

**DRAFT – PSG PAPER – SUBJECT TO CHANGE BOARD APPROVAL**

## Change Request Form

### Change Request details

Change Request details			
Change Request Title	<i>MHHS Programme Re-plan</i>		
Change Request Number	<i>CR022</i>		
Originating Advisory / Working Group	<i>Programme Steering Group (PSG)</i>		
Risk/issue reference	<i>See Table A-5</i>		
Change Raiser	<i>Lewis Hall, MHHS PMO Lead</i>	Date raised:	<i>DD-MM-YYYY</i>

***For further guidance on how to complete this document please see the supporting Change Request Form Guidance for Programme Participants. The guidance will support raising a change and responding to a change request via Impact Assessment. The Change Raiser should consider sharing the draft Change Request Form with impacted programme parties, prior to submission to PMO. The guidance, as well as other key documents are referenced below and can be found via the MHHS website.***

Change Request to be read in conjunction with:
MHHS Change Request Form Guidance for Programme Participants
MHHS Change Control Approach
MHHS Governance Framework
MHHS Transition Timetable

**Part A – Description of proposed change**

**Guidance – This section should be completed by the Change Raiser when raising the Change Request.**

<b>Part A – Description of proposed change</b>
<p><b>Issue statement:</b>  <i>(what is the issue that needs to be resolved by the change)</i></p> <ul style="list-style-type: none"> <li>• In the MHHS Implementation Arrangements Decision Document <sup>1</sup> published by Ofgem in August 2021, it was agreed that once Central Programme Party procurement was completed a re-baselining of the Transition Timetable would be necessary (Activity PM2 within the Transition Timetable published by Ofgem 20<sup>th</sup> April 2021<sup>2</sup>). It was subsequently recommended that once the Design was complete a full plan review should take place.</li> <li>• The MHHS Design was baselined at M5 on 31 October 2022, subject to a Work-Off Plan which was approved at DAG on 16 February 2023 when the Design was re-baselined. The DIP provider, as the last remaining Central Party to be appointed, was fully contracted in January 2023. A plan review at this point is consistent with the original intention set out by Ofgem in August 2021. It is also entirely appropriate as the programme has adopted a phased approach to support moving at the pace of participants wherever possible, which has resulted in the earliest realisation of benefits, but a longer period for SIT and Migration overall. It will result in an increased number of Programme Participants (PPs) in SIT than originally envisaged. This will be described in more detail in later sections and in the Implementation Approach<sup>3</sup>.</li> <li>• In reality, the current MHHS Transition Timetable has been viewed as unrealistic and unachievable since mid-2022 and lacks widespread buy-in across the Industry Programme Participants (PPs). Challenging industry conditions, particularly in light of the energy crisis in 2022, have impacted the market and pace at which the Programme has been able to move forwards since the original timetable was set out. This has been recognised in previous programme Change Requests (CR001, CR003 and CR009). This CR is changing the Transition Timetable that was originally published and subsequently updated by these CRs.</li> <li>• The need for a revised plan to be baselined with industry support is now urgent following repeated short-term updates to the interim plan. With an increasing number of PPs progressing into Design, Build, and Test (DBT), particularly those targeting SIT later this year, there is a clear need to set out a credible approach up to, and including, the introduction of the New Settlement Timetable.</li> <li>• The three rounds of consultation have highlighted that a reset is now required, requiring changes to both Tier 1 and lower Tier milestone dates. Final agreement on these changes will be subject to a Programme Steering Group (PSG) recommendation following this CR Impact Assessment (IA) by industry and will ultimately require Ofgem approval (as they are beyond the Ofgem thresholds <sup>4</sup> for allowable change),</li> <li>• Adopting a credible plan is critical to the success of a programme of this size and complexity. The plan is fundamental to the effective governance and control needed to manage delivery within any agreed timescales. Future changes resulting from risks and issues yet to materialise will need to be measured against the impact to the plan and managed via Programme Governance and Change Control.</li> <li>• The revised plan set out in this CR is largely based on the Round 3 plan and assumptions. Given the Programme is now well underway, the prospect of baselining the plan in the absence of any material risks is unrealistic. A programme of this nature will inherently carry risk at all times.</li> <li>• There is a clear case to proceed with the CR at this point and avoid further delay, despite known risks. This CR is submitted in the full knowledge that further CRs may be required, potentially in quick succession after the plan is baselined and introduces the principle of a Go-Live range at M10 impacting subsequent</li> </ul>

<sup>1</sup> See reference 1

<sup>2</sup> See reference 2

<sup>3</sup> See reference 4

<sup>4</sup> See reference 8

milestones. The major risks impacting the replan are set out in later sections in this this CR and in more detail in the Implementation Approach.

- Any further delay in agreeing a revised Programme Plan will introduce additional risk to the timely delivery of consumer benefits and the achievement of wider net zero objectives.

**Description of change:**

*(what is the change you are proposing)*

- The proposed plan effectively extends the Programme completion at M16 from October 2025 to December 2026 which is also associated with a contingent date range of up to 6 months. The Go Live date at M11 (start of migration to MHHS) moves from November 24 to April 25, noting this may also be subject to a contingent date range, of 3 months, should various risks materialise impacting SIT timescales.
- The impact and changes to each of the Tier 1 milestones are set out in Table A-1 in Appendix A. This table further summarises a number of key changes to aspects of the delivery approach which have evolved as the planning has progressed. These include:
  - **Phasing.** This is a fundamentally different approach to some previous industry programmes. MHHSP does not require migration to be on the same date for all PPs, although all central systems will go live at the same time at M10 in March 25. Phasing underpins Testing, Qualification and Migration through PPs forming cohorts / tranches. This enables the Programme to move at the pace of the fastest, rather than slowest, enabling benefits to be realised earlier for faster PPs (and consumers). The early adopters will be encouraged to follow the SIT path, with a sub-set of these Participants forming a Minimum Viable Cohort (MVC) to support end-to-end testing across the whole Design, as set out to PSG in November<sup>5</sup>. These early adopters will enable early Go-Live through the phased approach.
  - **System Integration Test (SIT) Strategy.** The test strategy has been amended to allow SIT PPs to enter into Component Integration Test (CIT) in six intervals during the SIT (CIT) window. This will enable some PPs to delay PIT completion and functional drops in more than one release into SIT (CIT) to minimise any potential impact on subsequent Tier 1 milestones. As stated in the previous section, the number of PPs in SIT has also increased from the approach underpinning the original MHHS Transition Timetable.
  - **Equivalence.** The Programme will draw on the principle of *equivalence*. This applies to PPs who have successfully exited SIT, and the SIT exit evidence is considered *equivalent* to that required for MHHSP Qualification Testing. The SIT exit evidence will form part of that required for BSC / REC market Qualification and SIT PPs will not be required to undertake any further industry-wide Qualification Testing. These Participants will have the competitive incentive of being ready to migrate at least 6 months ahead of other Participants who elected to enter the Programme via Qualification Testing<sup>6</sup>.
  - **Placing Reliance.** This is when a PP choosing to Qualify via the Non-SIT route may, where appropriate, *place reliance* on MHHS industry-wide testing already successfully undertaken by another PP. To do this, the PP wishing to *place reliance* must demonstrate to the satisfaction of the Programme, and Code Delivery Bodies that the system / service / configuration on which they are placing reliance is sufficiently similar to that already tested. This will need to be considered on a case-by-case basis in line with the Reliance Policy<sup>7</sup>.
  - **Qualification Tranches.** The Qualification phase will comprise of 7 overlapping tranches of testing, each commencing a month apart. Each tranche is up to 6 months in duration based on complexity of testing expected for Qualification, which in turn is derived from the approach and scope of SIT. PPs will be able to progress at a pace of their choosing and enter Qualification on successful completion of their Pre-Integration Test (PIT) stage, providing they qualify by M14 (otherwise they will not be able to take on new customers as per BSC obligations). These PPs will have an incentive to progress into and through Qualification at pace to minimise being at a competitive disadvantage against those

