Meeting	Independent Stakeholder Group
Date	10 February 2026
Location	Online

Attendees – Panel Members	
Sharon Darcy (SD) **(Chair)**	Tamar Bourne (TB)
Claire Whyley (CWh) **(Vice Chair)** (Partial Attendee)	Barry Coughlan (BC)
Chris Watts (CW) (Partial Attendee)	Andrew McMunnigall (AM)
Attendees – SSEN, Distribution	
Hollie Wilson (HW), Stakeholder Engagement Manager, SSEN Distribution	Chris Burchell (CB), Managing Director, SSEN Distribution (Partial Attendee)
Lyndsey Stainton (LS), Head of Stakeholder Engagement, SSEN Distribution	Patrick Erwin (PE), Director of Commercial, SSEN Distribution (Partial Attendee)
Clothilde Cantegreil (CC), Head of Strategy, SSEN Distribution	Graeme Keddie (GK), Director of Corporate Affairs, SSEN Distribution
Rachael Robertson (RR), Head of Finance, SSEN Distribution (Partial Attendee)	Nick Hanlon (NH), Head of Corporate Affairs, SSEN Distribution (Partial Attendee)
Ishara Danansooriya (ID), Accountant, SSEN Distribution (Partial Attendee)	Andrew Roper (AR), Director of DSO, SSEN Distribution (Partial Attendee)
Dinesh Manuelpillai (DM), Director of Finance, SSEN Distribution (Partial Attendee)	Ross Bibby (RB), Innovation Manager, SSEN Distribution (Partial Attendee)
Frank Clifton (FC), Senior Innovation Manager, SSEN Distribution (Partial Attendee)	Kasia Brown (KB), Regulation Manager, SSEN Distribution (Partial Attendee)
Matthew Miller (MM), Head of Regulatory Finance, SSEN Distribution (Partial Attendee)	Catherine Winning (CWi), Head of Future Networks, SSEN Distribution (Partial Attendee)
Jane Zammit (JZ), Environmental Advisor, SSEN Distribution (Partial Observer)	Ryan McKay (RM), Senior Strategy Manager, SSEN Distribution (Partial Attendee)
Apologies	
Fayza Benlamkaden (FB)	

Minutes

Item No.	Agenda Item
1.	**Welcome and Introductions – Sharon Darcy** The Chair welcomed members and attendees and confirmed the minutes from the previous meeting. The Group reviewed progress against the ISG action log and welcomed improvements in how closed actions and supporting evidence are being shared, helping to demonstrate how ISG feedback is influencing ED3 development. The ISG discussed forward planning for upcoming sessions and agreed the importance of early sight of emerging strategic issues to support meaningful challenge throughout the ED3 process.

2.	**ED3 Strategy, Programme, and Regulation Update – Clothilde Cantegreil** An update was provided on recent engagement with Ofgem and wider policy developments relevant to ED3. Members highlighted the need to ensure that any evolving approaches remain clearly focused on customer value, fairness and deliverability, and that stakeholder engagement supports outcomes.
3.	**ED3 Workstream 9: Finance and Efficiency – Rachael Robertson, Matthew Miller, Ishara** The discussion covered how Ofgem assesses efficiency and benchmarks network companies. ED3's more adaptive delivery model makes comparisons with previous price controls more complex. Key considerations included: • Fair benchmarking across companies with different growth profiles. • Accounting for investment timing across price control periods. • Distinguishing between demand-driven investment and asset replacement. **Real Price Effects (RPEs)** Sector-wide concerns were noted regarding Real Price Effects (RPEs), where regulatory assumptions on input costs may not reflect current market conditions. This issue is being discussed with Ofgem at an industry level. **Financial Resilience and Investability** The group discussed the need for a financial settlement that supports long-term investability and financeability while remaining affordable for customers. Maintaining financial resilience was recognised as being in consumers' interests, as higher financing costs can ultimately impact bills. **Affordability and Intergenerational Fairness** ISG members stressed the importance of clearly demonstrating value for money for customers and addressing affordability concerns. The session also covered regulatory depreciation and asset life assumptions, noting that these influence how costs are recovered over time and therefore affect intergenerational fairness. **Closing Reflections** The ISG recognised the complexity of funding the energy transition and the need to balance present day affordability with long-term investment. The importance of transparency and clear communication in the public domain was reinforced.
4.	**ED3 Workstream 5: Innovation – Frank Clifton, Catherine Winning, Ross Bibby and Andrew Roper** The session outlined the ED3 Innovation strategy, building on ED2 learning and increasing focus on deploying innovation into business-as-usual (BAU). The ambition is to scale innovation to address future network challenges while delivering measurable operational and customer benefits. **Delivery and Impact**

