

MHHS Implementation Team  
Ofgem  
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30 January 2025

Dear MHHS Implementation Team

**Proposed directions to Elexon about reporting on MHHS implementation and about managing MHHS Testing Cohorts.**

Thank you for the opportunity to provide views on Ofgem's proposed directions to Elexon about reporting on the Market Wide Half Hourly Settlement (MHHS) programme implementation and about managing MHHS Testing Cohorts.

We welcome Ofgem's direction to Elexon to provide regular reports to Ofgem senior management on the progress of testing, qualification and migration and to the industry with regards to the overall progress of the M10 milestone. We suggest that the reports provided to Ofgem are made available to any parties that are specifically referenced as having problems/issues which could have an impact on the completion of the migration or testing milestone. We are in support of the proposed timing of the pre and post M10 checkpoint reports and all the testing reports. These will enable Ofgem to gain an understanding of the causes and materiality of any issues and defects and impact on the testing and the MHHS implementation timescales.

We do not support Ofgem's view that MHHS migration may be accelerated to bring forward cutover to the faster settlement timetable. The delay to MHHS 'go live' by 6.5 months will enable suppliers and all other industry participants to manage outstanding activities effectively, which is necessary for the successful completion of the project. Migration and the cutover are the two key deliveries of the MHHS programme, and we are concerned that accelerating things in this way, based on an arbitrary threshold, could have a negative overall impact on the MHHS programme's post go-live activities.

Currently, some suppliers are more advanced in their MHHS project delivery than others, but we believe that the current MHHS implementation timescales give all suppliers sufficient time to manage required activities for the successful delivery of the programme. In addition, bringing forward the M15 and M16 milestone dates would unfairly disadvantage suppliers that qualify in later Qualification waves. The proportion of their portfolios included in the threshold would be significantly less than the proportion for suppliers that have qualified through SIT and the earlier Qualification waves.

In essence, the current project timescales for migration and cutover continue to be needed; therefore, we do not support bringing the date forward.

We are also not persuaded that 40% would be an appropriate trigger point for the report on the M15 and M16 milestone dates. We believe the 40% target to be too low and would impose a risk on the MHHS implementation timescales. This is because suppliers are more likely to initially migrate those sites without any issues, leaving the more complex sites to be migrated at a later stage. As a result, the reporting will not offer a realistic view of suppliers' actual migration performance relative to their Migration Plans; of the reasons for any shortfalls in actual supplier performance; how suppliers and/or LDSOs have responded to those shortfalls; or the potential impact of those shortfalls on the MHHS Implementation timetable and/or consumers. Therefore, we do not support the reporting on the scope for speeding up MHHS migration and consequently bringing forward the cutover to the faster settlement timetable.

We are in support of Ofgem's proposal to direct Elexon to provide greater clarity around roles and responsibilities within and between testing cohorts and to facilitate the sharing of best practice. This will allow suppliers and all other industry participants to improve their capacity to respond effectively and quickly where issues arise that block progress in testing.

Finally, although we agree that the provisions on proposed reporting are sufficient to give Ofgem the information it needs to understand the nature and causes of any future risks to MHHS delivery, we want the content of the reporting to be represented fairly. This will help to ensure an accurate view of the overall progress is presented to Ofgem to allow it to gain clear understanding of the causes and materiality of any delays to the migration and testing.

I trust you will find our response helpful; however, should you require any further clarification of any aspect of our response, then please do not hesitate to get in touch.

Yours sincerely,



**Richard Sweet**  
Director of Regulatory Policy