<sup>5</sup> See reference 3

<sup>6</sup> See reference 4

<sup>7</sup> See reference 3

Participants who have qualified sooner through SIT or earlier Qualification tranches. This was set out to PSG in November 22<sup>8</sup>.

- **Migration.** Phasing has allowed the early realisation of benefits starting with SIT / MVC PPs migrating sooner, followed by Qualification in parallel enabling all remaining PPs to qualify by M14. The timelines for Migration are driven by this phasing approach with the Programme having taken the opportunity to reduce later migration windows because of the ramp up of migration volumes delivered by phasing. The earliest we are facilitating SIT / MVC participants to be able to start Migration to start realising benefits at M11 in April 2025. Qualification starts in January 2025 once SIT Functional Testing is complete, allowing the first Qualification Tranche to complete testing and start Migration in September 2025. The last PPs are planned to complete Qualification and start Migration at M14 in March 2026. The Programme has modelled the migration volumes that should be supported by this, and then assessed the period that might be required to complete Migration from M14 to M15. The original MHHS Transition Timetable planned 9 months for M14-M15, but in this replan we have been able to reduce this to less than seven months due to the ramp up of migrations in the period M11-M14 but needing to allow for reasonable migration volumes for those PPs that come through the last tranches of Qualification. Although the revised migration period now spans 18 months, as opposed to 12 months in the original MHHS Transition Timetable, this is not a like-for-like comparison due to the timings driven by phasing, as described above. The alternative would be to take a more “big bang” approach to implementation where we would lose the early realisation of benefits and likely have delays from a slower delivery pace to the Programme, as described above.
- **Reverse Migration.** This is a key enabler to mitigate any impact on consumer choice for consumers who wish to move their tariff and therefore MPAN to a non-MHHS supplier from one that has migrated. This approach was approved in PSG December 2022<sup>9</sup>. It has required additional Migration Design and will require SIT testing activities as well as some additional changes to legacy systems to enable migration and this is reflected in the activities defined in the replan<sup>10</sup>.
- Any plan based on assumptions several years ahead will naturally have an inherent level of uncertainty and risk. MHHSP is committed to meet the milestones as set out in this CR but recognise that there are a number of risks which could impact Tier 1 milestones if they materialise into issues. This CR formally introduces the concept of Tier 1 contingent ranges for the following milestones, which will need to be monitored and controlled through Programme Governance. The governance associated with monitoring the following milestones is set out in the risk section later in the CR:
  - **M10, Central Systems ready for Migration.** Table A-1 sets out the contingency embedded in each phase of the delivery. As above, there are a number of risks which may impact the ability of the Programme to either successfully progress in SIT and / or additional development needed for Migration Design (necessitating a further CR). In this instance, the best information at this point suggests that M10 date may need to move by up to 3 months if certain risks materialise into issues. The end of the contingent range is reflected by M10\* in the table. With all other planning assumptions remaining the same, subsequent milestones M11 to M15 may need to move by a similar amount but will be dependent on prevailing assumptions at the time. This is not an outcome that MHHSP is seeking given the focus on maintaining M10. However it is worth noting the M11 milestone (i.e. the start of Migration and therefore benefits realisation) would remain in mid-2025.
  - **M16, New Settlement Timetable Commences.** The range associated with M16 is potentially up to 6 months in line with the Round 3 consultation. M16\* marks the end of the contingent range for the New Settlement Timetable being rolled out, based on various risks materialising. The original rationale for the 6-month range in the Round 3 consultation was that whilst a 2 months’ stabilisation post-M15 is the plan, this may prove insufficient based on operational performance metrics during and after migration, as advised by Elexon Performance Assurance team and this rationale still applies. There are other risks that may also result in uncertainty in the M16 date and therefore would support a range for M16; M10 being delayed, impacting M15 and therefore M16, and / or Migration requiring additional

<sup>8</sup> See reference 3

<sup>9</sup> See reference 5

<sup>10</sup> See reference 3

time beyond the current M15 forecast. Any CR delaying M16 beyond 3 months will require Ofgem agreement under current Programme Governance arrangements.<sup>11</sup>

- The time to deliver Code drafting (to M6) has been increased from the Round 3 replan to finish in August 2024 (previously April 2024). Code drafting activities are not on the critical and have not impacted the end-to-end plan. The changes reflect:
  - Amendments to the topics and content for Code drafting given better understanding of the Design baseline and future Programme deliverables
  - More time has been included for Code drafting to reflect the experience of early Code drafting activity
  - Industry consultation has been extended to 3 weeks for all topic areas
  - More time to draft and consult on Consequential Change, given the volume of items in the baselined CCIAG log
  - Ofgem’s latest position to use SCR powers to implement industry change with Smart Meter Act Powers to be invoked in case licence condition changes are required or SCR powers are not deemed to be appropriate through Ofgem legal review later in the Programme
- For completeness, there are a number of planning assumptions which will be monitored and if necessary updated as the Programme progresses. This is entirely consistent with a plan at this stage in its lifecycle; any forecast will be subject to an inherent degree of uncertainty. All opportunities to accelerate the Programme will be communicated through the MHHSP Governance to ensure all stakeholders can fully assess that they are beneficial to the programme ahead of any binding revisions to the plan. Further detail on the governance surrounding the range is set out in the risks section.

