MHHS PROGRAMME
Industry-led, Elexon facilitated

Cross Code Advisory Group

CR003 Impact Assessment Report & Recommendations

April 2022

Headlines

Objective of this session:

To **decide whether to recommend CR003 to Ofgem for approval** – for subsequent Ofgem assessment and decision.

Headlines:

- **Universally, parties supported the request** to move M6 to 9 months after M5, move M7 to 10 months after M5 (in line with the current 1-month lag behind M6) and rename M6 to 'Code changes baselined.'

- **Suppliers supported the assessment** that the current M6 and M7 dates cannot be delivered within the design-driven approach in the programme, therefore this change is required to ensure that well-considered and high-quality code changes are drafted after the design is baselined and before the Smart Meter Act Powers are enabled.

- Whilst very few respondents provided cost information, **the majority of participants supported the same or less cost will be incurred**. This is because the same or less resource will be required to deliver code changes with a reduced impact of parallel resource and less impact of ramp up and ramp down of resources.

  - One party stated that they were unable to provide accurate cost impact information for CR003. This was due to the lack of clarity relating to whether SME resource will be involved in both the design and the code drafting phases or whether there will be a change to any potential 'ramp up' and 'ramp down' periods.

  - One party cautioned if the assumptions stated in the request were not correct, a further impact assessment would need to be undertaken to establish the cost of late delivery of MP162. Additional costs may be created if a test/production environment is implemented but not utilised due to delays in the wider MHHS programme as costs are still incurred during its dormancy. Additional costs for User Integration Testing (UIT) extension and system running would need to be confirmed.

  - One party stated there could be an increase in resource and cost if the code reviews are carried out in parallel with the Design, Build & Test as the Elexon subject matter experts and market architects will be fully utilised supporting the Design, Build & Test. This impact would be reduced/removed if the code review were carried out in parallel with Industry Testing.

- One view stated that provided there is no major deviation from the TOM, **subsequent design change impacts should be minimal**.

- Several respondents supported the change, with a **caveat of the following risks, assumptions and actions being managed effectively**:

  - Activities will not be impacted unless the change in M6 and M7 impacts the overall transition timetable. The revised relative milestone dates for M6 and M7 will need to be reviewed through the MHHS timeline re-baselining activity that will be carried out once M5 is complete.

  - The change has no impact on programme end date as there are opportunities to be explored to absorb the delay minimising the risk of delay. This assumption will be validated as part of the programme re-baseline activity, following Design baseline at M5.

  - The programme will complete drafting for BSC Code changes, including subsidiary documents and BSC resource will review the outputs.

  - Design artefacts will be complete and contain the granular detail that parties require such as timelines, SLAs, volume constraints, non-functional requirements etc.

  - The code aligns to the design. Any deviation will result in additional changes, as build is design lead rather than awaiting for industry code approval.

  - **There appears to be a lack of clarity for programme participants on who will lead and who will have a supporting role in legal text drafting i.e., MHHS Programme or Code Bodies.**