	Examples were shared of innovations already delivering improvements in asset monitoring, fault management and data access. There is a strong emphasis on moving innovation into BAU to maximise long-term value. The group discussed how innovation activity is governed and tracked, including ensuring lessons learned are embedded and delivery pathways are clear. **Collaboration and Culture** The team highlighted collaboration across the sector and with wider stakeholders to avoid duplication and strengthen impact. The ISG encouraged continued transparency around partner feedback and organisational learning. Discussion also focused on embedding innovation culture across the business and balancing ambition with the resilience requirements of critical infrastructure. **Transparency and Next Steps** The ISG emphasised the need for clear criteria for innovation investment, stronger articulation of outcomes and co-benefits, and a clear link between funding and customer value. Further information on innovation outcomes, partner feedback and barriers to delivery will be shared at future sessions.
5.	**ED3 Workstream 10: Affordability – Clothilde Cantegreil and Graeme Keddie** The session explored how affordability will be addressed within the ED3 business plan. Members noted the challenging economic and political context, with increased focus from government and Ofgem on energy bills and the cost of the energy transition. It was agreed that affordability must be considered alongside long-term value. The business plan will therefore aim to demonstrate not only bill impacts, but also the broader benefits of investment, including economic growth, energy security and climate resilience. **Intergenerational Fairness** The group discussed how costs should be balanced between current and future consumers. There was recognition that deferring costs may reduce short-term bills but could increase long-term pressures. ISG members emphasised the need for transparency on decisions on phasing and long-term impacts. A balanced approach was considered important, given uncertainty around future economic conditions and climate risks. **Trade-offs and Cost Allocation** Discussion covered trade-offs between different customer groups and regions, as well as wider policy debates around cost allocation. Members noted that affordability considerations extend beyond simple bill levels and include questions of fairness, distributional impacts and potential regional disparities. **Demonstrating Value** Three broad approaches to evidencing value were discussed: • Clear analysis of bill impacts over the price control period. • Quantification of wider benefits, including economic growth, supply chain development and avoided costs.

	• Use of broader value frameworks to capture environmental and societal impacts. The importance of explaining counterfactuals and opportunity costs was emphasised, particularly for audiences outside the energy sector. **Closing Reflections** The ISG recognised that affordability is complex and involves policy choices about who pays and when. Transparency around trade-offs and clear evidence of long-term value will be critical. Further modelling and independent evidence on phasing and intergenerational impacts will be shared with the ISG as the business plan develops.
6.	**Stakeholder Engagement Update – Lyndsey Stainton and Graeme Keddie** **Membership and Reporting** An update was provided on ISG membership, with recruitment underway to strengthen asset management expertise. A new synthesis reporting template is being developed to consolidate stakeholder insights and clearly demonstrate how feedback is shaping the ED3 plan. **Engagement Activity** Strong attendance was reported across recent ED3 workshops. Videos outlining the ISG's role and expectations have been recorded and will be shared publicly following approval. **Joint Consumer Research** Joint DNO research is underway to inform ED3 planning, focusing on: • Unlooping, including customer awareness and communication preferences. • Climate resilience, exploring acceptable resilience levels and future investment priorities. Findings will be shared with the ISG as they become available. **Deliberative Engagement** The deliberative engagement programme is being refined to focus on specific investment trade-offs and long-term value questions. Outputs will be reviewed with the ISG Chair before wider circulation.
7.	**A.O.B – All** **Actions and Innovation Challenge** Actions from the session were reviewed and agreed. The ISG revisited the existing innovation challenge, focusing on how barriers are being overcome and how radical or disruptive innovation is defined. Members requested further examples of how barriers are being addressed and agreed that a follow-up session should explore disruptive innovation in more depth, potentially involving a broader range of perspectives.

	Affordability and Transparency The ISG discussed the importance of clear and transparent communication around affordability trade-offs within the business plan. Members emphasised the need for robust modelling of short, medium and long-term impacts, supported by independent evidence where possible. The importance of clearly setting out the evidence base underpinning investment decisions, including wider value frameworks, was reinforced. **Reporting to the Board** It was agreed that an interim ISG report will be prepared for the SSEN Distribution Board, outlining the group's approach, meeting activity and key topics reviewed.