**Justification for change:**

- As stated above, MHHSP is currently proceeding in the absence of an industry agreed full End-to-End Delivery Plan and there is an increasingly urgent need to establish a comprehensive and credible Baseline Plan at the core of the Programme. Government interest in MHHSP is well-recognised from a political perspective, not just on the basis of benefits from MHHSP, but also due to the potential detrimental impact of delays to benefits in other Government Net Zero programmes. This revised plan is recommended on the basis that it still starts to deliver benefits to industry and consumers, starting as early as 2025, 5 months after the original MHHS Transition Timetable.
- MHHSP assert that the changes set out in this CR strike an appropriate balance between proceeding at the fastest practical pace, whilst factoring in sufficient contingency to assure stakeholders and PPs that there is a realistic prospect of delivery within the timescales. Table A-2 sets out the main rationale for each of the main phases alongside various contingent options and levers available, if needed.
- The development of the revised plan has been underpinned by three extensive rounds of consultation. Round 3 responses comprised of just over 50% of all PPs and over 99% (by MPAN) of the supplier base. It is therefore seen as strongly representative of the MHHSP PPs’ views (see Table A-3).
- Round 2 consultation provided the foundation to the plan now proposed, particularly with respect to timescales covering DBT and SIT entry. In Round 2, two comparative plans were issued to stress test the acceptability of varying timescales. These plans were based on respective M9 dates being c. 4 months apart, with the more accelerated plan scheduled with SIT (CIT) starting in late 2023. With Central Parties confirming their ability to enter SIT during CIT window using the accelerated plan, this provided the basis for Round 3. However, the need for various PPs to stagger entry during CIT also indicates that the Programme is at its limit as far as accelerating entry into SIT and bringing M9 further forward.
- In aggregate 30-40% of Round 3 responses indicated agreement to the timescales set out for individual phases. A further 40-45% gave a qualified agreement to timescales; the vast majority of these responses requesting more information around testing. Since the consultation, MHHSP has provided more detailed information on key areas. The IAs of this CR will provide additional assurance as to whether Participant concerns have been addressed. The average rejection rate (“No” responses) to proposed timescales for each

<sup>11</sup> See reference 9

phase was around 6%, and so considerably overshadowed by the positive responses. Insights from Round 3 suggest a solid majority of PPs are likely to confirm buy-in to timescales and the proposed plan during the IA. (See Figure A-1).

- The revised plan is the product of a number of fundamental decisions taken through Programme Governance. There has been widespread opportunity for Participants to be consulted and to provide input, not simply restricted to the three planning consultations. The most significant decisions such as phasing and reverse migration were taken to PSG<sup>12</sup>. Other more functional decisions have been agreed at Working Group level in line with the Programme decision-making authorities. Key option appraisals influencing the revised plan are listed in the alternative options section.
- The Programme has analysed the critical path elements within the plan, working with St Clements Services (SCS) and Central Parties to ensure the proposed plan reflects a realistic approach and timescale for all Core Capability Providers. The Test Strategy and Approach is being modified through SIT Working Group to mitigate the impact on milestones for these providers, particularly for entry to SIT. The formation of a Minimum Viable Cohort (MVC) from Core Capability Providers and SIT Volunteers, is key as the plan hinges on a successful and timely SIT outcome. Round 3 confirmed an MVC can be constituted, with other SIT Non-MVC PPs providing back-up options should any MVC Participants have to drop out (see Table A-4).
- PPs with longer DBT timelines and therefore not testing in SIT can enter into the next Qualification tranche as soon as their PIT has been completed. It is worth noting 100% of all responses at Round 3 with specific DBT / PIT exit dates were compatible with test entry dates either through SIT or Qualification. This provides further evidence that the timescales in the plan are realistic and achievable from a broad industry perspective (see Figure A-2).

#### **Consequences of no change:**

*(what is the consequence of no change)*

- The MHHSP Transition Timetable is not deliverable without change, meaning MHHSP and industry cannot meet Ofgem's expectation of delivery against the original timetable as set out in April 2021. Demonstrably, the Design phase has taken longer than originally planned, as has industry mobilisation. MHHSP has lacked a plan which is bought into, by both the programme and industry PPs. 'No change' is not a viable option.
- The MHHSP has now been operating with an 'interim plan' for over 6 months. This plan is by definition temporary and there is widespread acceptance across stakeholders that a full and revised plan is needed and due. The interim plan only provides a short-term view of delivery and lacks the long-term direction MHHSP needs internally and externally.
- On a practical day-to-day level, MHHSP lacks the ability to hold PPs to account, and vice versa. Re-baselining the plan would enable this. Without the plan, there is no credible measure by which MHHSP and PPs can meaningfully and legitimately gauge progress.
- Further slippage in re-baselining the plan not only risks timescales drifting, but also industry engagement and confidence in the MHHSP. Rounds 3 demonstrates that there is now a growing delivery momentum amongst PPs, particularly those volunteering and interested in SIT, but also those intending to follow the non-SIT path into Qualification. A credible plan is key to the overall success of the Programme, building on the momentum to date and driving the future realisation of consumer benefits. It is also fundamental to sound Programme Governance and Management practice, as well as being essential to an industry-wide initiative of this scale and complexity.
- Without a revised plan, MHHSP will be hard-pressed to set a credible timetable for delivery of benefits. This is a position that is likely to become increasingly untenable. The Sponsor and in turn MHHSP is coming under growing political pressure from DESNZ and HMT to deliver the benefits set out in the Business Case against the backdrop of the on-going cost of energy crisis.
- A continued lack of a credible plan means that Government's and Ofgem's expectations as to when other Net Zero Programmes may deliver, are unmanaged and may not be reasonable. This could seriously impact their strategic planning.