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Ofgem's stated criteria: a plan that is credible and achievable; benefits of the CR against the current baseline plan; thought-through assumptions; clear cost impacts (incl. consumer); cost-effectiveness of the approach; implications of movement of M5 have been worked through the rest of the plan.
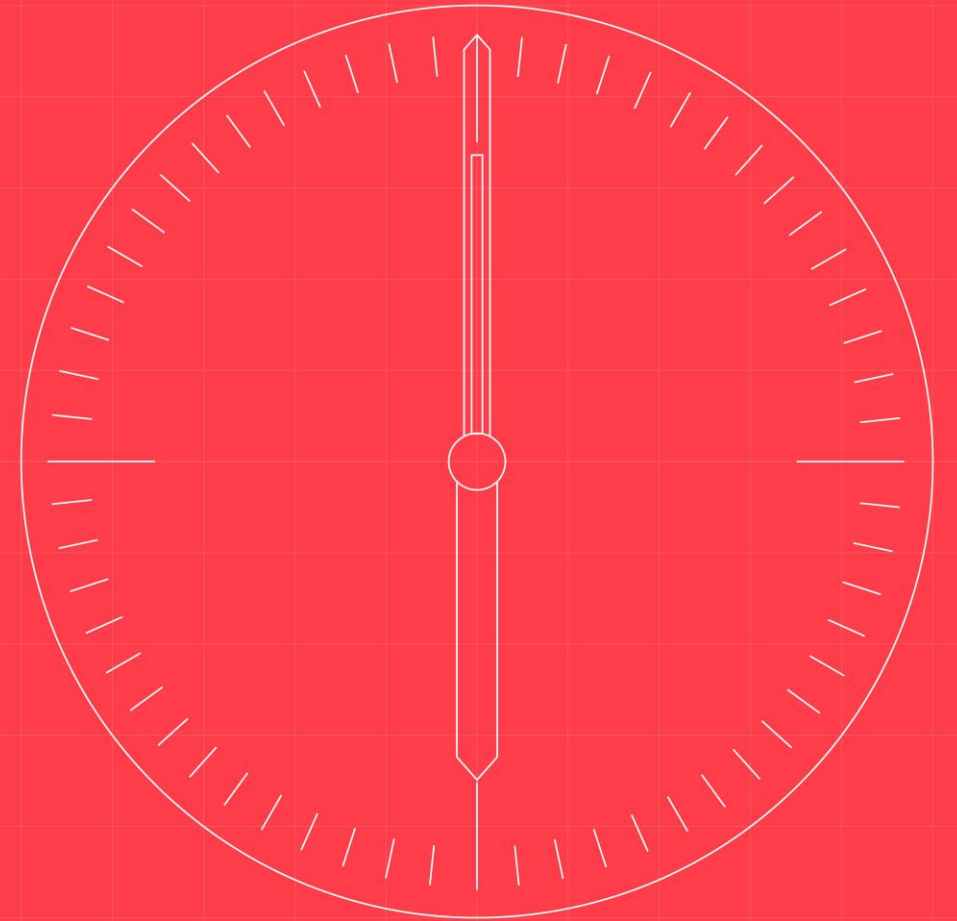
CR003 Submitted Impact Assessments

Programme Parties	CR003 Recommendations				Market Share* (where applicable)			
	Yes	**No**	**Abstained**	**Not Replied**	**Yes**	**No**	**Abstained**	**Not Replied**
Large Suppliers	4	-	-	1	72%	-	-	28%
Medium Suppliers	1	-	-	5	20%	-	-	80%
Small Suppliers	4	-	-	30	1%	-	-	99%
I&C	5	-	1	35	47%	-	0%	53%
Agents	2	-	-	52				
DNOs	2	-	2	2	39%	-	21%	40%
iDNOs	2	-	-	11				
S/W Providers	1	-	1	-				
National Grid	1	-	-	-				
Code Bodies	1	-	1	1				
Consumer	-	-	-	1				
Elexon (Helix)	1	-	-	-				
DCC	1	-	-	-				
SRO / IM & LDP	1	-	-	-				
IPA	1	-	-	-				

*According to the latest Meter Point Administration Number (MPAN) data held by the Programme. Market Share has not been provided for Programme Party Constituencies where MPAN data is not held by the Programme.

Rationale for being marked down as 'abstained'

- Several respondents did not fully complete the Impact Assessments, with a response to recommendation crucially omitted.
- Several respondents declined to formally respond due to time constraints or lack of information available to form an opinion.
- Several respondents stated CR003 had no impact on their activities and therefore did not formally respond.

Detailed Programme
Party views
CR003

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CR003 Impacts – Views on the proposed approach (Page 1)

