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MHHS Team Ofgem 10 South Colonnade Canary Wharf London E14 4PU

27 January 2025

Dear MHHS Team

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

ENWL remain committed to co-operating with Ofgem as the Programme Sponsor, BSCCo as the appointed MHHS Implementation Manager (IM)/Senior Responsible Officer (SRO) and PwC as the appointed MHHS Independent Assurance Provider; and being MHHS programme ready – in relation to planning, project assurance and/or coordination/system integration of the MHHS Programme.

This first part of the Ofgem lead regulatory package is targeting under performance. We suggest, Ofgem consider if outperformance measures could also be introduced, which is consistent with other areas of our licence. For example, Ofgem could investigate introducing a new outcome-based reward incentive obligation on DNOs to go above and beyond the existing daily migration thresholds per LDSO. LDSOs would be incentivised to go faster and work with the Elexon Migration Control Centre, for like-minded Suppliers who are ready and agile enough. We consider the current migration thresholds per LDSO set the normal performance levels that would be expected, and this is an opportunity to do better for customers.

A similar type of incentive approach could be investigated and introduced for Suppliers for their responsible migration activity.

The following is ENWL feedback on the specific questions asked by Ofgem in its consultation:

1. Pre -M10 Reporting - What would be the optimal timings for the M10 Checkout Reports? – we agree with the proposed 2 April and 2 July 2025 timing for MHHS PSG meetings to discuss the BSCCo M10 Checkpoint Reports. To support this activity, we recommend the existing BSCCo/MHHS participants bilaterals should include a new agenda item on preparedness for M10 Checkpoint Reporting at which both parties discuss and capture progress and any mitigation actions (if required) for each phase of testing. Our suggestion would enable the MHHS IM to effectively report on MHHS Participants testing readiness and prevent unnecessary challenge on the contents of the reporting at these key PSG meetings. This approach would ensure any discussion at PSG would be targeted on mitigating risks to M10 remaining on track rather than the accuracy/presentation of the reporting.



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- 2. Post -M10 Reporting Is 40% (of all MPANs successfully migrated) an appropriate trigger point for the report on the M15 and M16 milestone dates? the MHHS Programme Migration Control Centre is responsible for scheduling, monitoring and reporting and would have oversight on what percentage and the appropriate trigger point. We recommend Elexon share the proposed reports formats with LDSOs to assess if they could support any additional reporting from MPRS if required. Whilst, reporting from MPRS would be limited as it has no sight of the schedule/progress MPRS could potentially support with the report on the number of sites successfully migrate.
- 3. <u>Any other reporting are the provisions on reporting sufficient to give Ofgem the information it needs to understand the nature and causes of any future risks to MHHS delivery? If you believe they are not, and that additional information needs to be provided, please specify what that information is and from whom it may be obtained.</u> We have two suggestions:
  - a. We note Ofgem is proposing to direct the BSCCo to provide fortnightly reporting to Ofgem on post-M10 qualification activities, migration report etc. Currently, we hold monthly bilateral meetings with Elexon. We propose Elexon consider increasing these to bimonthly for those MHHS participants who require mitigating actions to keep on track.
  - b. The draft Qualification Assessment Document (QAD) is due for submission on the 14 February. We suggest a key component to remaining on track for qualification is feedback from Elexon and Code Bodies after submission. Currently, Elexon and Code Bodies have committed to providing feedback within 6 weeks. We recommend an additional interim milestone is added to allow sufficient time for MHHS participants to effectively act on the feedback, remediate and collate additional evidence for submission of the final QADs in April.

Yours sincerely

Paul Auckland Head of Economic Regulation