<sup>12</sup> See reference 3



**Alternative options:**

*(What alternative options or mitigations that have been considered)*

In shaping the overall Programme approach and strategy, a number of options were considered:

- A traditional ‘big bang’ approach, such as the Faster Switching Programme, was considered as an alternative to the Phasing principle underpinning the proposed plan. Whilst delivery would be less complex, this approach was ruled out as there would be little competitive incentive for PPs to deliver at pace. In essence the fastest to deliver would be held back by the slowest, and the Programme would be forced to proceed at the pace of the slowest participant<sup>13</sup>.
- Alternative test strategy options for System Integration Testing (SIT) execution have been reviewed and assessed through the consultation processes and Working Group. This has led to two test paths to Qualification for PPs under the equivalence principle: either via SIT, or through Qualification Testing. If SIT PPs were required to also undertake Qualification testing, this would have negated one of the key advantages of volunteering for SIT and may have left the MHHSP exposed in not being able to fully test the MHHS Design. It would also add to additional workload on Qualification testing, potentially extending timescales. The approach set out in the plan allows PPs who are ready to progress to do so (via SIT) and those that require more time to complete DBT are afforded it (via the Qualification path).
- MHHSP has assessed multiple options as to how and when the MVC is formed. It has been agreed that the initial identification of the MVC will be made during SIT Functional cycle 1, and reviewed periodically through SIT execution, to maximise the chances of the MVC successfully progressing through SIT at pace. Round 3 responses suggest the numbers entering SIT will be sufficient but also manageable (see Table A-4).
- Separate industry consultation was undertaken on the Migration Approach, securing industry feedback on several different options before a final one was selected based on the evidence to hand. The evidence supported a collective view that enabling early adoption through a phased approach had the greatest benefit, which in turn made the case for Reverse Migration to ensure consumer choice is not compromised during Migration<sup>14</sup>.

**Risks associated with potential change:**

*(what risks related to implementation of the proposed change have been identified)*

- The revised Programme Plan is a mitigation to risks which have become evident or materialised in MHHSP since October 2021 to date. The new plan is aimed at mitigating the overall risk of further delay going forwards by resetting timelines based on the Programme’s phased approach. This CR sets out how the phasing provides a less rigid approach towards aligning MHHSP with PPs’ plans, limiting many of the hard dependencies between Central Programme activities and local PPs’ plans, reducing risk.
- Table A-5 provides a high-level summary of the top risks which are most likely to have an impact on the critical path and therefore Tier 1 milestones. RAID items associated with each phase of the Programme re-plan have been captured in more detail in the updated Implementation Approach (see ref 3). This provides a *baselined* set of risks that need to be considered in assessing this CR. In parallel, the dPMO tool is accessible to PPs and provides real-time access to the latest risks identified across the programme via the risk dashboard.
- As stated previously, this CR sets out a contingent Go Live range at M10 (up to 3 months) and a further range at M16 (up to 6 months as per the Round 3 consultation). This formally recognises the key underlying risks currently facing the Programme, particularly those impacting exit from SIT e.g. delays in entering Migration SIT, additional time for Regression, etc. Any movement in M10 may drive a downstream delay across M11 – M15 milestones, which will be assessed at the time. The larger M16 range as per Round 3 consultation is due to an M10 delay triggering a similar shift to M15, compounded by the additional uncertainty over the exact length of stabilisation period, based on performance at the time, and before the New Settlement Timetable is introduced at M16.
- Baseline milestones M10 and M16 are set at the start of respective ranges and lie on the critical path; contingent milestones M10\* and M16\* mark the end of each range (see Table A-1). MHHSP will re-validate

<sup>14</sup> See reference 3

the ranges to ensure they remain accurate and reasonable based on prevailing risks during Control Point reviews. Final confirmation of each milestone will take place 3 months ahead of the due date (as a Tier 2 milestone) and agreed at PSG. Any movement of the baseline (non-starred) milestones will be managed via Change Control; movement of milestones up to the end of the range will not negate the need for Change Control. This approach is similar to the approach adopted successfully by the Faster Switching Programme.

- In relation to the M16 and M16\* milestone, it is highly likely this range will narrow once Migration is underway, when the exact timing of M10 / M11 will be known and the rate of Migration as a core planning assumption is evident. Any movement of M16 beyond 3 months (i.e. February 2027) will require a further CR to be submitted to Ofgem<sup>15</sup>. However at this point, MHHSP contend that M16 at December 2026 remains a realistic forecast and is committed to ensuring every effort is made to minimise any movement, ideally to no more than 3 months, if required at all.
- The revised plan is recommended on the basis that the totality of risk is both manageable and consistent with a Programme of MHHS' size and complexity and cannot be entirely avoided. Given delivery is well underway across many PPs, there is no guarantee that MHHSP will find itself in a better overall risk state by delaying the re-baseline further in the near term. In fact, proceeding further without a plan could lead to increased risk rather than decreased.

**Stakeholders consulted on the potential change:**

*(Please document the stakeholders, or stakeholder groups that have been consulted to date on this change. The Change Raiser should consult with relevant programme parties in the drafting of the request, prior to submission to PMO).*

- All Participants have had the opportunity to engage in the re-plan process and respond to each of the three industry consultation rounds in line with their code obligations.
- A total of 154 Participants were asked to respond to the Re-plan Round 3 Consultation, and 78 of them did so. This is a 51% response rate. This is significantly higher than the number of responses received in Re-plan Round 2 (28) and Re-plan Round 1 (36).
- The response rate was higher among programme participants from key constituencies such as Large Suppliers (100%), Medium Suppliers (100%), DNOs / iDNOs (85%), and Central Parties (75%).
- Over 99% of the supplier market (domestic & non-domestic) responded to the Re-plan R3 Consultation (when measured by number of MPANs).
- Based on the above, it is reasonable to assume that the views of Participants submitted in Re-plan Round 3 were strongly representative of the industry as a whole. A full breakdown of the response rate by Constituency is seen at Table A-3.
- As part of Round 3 consultation, PPs were asked to express their interest in SIT in order to assess whether an MVC could be formed from the SIT volunteers. As stated above, MHHSP are confident that an MVC can be formed (see Table A-4). Round 3 consultation marks the start of intense PPC and SI QA activities for this group up to and including SIT and supported by the formation of FTIG in April. This group will be engaged during the CR IA period, for any changes due to the refinement of the Reliance policy, or any other factors, which may influence PPs' decisions in relation to SIT.

