



**MHHS
PROGRAMME**

Industry-led, Elexon facilitated

MHHS Settlement of Export

Discussion paper

- As part of the business case of MHHS it was recommended by CCDG ([Recommendation 5](#)) that under the new MHHS TOM that all export for which a customer is receiving payment from a supplier should be measured Half-Hourly and settled.
- The Programme will look at any BSC changes that may be required to ensure all registered export is settled half-hourly where appropriate metering is installed (in line with SLC 47.41 and 47.42).
- Where a supplier has registered an export MPAN then it will be part of the MHHS migration and settled under the new Target Operating Model.
- There are two additional scenarios where a supplier could be making a payment to the customer without an export MPAN, these are deemed export payments under the FIT scheme or some form of flexibility services.

- Under their supply licence, FIT suppliers are required to pay either actual export where an export meter is available (although there is no obligation for this to be entered into settlement), or deemed export at the rate of 50% of the generation.
- Deemed export was always seen as a stop gap until smart meters were available and should therefore be reviewed by Ofgem and Government.
- Suppliers have reported issues getting FIT customers to accept smart meters where their actual export is likely to be below 50% of their generation and thus envisage a loss of income. Thus, deemed export is also a barrier to meeting smart meter installation targets.
- Suppliers are also known to not register the export meter in settlements as the value of the export to the supplier is outweighed by the cost of registering and settling an export MPAN.
- The Programme believes that suppliers should be required by licence to register any export meter where they are making a payment to the customer into settlements. However recognises this would be a significant piece of work and needs to be timed so it does not disrupt the preparation for or the migration phase of MHHS.