Programme Parties	Range of respondents' views on benefits and concerns (related to the approach in CR003)
Large Suppliers	+ The amendment to the milestone timelines of the code drafting is in line with the design led approach of the programme and should not impact subsequent milestones. This must be validated during the PM2 replan after design completion (M5). + Waiting until the design has been baselined prior to commencing the activity to draft the code changes should prove to be a much more efficient approach and will avoid the multiple review and drafting cycles. – Working Group designs could be impacted after agreement and initiation of delivery due to legal text changes in the various codes. This requires assessment throughout the code drafting processes. Whilst the approach is design led, if legal text changes are not able to be progressed against the design for any reason, it could cause rework, which could in turn delay the delivery of the design and build. – Developing the code changes and legal text only after the design has been baselined and Programme Parties have commenced the design and build activity could result in changes to that design as result of the drafting of the legal text. To mitigate this risk, it must be ensured that the design artefacts include all information that might be included in the legal text. – Programme Parties may not be able to support the proposed plan, and especially the development and review of the draft legal text, depending on when these activities are due to occur. To mitigate this risk, it must be ensured that all Programme Parties, as well as the code bodies, are engaged in the lower planning activity and are able to feed any resource conflicts or constraints into the detailed plan.
Medium Suppliers	+ This party did not identify any contractual impacts of the change and supported the change raiser's assessment and overall recommendation to approve the change.
Small Suppliers	+ Parties unanimously supported the overall recommendation to approve the change.
I&C	+ Two respondents are licenced to supply electricity to industrial users only, and all the meters registered are Half Hourly only. Therefore they do not anticipate the proposed changes having any impact. – A key assumption in support of the change is that the code aligns to the design. Any deviation will result in additional changes, as build is design lead rather than awaiting for industry code approval. Whilst this is potentially more efficient for delivery it is still risk based rather than following the industry standard approach.
Agents	+ The two respondents did not identify any contractual impacts of the change and supported the change raiser's assessment and overall recommendation to approve the change.

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CR003 Impacts – Views on the proposed approach (Page 2)

Programme Parties	Range of respondents' views on benefits and concerns (related to the approach in CR003)
DNOs	+ It is beneficial to align the M6 and M7 Milestones with the elements of the replan that are available at this point in time. If there are further issues that come to light as a result of Industry change or the formal re-plan, then although these are a risk, they are a programme risk rather than linked solely to this change request. – Support the change with a caveat that when delivered, the design artefacts are complete and contain the granular detail that parties require such as timelines, SLAs, volume constraints, non-functional requirements etc. The respondent does not necessarily believe that the same SME resource will be involved in both the design and the code drafting phases or whether there will be a change to any potential 'ramp up' and 'ramp down' periods. Without having a clear understanding of this, there is not enough information or detail to enable to comment on the effect on costs.
iDNOs	+ Parties unanimously supported the overall recommendation to approve the change. – If the end date is not impacted, the change is appropriate to allow drafting and testing to occur, relative to the M5 date, having regard to proposed changes to the date of M5. – There is a risk of misalignment in delivery and potential gaps occurring with some MHHSP enabler changes progressing outside of the MHHSP itself. Should those changes not be approved we wonder what confidence there is of appropriate consequential action being picked up in the absence of oversight from the Programme.
S/W Providers	+ Supported the statement that by completing design and code draft sequentially, SME resource can be more involved in both design and code drafting (spread more effectively). – There is a risk that in drafting the code changes issue with the design which needs to be resolved are identified, potentially increasing costs – but this risk is more related to the design led approach.
National Grid	+ The change would not impact on their ability to deliver to the original programme delivery date, provided that either Smart Act Powers or Authority Led SCR powers are used in terms of the code changes (with alignment on this fact from all code bodies). If that is not the case, then there is a risk of delay due to the time required to undertake the entire code change process, including workgroups. + In terms of the overall schedule, the CUSC is not restricted to a release timetable in the same way that some other codes are. The charging year is more relevant to consider for implementation of CUSC changes impacting on charging. – There appears to be a lack of clarity for programme participants on who will lead and who will have a supporting role in legal text drafting i.e., MHHS Programme or Code Bodies. – There is a timing risk as described in the Schedule section of this impact assessment. It can be wholly mitigated if the code changes across the different codes are raised using Smart Act Powers or Authority Led SCR powers. – The party is working with the MHHS Programme on the approach to TNUoS Charging CUSC changes relevant to MHHS and it is not clear how these will interact with the proposed plan to M6 currently.