**Target date by which a decision is required:**

05 April 2023 PSG

<sup>15</sup> See reference 9



**Annex A – Supporting Information to Part A**

Phase	Key Changes in Approach (since CR009)	Tier 1 Milestone <sup>1</sup>	Description	@ CR009	Proposed
<b>Design Build Test</b>	<ul style="list-style-type: none"> <li>No major change. As per SI QA approach</li> <li>PPs can progress at their own pace depending on whether entering via SIT or Qualification path</li> <li>PPs will need to extend design to adopt reverse migration and transition design on legacy systems where required</li> <li>Early SIT environment connectivity test to de-risk CIT phase</li> </ul>	M5 (Level 1)	Physical Baseline Design Delivered	Oct 22	Oct 22
<b>System Integration Test</b>	<ul style="list-style-type: none"> <li>Introduction of Minimum Viable Cohort (MVC) needed to test full functional Design</li> <li>Parallel cohort of non-MVC SIT PPs to provide resilience to MVC and ensure all PPs who wish to participate in SIT can</li> <li>Staggered CIT entry for SIT PPs in place to de-risk entry into testing, particularly MPRS</li> <li>Additional migration and transition design test activities added to SIT scope and plan</li> </ul>	M9 (Level 1)	SIT Start	Aug 23	Oct 23 (+ 2 mths)
		M10	Central Systems ready for migrating MPAN	Sep 24	Mar 25 (+6 mths)
		M10* [Contingent Milestone]	Central Systems ready for migrating MPANs – Late Exit (Up to 3 months)	n/a	Jun 25 (+9 mths)
<b>Code Drafting</b>	<ul style="list-style-type: none"> <li>The Code drafting timeline has been extended to allow sufficient time for drafting and actioning of consultation comments as well as adding contingency</li> <li>Code Artefacts consultations have been extended to 3 weeks reflecting Round 3 consultation feedback</li> <li>Consequential code change has been baselined and included in the code drafting plan</li> <li>SCR Powers will be utilised by Ofgem rather than SMAP</li> <li>M8 will be aligned to M10 to logically link final code version with system release for Go-Live</li> </ul>	M6 (Level 1)	Code Changes Baselined	Jul-23	Aug 24 (+16 mths)
		M7	Smart Meters Act powers enabled	Aug-23	Nov 24 (+18 mths)
		M8	Code Changes Delivered	Nov-22	Mar 25 (+28 mths)
		M10	Central Systems ready for migrating MPAN	Sep 24	Mar 25 (+6 mths)
<b>Qualification</b>	<ul style="list-style-type: none"> <li>All LDSOs qualify via <i>equivalence</i> if undertaking SIT or non-SIT LDSO testing before Go-Live, as new dependency</li> <li>PPs undergoing SIT will not have to perform Qualification Testing other than completing QAD under equivalence principle</li> <li>Some elements of Qualification testing for non-SIT PPs might be avoided based on reliance on other PP testing on a case-by-case basis</li> <li>Principle of phasing key to allowing PPs to progress through qualification as pace of the fastest and into migration</li> </ul>	M14 (Level 1)	All suppliers must be able to accept MPANs under the new TOM ('one-way gate')	Feb 25	Mar 26 (+13 mths)
		M11 (Level 1)	Start of migration for UMS/Advanced	Oct 24	Apr 25 (+6 mths)
<b>Migration</b>	<ul style="list-style-type: none"> <li>Window extended to 18 months based on modelling of MPAN migration</li> <li>MVC and SIT PPs have additional 6 months for migration, representing 6-month acceleration versus non-phased / big bang approach</li> <li>Non-SIT PPs will have 6-12 month migration window depending on timing of phase and exit from Qualification</li> </ul>	M12	Start of migration for Smart/Non-smart	Nov 24	Apr 25 (+5 mths)
		M13	Load Shaping Service (LSS) Switched On	Nov 24	Mar 25 (+4 mths)
		M15 (Level 1)	Full Transition Complete	Oct 25	Oct 26 (+12 mths)
		M16 (Level 1)	Cutover to New Settlement timetable	Nov 25	Dec 26 (+13 mths)
<b>New Settlement Timetable</b>	<ul style="list-style-type: none"> <li>Cutover to the new settlement timetable will take place following stabilisation period 2 months post migration completion and up to 8 months after M15</li> </ul>	M16* [Contingent Milestone]	Cutover to New Settlement timetable – Latest Cutover	n/a	May 27 (+19 mths)

**Table A-1**

**Table A-2:**

**Table A-1: Change in Tier 1 Milestones versus CR009**

**Note 1.** Level 1 milestones are Tier 1 milestones which cannot be moved more than 3 months without approval from Ofgem.

**DRAFT – PSG PAPER – SUBJECT TO CHANGE BOARD APPROVAL**

Phase	Critical Path Drivers - Planning Rationale	Contingency - Options & Levers	Implementation Approach Section(s) (See Ref 4)
<b>Design Build Test – SIT PPs</b>	<ul style="list-style-type: none"> <li>Central Party DBT plans and forecast PIT exit</li> <li>Time required for SIT Test Scenario and Script preparation – timescales modelled using estimation tool</li> </ul>	<ul style="list-style-type: none"> <li>Staggered functional drops during CIT window – requires relaxation on policy of PIT completion due by 29 Sep 23, and CIT entry criteria</li> <li>Governance contingency – Up to 1 month between PIT Completion due 29 Sep 23 and CIT start 30 Oct 23</li> </ul>	Design, Build, Test
<b>System Integration Test</b>	<ul style="list-style-type: none"> <li>Critical Path driven by SIT functional testing based on three cycles of testing and one regression test post-SIT migration</li> <li>Analogous estimates based on FSP metrics and benchmarking</li> <li>Proprietary Expleo test estimation tool</li> </ul>	<ul style="list-style-type: none"> <li>Embedded in cycle duration estimates and regression test estimates</li> <li>Invoke in part or full M10 + 3 months Go-Live range</li> </ul>	SIT Section
<b>Code Drafting</b>	<ul style="list-style-type: none"> <li>Planning on basis of standard 20-week consultation and review cycle for each area of code</li> </ul>	<ul style="list-style-type: none"> <li>Activities not on Critical Path - c. 3 months float based on soft dependency with QAD process starting at M6</li> <li>Duration of Qualification Assessment Document (QAD) is flexible although PPs likely to want to start as early as possible</li> </ul>	Code drafting
<b>Design Build Test – non-SIT PPs</b>	<ul style="list-style-type: none"> <li>DBT plans and PIT exit forecast</li> </ul>	<ul style="list-style-type: none"> <li>Phased qualification path provides up to 6-month range to enter qualification</li> </ul>	Qualification & POAP
<b>Qualification</b>	<ul style="list-style-type: none"> <li>Seven tranches, each of 6 months to cater for most complex roles and testing requirements plus 2 months governance</li> <li>PPs drop in next available tranche following PAB approval</li> </ul>	<ul style="list-style-type: none"> <li>Embedded contingency in each tranche as PPs may not require full 6 months for qualification testing</li> <li>Clarification of reliance policy may further reduce average qualification test duration per PP (assumption to be monitored)</li> <li>PPs with more complex roles actively encouraged to qualify sooner if risk of missing M14 milestone apparent during SI assurance</li> </ul>	Qualification & POAP
<b>Migration</b>	<ul style="list-style-type: none"> <li>Modelling based on ‘S Curve’ profile following <i>crawl-walk-run</i> principle</li> <li>Expectation of long tail of defective MPANs taking extended time to resolve</li> <li>Modelling assumptions drawn from FSP parameters</li> <li>Duration further validated in R3 responses, endorsing 18-month approach</li> </ul>	<ul style="list-style-type: none"> <li>Utilise M16 range for start of New Settlement timetable if migration overruns.</li> <li>Increase pace of ramp-up at start</li> <li>Encourage larger suppliers to migrate as early as possible to maximise migration window</li> <li>Raise threshold of allowable defective MPANs – modelling suggests significant time sensitivity over last 5% cleanse</li> </ul>	Migration
<b>New Settlement Timetable</b>	<ul style="list-style-type: none"> <li>Cutover to the new settlement timetable will take place following stabilisation period 2-8 months post-migration completion</li> </ul>	<ul style="list-style-type: none"> <li>6-month range at M16, following minimum 2-month stabilisation period</li> <li>Note: M16 range impacted by two factors, M15 exit and operational metrics</li> </ul>	Business and Operational Readiness

