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Sent by email only to: half-hourlysettlement@ofgem.gov.uk

Dear Melissa,

## **British Gas response to the Consultation on the proposed Directions to Elexon as MHHS Implementation Manager (IM)**

We appreciate the opportunity to respond to Ofgem's consultation on the proposed Directions to be issued to Elexon as the Marketwide Half Hourly Settlement Programme Implementation Manager.

British Gas remains fully committed to the successful implementation of MHHS as both a SIT and Non-SIT (Qualification Wave 3) supplier, for our domestic and non-domestic supply businesses, respectively. We welcome the principle of additional oversight and scrutiny of progress that Ofgem has proposed through this consultation.

We highlight:

- **There is a risk that the additional reporting requirements placed on Elexon as the Implementation Manager will increase the reporting burden on suppliers.**
- **We support the proposal to strengthen testing cohort management and roles and responsibilities, particularly for paired cohort testing.**
- **We are concerned with the proposal to assess the feasibility of accelerating M15 and the uncertainty that creates in delivery and migration plans.**

### ***The additional reporting requirements placed on Elexon as the Implementation Manager will increase the reporting burden on suppliers:***

It is not yet wholly clear the extent to which the new reporting requirements placed on Elexon will create an additional reporting burden for suppliers. However, it is difficult to see Elexon being able to fulfil the additional reporting obligations without additional input from programme participants.

We are currently in a critical phase of delivery towards go-live later this year and we are concerned that the need to share more frequent and more granular information to the programme could become an unwelcome distraction. We urge that requests for information made by Elexon are reasonable, consider the effort that they may require from programme participants and do not detract from efforts to achieve go-live and subsequent migration execution.

Additionally, risks and issues are inherent in major programmes such as MHHS and we have well established means of identifying and resolving blockers to progress. These issues are likely to be surfaced more quickly with fortnightly granular reporting. We would encourage Ofgem and Elexon to afford participants the time and space to address blockers within their programme and only intervene where necessary and there are no signs of improvement.

British Gas will continue to be fully transparent with Elexon, Ofgem and the IPA, as we have been throughout System Integration Testing. We will continue to address risks, issues, and blockers, and will proactively engage with MHHS Programme team should we encounter material issues that jeopardise our delivery.

***We support the proposal to strengthen testing cohort management and roles and responsibilities, particularly for paired cohort testing:***

We acknowledge that the proposals for improving the management of testing cohorts are still being refined with the assistance of the Independent Assurance Provider. In principle, we support measures that facilitate progress, especially as we advance through paired cohort testing in SIT Functional and SIT Migration.

We have made significant progress in this area in recent test sprints. We have implemented many features of our "Collaboration Room" proposal, which we shared with Ofgem during our bilateral meeting in October. The active management of test execution, particularly regarding test hand-offs between participants and defect management, has been highly beneficial. Increased leadership from the programme test team, fostering greater coordination and collaboration, is welcome.

***We are concerned with the proposal to assess the feasibility of accelerating M15 and the uncertainty that creates in delivery and migration plans:***

The proposed timing and approach to assess the feasibility of advancing the M15 and M16 milestones has limitations. The migration performance of the most engaged early adopter suppliers in SIT does not accurately reflect the potential performance of suppliers in the later qualification waves. Additionally, we anticipate that migrating complex MPANs will be more challenging, and assessing the migration performance of the first 40% of MPANs is unlikely to provide a representative view of the additional challenges we will face with these more complex MPANs.

Accelerating M15 and curtailing the available migration window may create a perverse incentive for parties to prioritise speed over quality in migration, potentially leading to poor settlement outcomes and customer detriment. It would also likely necessitate accelerating the M14 milestone and potentially expediting the implementation and qualification activities for Waves 3 and 4. This is impractical, particularly considering the recent adjustments to delivery plans and strategies following the approval of CR055.

Please feel free to contact me should you wish to discuss any part of this response.

Yours faithfully,

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