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Proposed Directions to Elexon about reporting on Market-wide Half-Hourly Settlement (MHHS) implementation and about managing MHHS Testing cohorts

EDF is the UK's largest producer of low carbon electricity. EDF operates low carbon nuclear power stations and is building the first of a new generation of nuclear plants. EDF also has a large and growing portfolio of renewables, including onshore and offshore wind and solar generation, as well as energy storage. With over five and a half million electricity and gas customer accounts, including residential and business users, EDF aims to help Britain achieve net zero by building a smarter energy future that will support delivery of net zero carbon emissions, including through digital innovations and new customer offerings that encourage the transition to low carbon electric transport and heating.

EDF is committed to supporting all its customers to save cash and save carbon. It is why we have completed a successful migration to the Kraken platform. It is why for two years running we have been the best performing large supplier on smart installs, and why this winter we have made an additional £29m of support available to help our customers most in need in response to the ongoing Cost of Living crisis. This commitment to our customers is reflected in our Trustpilot score recently increasing to 4.7 out of 5.

We welcome the opportunity to respond to this consultation and recognise the intent behind the proposed directions to Elexon in its role as MHHS Implementation Manager. It is vital that that the MHHS Programme is delivered in an efficient and cost-effective manner, and to the current Programme milestones if possible.

We broadly welcome the proposals set out in the consultation, and the requirements on Elexon to provide more regular, detailed reporting to Ofgem. We do, however, have a number of observations and suggestions which we set out below.

We agree with the proposal for Elexon to provide a fortnightly testing report. The testing report should identify the number/proportion of remaining tests that are blocked either by defects, data issues or test scripts issues (which are the common themes for blocked tests), and which team is responsible for resolving them.

This reporting should also include appropriate metrics across all types of testing, including settlement testing, as well as functional and migration testing. Currently, story points are not

being allocated for settlement testing which provides a distorted view of testing progress as effort in the area is not being measured. In some cases, testing parties will be carrying out settlement testing as they are blocked from progressing functional or migration testing, but this positive progress is not reflected in the reporting.

The first M10 Checkpoint report should be brought forward to February as this will provide early visibility of whether progress is on-track and allows sufficient time to be able to take corrective actions. We agree that the second report should be in June 2025. If any action is required as a result of this second report ahead of M10, then time will be required to complete this, and the summer period is always challenging from a resourcing perspective.

We welcome the focus on MHHS Qualification, the reporting of which should also consider the activities being taken by the code bodies (especially the BSC and REC) that facilitate this activity, including deliverables such as the Test Scenarios for Placing Reliance. A number of these code body deliverables have been delayed, which has a consequential impact on parties' ability to undertake preparation activity for Qualification.

There should also be reporting on code body preparation and readiness for processing parties' Qualification Assessment Documents. The scale of the Qualification activity for MHHS is far beyond anything that the code bodies have previously delivered. Code body resourcing should not delay Qualification and parties being able to commence their migration activity.

We also welcome the focus on Migration in the proposed reporting. We recommend that premortem workshops are held, well in advance of the start of the Qualification and Migration phases and with input from MHHS Participants, to identify the typical types of issues that could be faced during Qualification and Migration. This will enable the likely root causes to be identified and associated mitigating actions agreed that can be proactively added to plans, which will reduce the likelihood of these issues occurring. EDF has experience of running such premortem workshops and would be more than happy to support this activity.

We do not agree that 40% is an appropriate trigger point for the report on the M15 and M16 milestone dates. The proposed approach does not take into account individual supplier portfolios, i.e. It could be the case that 40% of the total MPANs are migrated only by the suppliers in the earlier Migration Waves if they have significantly large portfolios. Any decision to amend the M15 and M16 milestone dates based on this would not take into account any issues that suppliers that are yet to start their migration, and who may also have large portfolios, might face.

There may be opportunities within the current Programme Plan to accelerate Migration activity. For example, for a specific Qualification Wave, there may be a significant lag between a party being Qualified for MHHS and the start of the Migration window for their Wave. For Wave 1, this lag is over three months. Opportunities should be explored to enable suppliers to start migration earlier than would currently be possible in the Programme Plan.

Should you wish to discuss any of the points raised in our response or have any queries, please contact Paul Saker or myself.

I confirm that this letter and its attachment may be published on Ofgem's website.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Denise Willis', written in a cursive style.

Denise Willis
Senior Manager of Industry Change