**Table A-2: Key planning assumptions and basis of contingency by phase**

<b>Constituency</b>	<b>Number of Responses</b>	<b>Total PP</b>	<b>Response Rate (%)</b>
Small Supplier	5	22	23%
Software Provider	13	37	35%
Independent Agent	9	21	43%
I&C Supplier	18	37	49%
Central Party	3	4	75%
iDNO	11	14	79%
In-House Supplier Agent	2	2	100%
Medium Supplier	5	5	100%
DNO	6	6	100%
Large Supplier	5	5	100%
Other MHHS Participant	1	1	100%
<b>Total</b>	<b>78</b>	<b>154</b>	<b>51%</b>

**Table A-3: Round 3 Response Rate by Constituent Grouping**

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Market Role	Minimum Viable Cohort	Potential PP Round 3 <sup>3,4</sup>	No. Confirmed Parties <sup>1,2</sup>
VAS	1	1	
Settlement Operations	1	1	
LSS	1	1	
MDS	1	1	
DTN	1	1	
MPRS	Need 2 DNO / iDNO & their software provider(s)	3	
Advanced Data Services	2	4	3
Smart Data Services	2	4	4
Metering Services	2	4	2
Suppliers	2	10	1
Network Operations	2	13	
UMSO	2	13	
DSP	1	1	
CSS	1	1	
EES	1	0	1
UMSDS	2	1	1
Software Providers	2	10	1

**Table A-4: MVC and Potential SIT PPs by Role**

**Notes:**

1. 'Potential Parties' based on Round 3 will be subject to on-going PPC validation and engagement with FTIG. Confirmed parties indicate PP who have reaffirmed confirmation since Round 3
2. Further Software Providers may come forward as SIT Volunteers, subject to the *Placing Reliance* policy being approved as currently set out for review.
3. Constituency Grouping and Market Roles do not directly map between Table A-3 and Table A-4
4. Some constituents can potentially fulfil multiple roles. E.g., Independent Agents could perform one or more of three Market Roles (ADS, SDS, Metering Services). Some Suppliers also undertake Metering Services Market Roles. Analysis on-going with SIT Volunteers to confirm specific market roles which they want to bring into SIT.
5. Release of additional information around SIT testing may draw additional PPs who in their Round 3 responses, have expressed an interest in SIT to fully volunteer (not shown above by c.10 PPs stating an interested via Round 3 responses).

