF ENGAGEMENT UNDERTAKEN	SUMMARY FEEDBACK	IMPACT ON BUSINESS PLAN
Smarter Networks	Scalable digital architecture and infrastructure - investing for the future	Webinars (Connections Forums, FORTRESS Show & Tell), Partner Engagements, Industry Forums (Utilities Strategy Forum), In-person Events (Connections Customer Conferences), Surveys (GPTW Survey) ED3 Stakeholder Engagement Workshops, March 2026 (Perth, Reading & online deliberative workshops, independently facilitated): Session 1 - Planning for the ED3 price control.	Stakeholders recognised the importance of advanced modelling, digital tools and data-led coordination. There is clear demand for better digital portals, apps and tools including clearer budget quotes, feasibility information and reinforcement timelines and an interest in coordinated planning across organisations supported by shared data and digital insight. Technology partners highlighted cloud scalability, edge/cloud solutions for OT/IT integration, and serverless patterns, whereas others reinforced platform orchestration models and edge-first strategies as requirements for utility digital maturity. Suppliers advised presenting problems not specifications to unlock innovative solutions. Staff expect automation and advanced analytics to be embedded in operations but only if tools are robust, user-friendly and matched with upskilling.	The plan will build the core digital foundations needed to connect systems, data and teams across the business. Instead of relying on fragmented legacy systems and one-off integrations, we will move towards shared platforms that make information easier to access, reuse and trust. This will help customer, planning, operational and asset teams work from more consistent information, reduce manual workarounds and support more reliable services. We will also invest in modern telecoms and network monitoring capability so critical systems have the communications infrastructure they need to operate safely and resiliently. The practical outcome is a technology foundation that is easier to maintain, easier to adapt and better able to support future data, digital and automation needs without repeatedly rebuilding systems from scratch.

ED3 OUTCOME	POLICY AREA (THEME)	TYPE OF ENGAGEMENT UNDERTAKEN	SUMMARY FEEDBACK	IMPACT ON BUSINESS PLAN
Smarter Networks	Data Visibility and Digital Platforms	Webinars (Connections Forums, Data to Insights Show & Tell, Equal LCT), Surveys (DSO Keep in Touch), In-person Events (Energy Innovation Summit, Watt Works Hackathon), Bilaterals (ENA/Citizens Advice, Ofgem DNO Innovation Forum), Roundtables (UW Focus Groups), Reports (Citizens Advice Transparency Review), Research (Consumer Priorities Research) ED3 Stakeholder Engagement Workshops, March 2026 (Perth, Reading & online deliberative workshops, independently facilitated): Session 1 - Planning for the ED3 price control.	Stakeholders consistently emphasise the urgent need for better LV asset visibility, granular data, and accurate forecasting to manage heat pump, EV and wider LCT uptake. Clear demand exists for open, interpreted (not raw) data, transparent capacity information, and real-time network data as the top digital/data improvement. Citizens Advice highlighted inconsistent transparency in innovation reporting, with SIF projects more transparent than NIA due to stronger governance. DSO survey respondents want capacity maps with headroom, queue times, and upgrade timelines. Installers want transparent, real-time network capacity information including substation loading. Strong cross-sector engagement shows broad industry support for SSEN's digitalisation direction, with stakeholders recognising D2I's potential to reduce barriers, accelerate decision-making and lower digitalisation costs. 100% of housing developers support AI/digital tools to improve self-serve capabilities.	Stakeholder feedback has reinforced the importance of better network visibility, clearer data and more useful digital tools to support planning and decarbonisation. The ED3 Data & Digitalisation Annex (ED3-S13) reflects this by continuing to invest in the data, platforms and governance needed to improve how network information is managed, connected and used across the business. This includes capabilities that support low-voltage visibility, forecasting, local energy planning and more consistent use of network data, while recognising that specific outputs and user-facing tools will continue to be developed through the relevant delivery programmes.

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Smarter Networks	Sector modernisation and digitalisation	Presentation to the Inclusive Services Panel alongside the Customer Team	The Inclusive Services Panel was engaged on how TD&D can better serve customers, with a clear emphasis that "digital by default" must not become "digital only". Feedback reinforced that digital and data capability should improve outcomes and behaviours, not replace human judgement or relationships. The discussion highlighted the importance of inclusive service design, accessibility standards, and maintaining human support and non-digital options for customers who need them most. It also reinforced the value of joined-up customer journeys, single sources of truth, better visibility of priority needs across teams, and technology that supports customer-facing teams to reduce effort for customers rather than creating new barriers.	The ED3 Data & Digitalisation Annex (ED3-S13) will provide customer-facing teams better information, more joined-up systems and simpler digital tools. This means colleagues should have quicker access to accurate customer and network information, reducing the need for customers to repeat themselves or be passed between teams. Digital services will be designed to make support easier to access, not to force customers down a digital only route. Human support and non-digital options will remain important for customers who are vulnerable, digitally excluded or dealing with complex issues, while D&D provides the data and system foundations that help the Customer Team deliver those services more consistently.

Diverging views and continued trade-offs

The engagement evidence surfaced the following diverging views and continued trade-offs, which are being managed through the business plan:

The use of AI (RN9) - Stakeholders cautioned against using 'sledgehammers to crack nuts' - simple, reliable solutions are preferred over advanced AI where they suffice.