

Conflict of interest - definition:
A situation that has the potential to undermine the impartiality of the DSO because of the possibility of a clash between the DSO activities and the DNO's network ownership roles or other business interests.

Conflict of interest			Risk level (pre-mitigation)			Owner	Mitigation Strategy		Risk level (post-mitigation)		
Ref	Item	Description of Impact	Impact	Likelihood	Risk rating		Start description with either Accept - Avoid - Reduce - Transfer	Estimated timing for full deployment	Impact	Likelihood	Controlled risk rating
1	Network development (OVERALL)	There is a risk that undue influence is exerted in the network development process from other interests in the business that could alter the outcomes of the process in favour of asset intervention.	4	3	12	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure. 2. Accept DSO owns and manages forecasting process and vets all input data. 3. Accept DSO oversees optioneering process and outcomes. 4. Accept DSO performs evaluation of options. 5. Accept DSO owns and publishes DNOA methodology. 6. Accept DSO publishes CEM Tool evaluations. 7. Accept DSO publishes all details of network reinforcement activities. 8. Accept DSO Stakeholder Panel reviews challenged decisions.	1. April 2023. 2. Annually. 3. April 2023. 4. April 2023. 5. December 2023. 6. November 2023. 7. January 2024. 8. Bi-annually.	2	2	4
1a	Forecasting	<i>There is a risk that undue influence is exerted in the forecasting process from other interests in the business that could alter the outcomes of the process in favour of asset intervention.</i>	2	2	4	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure. 2. Accept DSO manages the forecasting process and validates all the data inputs. 3. Accept DSO engages with LAs to support LAEPs and manages the data exchange. 4. Accept DSO oversees the outcomes from DNO discussions with developers and network/system operators.	1. April 2023. 2. Annually. 3. Annually. 4. Annually.	1	1	1
1b	System modelling	<i>There is a risk that undue influence is exerted in the system modelling (impact assessment analysis using system planning tools) process from other interests in the business that could alter the outcomes of the process in favour of asset intervention.</i>	4	3	12	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure. 2. Accept DSO oversees optioneering process and outcomes. 3. Accept DSO publishes all details of network reinforcement activities.	1. April 2023. 2. April 2023. 3. January 2024.	2	2	4
1c	Decision-making	<i>There is a risk that undue influence is exerted in the decision-making process from other interests in the business that could alter the outcomes of the process in favour of asset intervention.</i>	2	1	2	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure. 2. Accept DSO oversees optioneering process and outcomes. 3. Accept DSO performs evaluation of options. 4. Accept DSO owns and publishes DNOA methodology. 5. Accept DSO publishes CEM Tool evaluations. 6. Accept DSO publishes all details of network reinforcement activities. 7. Accept DSO Stakeholder Panel reviews challenged decisions.	1. April 2023. 2. April 2023. 3. April 2023. 4. December 2023. 5. November 2023. 6. January 2024. 7. July 2023.	1	1	1
2	Network Operation (OVERALL)	There is a risk that undue influence is exerted in the operation of the distribution network from other interests in the business that could alter the outcomes of the process in favour of asset intervention and/or the use of DNO services, like CLASS.	4	3	12	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure for flexibility services provision. 2. Accept DSO manages the ANM decision-making logic. 3. Accept DSO manages the MOM system and processes. 4. Accept DSO owns and publishes Operational Decision Making Framework methodology. 5. Accept DSO owns and publishes all details of flexibility services dispatch in DFS Procurement Report. 6. Accept DSO owns and publishes all planned procurement of flexibility services in DFS Procurement Statement.	1. April 2023. 2. April 2023. 3. April 2023. 4. March 2024. 5. 30 April annually. 6. 31 March annually.	3	1	3
2a	Active network management	<i>There is a risk that undue influence is exerted in the operation of the distribution network from other interests in the business that could alter the outcomes of the process in favour of asset intervention and/or the use of DNO services, like CLASS.</i>	4	3	12	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure for flexibility services provision. 2. Accept DSO manages the ANM decision-making logic. 3. Accept DSO manages the MOM system and processes. 4. Accept DSO owns and publishes Operational Decision Making Framework methodology. 5. Accept DSO owns and publishes all details of flexibility services dispatch in DFS Procurement Report. 6. Accept DSO owns and publishes all planned procurement of flexibility services in DFS Procurement Statement.	1. April 2023. 2. April 2023. 3. April 2023. 4. March 2024. 5. 30 April annually. 6. 31 March annually.	3	1	3
2b	Flexibility dispatch	<i>There is a risk that undue influence is exerted in the dispatch of flexibility (assets, connections and services) operation of the distribution network from other interests in the business that could alter the outcomes of the process in favour of asset intervention and/or the use of DNO services, like CLASS.</i>	3	3	9	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure for flexibility services provision. 2. Accept DSO manages the ANM decision-making logic. 3. Accept DSO manages the MOM system and processes. 4. Accept DSO owns and publishes Operational Decision Making Framework methodology. 5. Accept DSO owns and publishes all details of flexibility services dispatch in DFS Procurement Report. 6. Accept DSO owns and publishes all planned procurement of flexibility services in DFS Procurement Statement.	1. April 2023. 2. April 2023. 3. April 2023. 4. March 2024. 5. 30 April annually. 6. 31 March annually.	3	1	3
3	Market development (OVERALL)	There is a risk that undue influence is exerted in the development of the flexibility services market from other interests in the business that could alter the outcomes of the process in favour of asset intervention and/or the use of DNO services, like CLASS.	3	3	9	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure for flexibility services provision. 2. Accept DSO manages the Table of Accountabilities for DSO activities which define the roles and responsibilities. 3. Accept DSO manages the governance and oversight processes. 4. Accept DSO publishes all details of network reinforcement activities. 5. Accept DSO Stakeholder Panel reviews challenged decisions. 6. Accept DSO publishes a compliance report annually.	1. April 2023. 2. April 2023. 3. April 2023. 4. April 2024. 5. Bi-annually. 6. Annually.	3	1	3
3a	Accountability & oversight	<i>There is a risk that undue influence is exerted in the development of the flexibility services market from other interests in the business that could alter the outcomes of the process in favour of asset intervention and/or the use of DNO services, like CLASS.</i>	3	3	9	Head of DSO	1. Accept DSO holds the budget for and sanctions all load related expenditure for flexibility services provision. 2. Accept DSO manages the Table of Accountabilities for DSO activities which define the roles and responsibilities. 3. Accept DSO manages the governance and oversight processes. 4. Accept DSO publishes all details of network reinforcement activities. 5. Accept DSO Stakeholder Panel reviews challenged decisions.	1. April 2023. 2. April 2023. 3. April 2023. 4. April 2024. 5. Bi-annually.	3	1	3
3b	Compliance	<i>There is a risk that undue influence is exerted in the development of the flexibility services market from other interests in the business that could alter the outcomes of the process in favour of asset intervention and/or the use of DNO services, like CLASS.</i>	3	3	9	Head of DSO	1. Accept DSO publishes a compliance report annually.	1. 31 March 2026	2	1	2