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#	Risk	Impact	High Level Mitigation	dPMO Ref <sup>16</sup>
1.	<b>Central Party &amp; Core Capability Provider CIT Readiness</b> - Central Parties & Core Capability Providers (CPs & CCPs) may not successfully complete DBT to meet SIT CIT entry windows	Flexibility will depend on CPs & CCPs - with DIP, Helix and MPRS delivery being the most critical. Any delay may push back CIT timescales and ultimately M10	<ol style="list-style-type: none"> <li>1. Staggered functional drops for CPs &amp; CCPs to enter CIT – under review through SITWG as partial mitigation</li> <li>2. Ongoing dialogue with PPs concerned during DBT to identify options and/or alternative approaches and contingencies</li> </ol>	R386 (I077 review TBC)
2.	<b>Minimum Viable Cohort</b> – Some PPs may drop out of SIT prior to or during SIT (or fall behind)	This may delay SIT pending alternative SIT PP testing state to be aligned with MVC and/or defects to be fixed	<ol style="list-style-type: none"> <li>1. Staggered functional drops for PPs to enter CIT under review through SITWG</li> <li>2. Non-MVC SIT PPs will act as 'reserves' c. 10 PPs interested in SIT but not yet committed will be encouraged to volunteer for SIT to provide further resilience</li> </ol>	R118, R273
3.	<b>Test Data Readiness</b> – Test data may not be available in time to support SIT	All phases of SIT may be delayed if data unavailable	<ol style="list-style-type: none"> <li>1. Data approach and plan is under development</li> <li>2. Data Working Group to be engaged at earliest opportunity with proposed approach and plan</li> </ol>	R428
4.	<b>SIT Functional and Migration Testing</b> – Critical path based on functional testing and SIT migration converging at single cycle of regression testing - SIT exit is at risk if either entry or exit is late, particularly for CIT, SIT Functional or SIT migration	M10 may be delayed if PP migration DBT is late entering test, if CRs impact SIT, or assumptions with regards to three core functional test cycle prove invalid	<ol style="list-style-type: none"> <li>1. Introduction of 3-month Go-Live range aimed at mitigating one or both risks materialising, impacting M10 exit up to 3 month.</li> <li>2. Entry to SIT component integration and functional testing is under review for further practical mitigation without adding more risk</li> </ol>	R331
5.	<b>LDSO Testing</b> – There is a risk one of more LDSOs will not be qualified either through SIT or non-SIT testing prior to M10	As all LDSO are required to have qualified nationally, this may delay M10 and Go-Live at M11	<ol style="list-style-type: none"> <li>1. Reliance policy will help mitigate need for repeated testing</li> <li>2. Early engagement underway with LDSOs to align approach and plans</li> </ol>	R380
6.	<b>Qualification Capacity</b> – PPs may become end-loaded towards later tranches of qualification depending on DBT timeframes	PPs may need to queue to enter Qualification, slowing the pace and putting pressure on M14 This in turn may put pressure on migration window	<ol style="list-style-type: none"> <li>1. Timescales to be closely monitored through SI QA activities to pace entry</li> <li>2. PPC campaign(s) to ensure all PPs fully aware of obligations for M14 and M15, including timing of final tranche</li> </ol>	R276
7.	<b>Late-Stage Migration</b> – Some suppliers with significant MPAN volumes might elect for later qualification tranches	This may provide insufficient time to migrate full MPAN base between qualifying and M15	<ol style="list-style-type: none"> <li>1. As above, active PPC campaign(s) and close SI QA monitoring during DBT</li> </ol>	R281
8.	<b>Go Live MVC Contracted Parties</b> – Some key contracted parties to supplier(s) planning Go-Live at M11, may not have successfully completed SIT and therefore will not have qualified	Absence of key contracted parties at Go-Live (M11) may prevent Go-Live occurring for some suppliers, despite all central parties & LDSOs being qualified	<ol style="list-style-type: none"> <li>1. Close monitoring by FTIG, of MVC progress and parties needed for Go-Live for M11</li> <li>2. Consideration is being given to testing contracting parties together in SIT where possible</li> </ol>	R415
9.	<b>Qualification Tranche Duration</b> – Current Qualification testing is assumed to take 6 months per tranche plus 2 months for governance, but requires validating	Average tranche duration may be longer than 6 months once full qualification test plans and scenarios are developed	<ol style="list-style-type: none"> <li>1. Reliance will help reduce overall burden of testing for some PPs</li> <li>2. 6-month duration currently estimated is geared towards more complex roles – realistic probability is that average duration might be less in reality</li> </ol>	R275
10.	<b>Migration Window</b> – 18-month migration window is currently based on high-level modelling of MPAN throughput and may take longer	This defers M15 and consequently M16	<ol style="list-style-type: none"> <li>1. PPs with a larger MPAN base will be actively encouraged to qualify and migrate sooner</li> <li>2. Investigate potential to accelerate ramp-up at the start of migration – dependent on MPAN base for SIT suppliers</li> <li>3. Consult with code bodies to review defect tolerance, as plan is highly sensitive to clearing a 'stubborn' tail</li> </ol>	R353
11.	<b>New Settlement Timetable</b> – Cutover to the New Settlement Timetable is dependent on the pace into and through migration, followed by a stabilisation period post-M15	The timing of M16 will be driven by operational metrics and carries a degree of uncertainty. Current reasonable expectation is that M16 will fall 2-8 months after M15 with minimum 2 months of stabilisation	<ol style="list-style-type: none"> <li>1. M16 to be monitored through programme governance at each Control Point</li> <li>2. Some PPs have suggested 1 April 27 would be a good point for M16, marking the start of new financial year for many PPs (opportunity to partially offset any negative impact of delay) and in line with annual charging regimes and timetable publications.</li> </ol>	R346

**Table A-5: Key Risk Themes Impacting end-to-end MHHSP Plan**

<sup>16</sup> See reference 11



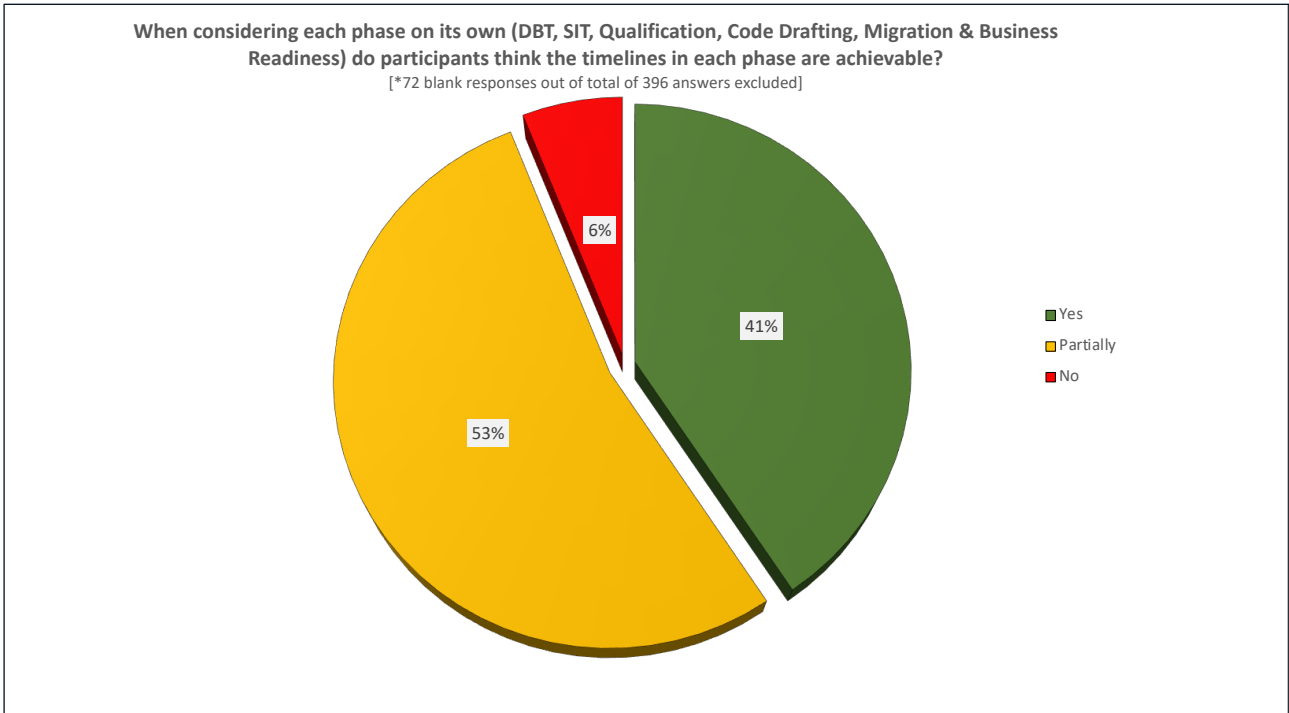
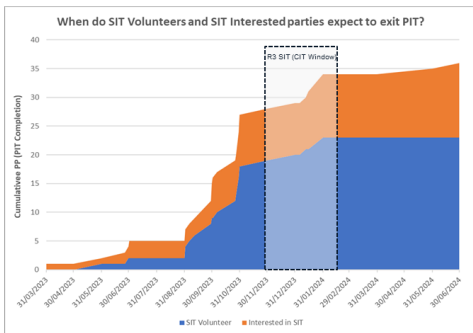


