Introduction to Resilience and Security Roles
February 2024
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In October 2023 the Energy Act set the legislative framework for NESO as an organisation at the heart of the energy sector.

- **Apr 2022**
  DESNZ and Ofgem decision to create NESO

- **Oct 2023**
  Energy Act sets up NESO in legislation

- **Summer 2024**
  Day 1 of NESO

NESO

*NESO will have responsibilities around delivering a net zero energy system that balances sustainability with affordability and security*

- **Independent**
- **Whole System**
- **Serving GB**
NESO is set up as a public corporation independent from industry and Government.
NESO will deliver significant additional value to society from Day 1.
The energy sector is evolving. So are the risks to system security and resilience.

- Significant change in the architecture of the energy system as we transition to net zero
- Increase in the level of interdependence between electricity and gas
- No single organisation focussed on understanding and mitigating whole system risks
NESO is well placed to help ensure system resilience and security.

- Extensive experience in electricity system resilience, emergencies, and security of supply
- A whole energy remit, and an ability to provide a joined up perspective on the whole system
- An independent body acting as the single entity delivering whole energy benefits and co-ordination to resilience and emergency management
On Day 1, we will perform activities across three overarching roles.

NESO will be responsible for cross-vector **energy resilience, readiness, post event learning, assessing security of supply, and cyber/physical security assessments** enabling NESO to help adopt a whole energy system response across energy vectors.

- Resilience, Readiness and Learning from Events
- Security of Supply
- Physical and Cyber Security
Scope | Resilience, Readiness and Learning from Events.

**ACTIVITIES**

- Conduct whole energy resilience assessments working with industry partners and considering multiple energy vector interactions
- Conduct annual reviews of emergency processes and seasonal reviews of whole energy industry readiness
- Undertake significant engagement and gather data from impacted parties to provide analysis to DESNZ and Ofgem following events and emergencies

**OUTCOMES**

- NESO will identify risks to resilience and improvements, mitigations and best practice to reduce the likelihood and impact of those risks
- Through these assessments the work of NESO will help inform GB resilience goals, to be set by DESNZ, and NESO will design resilience standards to achieve those goals
Scope | Security of Supply.

Resilience, Readiness and Learning from Events

Security of Supply

Physical and Cyber Security

**ACTIVITIES**

- Undertake expert modelling to assess risks potential mitigations on security of supply
- Engage with stakeholders on our assumptions, modelling and scenarios included in our assessments
- Take on a new role to assess gas supply security considering the availability, reliability and deliverability of ‘molecules’

**OUTCOMES**

- Independent expert advice and recommendations for secure energy supplies for consumers in Great Britain
- Insight and transparency on our recommendations through Seasonal Outlook Reports, Capacity Market, Resource Adequacy in the 2030s and a new annual report identifying risks and mitigations to gas supply security
Scope | Physical and Cyber Security.

Resilience, Readiness and Learning from Events

Security of Supply

Physical and Cyber Security

**ACTIVITIES**

- We will be providing subject matter expertise to advise and guide to DESNZ on the framework used to classify Critical National Infrastructure
- We will lead the data collection and consolidation of the CNI submissions and make recommendations to DESNZ
- We will undertake whole energy threat assessment to identify vulnerabilities to the energy system

**OUTCOMES**

- An updated view of all Critical National Infrastructure assets across industry
- Through these assessments the work of NESO will help inform DESNZ on key threats and vulnerabilities industry face
Here’s what you can expect from us between now and Day 1.

- **October 23**: Ofgem draft licence consultation
- **November 23**: Physical and Cyber Security new licence condition detailed design starts
- **December 23**: Adding to Resilience and Security of Supply leadership roles
- **January 24**: Resilience and Security of Supply team build starts

- **May 24**: Operational separation
- **April 24**: Ofgem Statutory Licence Consultation
- **March 24**: Resilience and Security of Supply teams in place

- **June 24**: Ramp up of engagement with industry to establish relationships and refine roles and responsibilities

- **March 24**: Day 1
  - Licence and codes go live
  - Awareness building with industry through forums and webinars

- **February 24**: We are here
We will need to work in close partnership with relevant industry stakeholders, DESNZ, Ofgem, and other appropriate organisations like CCC and Met Office to identify risks, gather inputs and develop mitigations, making recommendations to improve resilience to government and Ofgem.

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<td>To develop and deliver our new responsibilities we will engage widely with stakeholders including DESNZ, Ofgem, NGT, industry experts like NSTA and infrastructure operators, and academia to assess methodologies, identify supply risks and provide insight and recommend security of supply remediations.</td>
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<td>We continue to refine the expectations for new licence conditions with DESNZ, and will need to work closely with security services as well as infrastructure owners and operators to facilitate the identification of sites, systems and assets that could be classified as critical national infrastructure.</td>
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Becoming the National Energy System Operator (NESO) | ESO (nationalgrideso.com)
Email enquiries: box.fso@nationalgrideso.com
Organisational Roadmap coming soon
Thank you for joining