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CR003 Impacts – Views on the proposed approach (Page 3)

Programme Parties	Range of respondents' views on benefits and concerns (related to the approach in CR003)
Code Bodies	+ Delaying the milestones will have little to no effect as we are already working at risk with MP162 design based on the TOM. The uncertainty is not ideal but provided there is no major deviation from the TOM, any subsequent design change impacts should be minimal. It is worth highlighting that there is a REC dependency, as delays to the proposed timeline may prevent the MP162 from progressing. The specific areas having knock on effects on the DCC are registration data availability for the new MDR role. – Similarly to CR001 and CR002 there are risks from a wider programme replan, of impacts to delays on DCC capacity to deliver later changes, alongside other programmes of work, such as Network Evolution and DSP re-procurement.
Elexon (Helix)	+ Helix fully supported the change, but did however raise several risks to consider. – There could be consequential changes to the MHHS requirements & designs until the code changes are baselined. This can be mitigated if the MHHS requirements, process documents and designs contain all of the same level of detail that is present within the codes, including timings. – There is a constraint in month 8, week 2 that could result in the timelines being missed. This can be mitigated by avoiding the overlap between transitional text and final checks. – There could be an increase in resource and cost if the code reviews are carried out in parallel with the Design, Build & Test as the Elexon subject matter experts and market architects will be fully utilised supporting the Design, Build & Test. This impact would be reduced/removed if the Code review were carried out in parallel with Industry Testing. – Until the detailed planning for the code drafting is complete, which cannot happen until the design is baselined, the revised M6 and M7 milestones may need to move again. – There could be an increase in resource and cost if the code reviews are carried out in parallel with the Design, Build & Test as the Elexon subject matter experts and market architects will be fully utilised supporting the Design, Build & Test. This impact would be reduced/removed if the Code review were carried out in parallel with Industry Testing.

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CR003 Impacts – Views on the proposed approach (Page 4)

Programme Parties	Range of respondents' views on benefits and concerns (related to the approach in CR003)
DCC	+ DCC is supportive of the change and does not see any impact to modification MP162 if the MHHS programme can confirm the following assumptions. Firstly, that MP162 does not fall under the proposed code change process. Secondly, the REC changes needed to support MP162 are also independent from this timeline and will be delivered on or before the June 2023 REC release. – If the assumptions stated above cannot be met, a further impact assessment would need to be undertaken to establish the cost of late delivery of MP162. Additional costs may be created if a test/production environment is implemented for MHHS, but is not utilised due to delays in the wider MHHS programme as costs are still incurred during its dormancy. Further, additional costs for User Integration Testing (UIT) extension would be in the region of £640,000 per month and additional costs for system running would be in the region of £542,000 per month. – Moving the MHHS implementation closer to the DSP programme timelines will create uncertainty, complexity and potentially create additional costs to manage this scenario. There will be dependencies on a set of firm requirements for any future DSP solution that provides the required continuity of service. The MHHS requirements will need to be clear and implemented to support this key DSP activity. Therefore, any delays to MHHS may have an impact on timelines and cost of the DSP programme itself
SRO / IM & LDP	+ No adverse impact of the movement of M6 and M7 on Programme resources. The Programme sees this change as a 'reallocation' of resource rather than an 'extension' of resource. The spreading out of activities by separating design and code drafting will alleviate the pressure on Design resources and enable higher quality delivery of code, with Programme design resource moving to support code draft after M5. + It is assumed at this point that the movement will not have an impact on the Programme end date as there are opportunities to be explored to absorb the delay minimising the risk of delay. The plan has some float following M7 that means the risk of delaying milestones on the critical path is low (should further time be required during code drafting). This assumption will be validated as part of the programme re-baseline activity, following Design baseline at M5. – More resource may be required to deliver code drafting in the timescales provided or with an extension of timescales. This can be determined through more detailed approach and resource planning activity currently being undertaken by the CCAG ahead of M5. – Additional time and resource may be required to deliver code changes, Additional resource may be required to deliver code changes, qualification start may be exceeded (dependency D7) and the Programme replan may change the approach to code drafting.
IPA	+ Does not anticipate the delivery of IPA activities will be impacted unless the change in M6 and M7 impacts the overall transition timetable.

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