ELEXON

Jenny Boothe,
Head of MHHS
Ofgem
10 South Colonnade
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London
E14 4PU

Dear Jenny,

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

<u>**Summary of Elexon response**</u>

Thank you for consulting on the proposed direction on reporting and for providing the opportunity to review and provide comments and feedback on these proposals.
This response covers Elexon's feedback as a programme participant and code body within the MHHS Programme. We expect the MHHS Programme to respond separately as the implementation manager.

The Elexon team has reviewed the proposals, and we have provided our response across the following areas:

1. Elexon general feedback
2. Response to questions raised in the consultation
3. Feedback on specific reports.

1. Elexon general feedback:

- Elexon welcomes the opportunity to provide additional reporting confidence to Ofgem, with the overarching aim of derisking the programme and are fully committed to meeting all MHHS milestones, including M10.
- It is imperative for all parties to deliver MHHS successfully and Elexon is fully committed to this outcome and additional measures that will support successful delivery.
- We have focussed our feedback on the specific areas where Elexon as a Programme Participant/Code body plays a key role in supporting MHHS Reporting and believe we can add value.
- We understand the need for increased focus on Qualification progress and would like to share our suggestions on how this can be implemented

efficiently.

- We will work closely with the MHHS Programme team and the IPA to ensure that the purpose can be met as effectively as possible and that reporting formats are agreed and aligned.
- Our view is that it is important to set the correct balance between data collection, reporting and review to enable efficient decision making and avoid creating excessive overheads that may impact delivery focus and execution.

2. Elexon response to questions raised in the consultation:

Question	Elexon Response
Provide a view on the timing of the M10 Checkpoint Reports	The two checkpoint reports would provide a reasonable frequency and opportunity to provide meaningful data required to support decision making. It would be helpful to schedule the first to align with the completion of SIT Settlement, SIT Functional & SIT Migration as these will provide definitive progress indicators. We would recommend that the second Checkpoint Report needs to be closer to M10, to ensure as complete a picture as possible on M10 readiness. Based on this, our recommendation on the reports is for: Checkpoint 1 – End April 2025 Checkpoint 2 – End July 2025
Provide a view on the proportion of MPANs that ought to be successfully migrated before the MHHS Implementation Manager produces its report on the scope for bringing forward the M15 and M16 milestone delivery dates	We recommend that there is an opportunity to review the modelling on the predicted MPAN migration rate that has been undertaken by the MHHS Programme Migration workstream before setting this target.
Provide a view on whether the provisions on reporting are 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	One area that has been highlighted that may need further reporting focus is on Settlement performance post migration. Our recommendation is to include settlement performance metrics in the Post M10 Migration reporting to ensure focus is not just on the volume and speed of migration, but also includes the underlying performance of the settlement process post migration.

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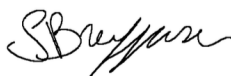|	
information is and from whom it may be obtained.	This is an area Elexon would be happy to engage on with the IPA and MHHS Programme to suggest additional measures to support this Reporting.

3. Feedback on specific reports:

The Elexon team has reviewed the reporting requirements, and we have provided specific feedback and suggestions on these where we believe we can add value, which are listed below:

Report	Elexon feedback
MHHS Qualification Fortnightly Reporting	Our feedback applies to Pre & Post M10 Reporting: As the Qualification for SIT runs both before and after M10 (MVC vs Non-MVC) we recommend (as far as possible) a continuation of the agreed Qualification Reporting collaboratively between MHHSP and Elexon until all SIT parties are qualified. Elexon is supportive of the increased scale of reporting across Qualification, though we would like to highlight some issues in delivering the reporting as initially proposed: Key issues: • PIT is a participant led activity and although there are reviews and checkpoints with the code bodies, the participants themselves would have to provide detailed progress activity to meet the reporting requirement as it stands. • Throughout Non-SIT Qualification Waves, the systems in place supporting both QT and QAD will allow for real time reporting and monitoring of Participants. However, providing this level of detail fortnightly for every Participant would create significant overhead and would be very difficult for IPA/Ofgem to review all of this data and draw meaningful conclusions. Elexon's suggested approach: • Investigate reporting at a higher level in a format agreed with the IPA and at a frequency which is deemed to provide

	useful insights, with the option to deep dive into individual issues or participants as required.
	Additional Notes:
	• Regarding the reporting around PAB, it should be noted that although BSC PAB approve Qualifications on the BSC side, for REC the REC Code Manager approves Qualifications.
	• The role of BSC PAB is to mitigate Settlement risks before they reach the market, therefore a rejection of a Qualification by PAB is not necessarily a reflection of inefficiency and we are uncomfortable measuring it this way.
M10 Readiness Monthly Report	The Elexon team view this Reporting primarily to be provided by the MHHS Programme with Elexon supporting as required. We view the content and frequency as reasonable and useful. We propose to work closely with the IPA and MHHS Programme to agree and align reporting formats.
MHHS Migration Reporting	As mentioned in Section 2, we would recommend expanding this to include Settlement performance metrics post Migration.

Yours sincerely,

[signature]

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Elexon