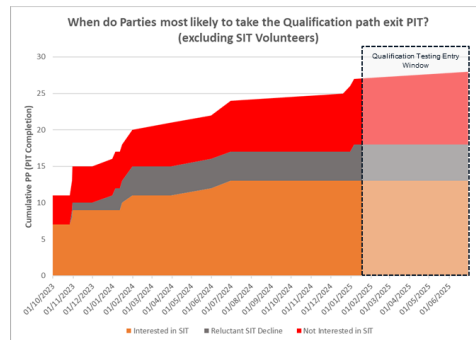
Figure A-1: Round 3 Responses – Achievability of Each Phase

Forecast PIT exit dates were specified in two-thirds of PP responses, with 100% compatibility with either CIT or qualification entry timescales with key exception of MPRS Core Capability Provider which is under close review. A further 10 PPs state an active interest in SIT with PIT exit dates aligned to the SIT (CIT) window and potentially enhance the number of SIT volunteers.



Insights and Analysis:

- Of SIT volunteers, 20 expect to exit PIT in 2023 and a further 3 expect to exit in early Q1 2024.
- A further 10 PPs are actively interested in SIT with 8 stating potential readiness prior to the CIT window.
- This underpins the viability of the SIT MVC and endorses the overall programme approach.
- SIT(CIT) remains dependent on MPRS provider entry dates which remain under discussion.



Insights and Analysis:

- 28 out of 51 responses specified PIT exit dates will meet the qualification testing entry windows.
- 26 PPs did not specify a PIT exit date, mainly due to maturity of plans.
- The number of SIT volunteers or those interested in SIT will evolve between the groups and will be monitored closely via SI Assurance as tranches are formed based on progress through DBT phases.

Group	PP's who have...
Volunteer	Elected to be in SIT or a Central Party and will potentially form part of MVC
Interested	Expressed an interest in SIT but unable to fully commit at R3 but may still volunteer
Reluctant Decline	Acknowledged delivery plans prevent inclusion in SIT but could be interested if MHHSP plan changes
Not Interested	Declined to take part in SIT and position not expected to alter

Figure A-2: DBT / PIT exit dates for SIT or Qualification Entry <sup>17</sup>

<sup>17</sup> See reference 6

**Part B – Initial Impact of proposed change**

**Guidance – This section should be completed by the Change Raiser before being submitted to the MHHS PMO.**

**Please document the benefits of the change and to delivery of the programme objectives**

<b>What benefits does the change bring</b>
<p><i>(list the benefits of the change and how this improves the business case)</i></p> <p>As set out above, a credible plan is critical to the success of a programme of this size and complexity and this change will give that certainty with a baseline for the Programme to measure success against. The Programme has Control Points defined to measure success against the Programme Initiation Document through the Programme at the end and start of key phases, including at M16 at the end of the Programme. Without a baseline plan with defined outcomes to the end of the Programme, the Programme will have a lack of focus, resulting in likely delay with increased delivery costs and later realisation of benefits.</p> <p>Phased delivery enables the fastest-moving parties to avoid costly and inefficient delays whilst waiting for slower parties, to deliver benefits earlier than they would have done under a ‘big-bang’ approach and de-risks delivery by enabling a more phased migration plan. There is a natural competitive incentive for parties to engage and deliver at the fastest pace, maintaining momentum in the Programme as a whole, and driving the earliest delivery of benefits.</p> <p>Planning for the introduction of reverse migration brings benefits to consumers by not being restricted for choice when not all suppliers will have qualified to operate in the new MHHS arrangements, and this has been approved as the most effective option for migration ceasing at M14, as per the decision made at PSG in December 2022.</p> <p>Planning to a policy of equivalence and reliance in testing and Qualification brings benefits of efficiency and the potential of reduced spend for the Programme, Code Bodies and PPs by not having to repeat testing for systems, services and processes that have already been tested.</p> <p>Planning ranges for key Tier 1 milestones gives flexibility to the Programme to be able to react to some of the current uncertainties (e.g. outstanding Change Requests and uncertainties in key PP delivery plans) whilst maintaining a controlled delivery mechanism within an agreed planning framework.</p> <p>Qualifying all LDSO functions (and not just Registration) for M10 ensures that all customers for qualified suppliers are able to be migrated from the start of migration, rather than having to restrict migration on the basis of geographic area or iDNO network, which would have been the case if some LDSOs qualify later.</p>

<b>Programme Objective</b>	<b>Benefit to delivery of the programme objective</b>
To deliver the Design Working Group’s Target Operating Model (TOM) covering the ‘Meter to Bank’ process for all Supplier Volume Allocation Settlement meters	Programme hits M10 and all subsequent milestones to M16 in the shortest possible timeframe
To deliver services to support the revised Settlement Timetable in line with the Design Working Group’s recommendation	Extending M16 to a 6-month window enables a more realistic period to prove the new MHHS arrangements are stable prior to cutover to the new Settlement Timetable
To implement all related Code changes identified under Ofgem’s Significant Code Review (SCR)	Clarity on the steps to be undertaken to execute Ofgem SCR powers gives increased confidence that all Code changes will be implemented robustly and in time. There is also contingency to use Smart Meter Act Powers explicitly planned in case Ofgem legal advice dictates these need to be used

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<b>Programme Objective</b>	<b>Benefit to delivery of the programme objective</b>
To implement MHHS in accordance with the MHHS Implementation Timetable	This CR changes the MHHS Implementation Timetable. The change provides a credible plan, underpinned by extensive consultation, and analysis of the results of that consultation to deliver a more beneficial delivery approach, as highlighted above
To deliver programme capabilities and outcomes to enable the realisation of benefits in compliance with Ofgem’s Full Business Case	<p>The Programme benefits realisation plan sets out the mechanism for delivery of Programme outcomes to support the business case and the scope of delivery of those benefits remains intact.</p> <p>Whilst the delivery of benefits is later than was set out in the original MHHS Transition Timetable, that timetable was no longer realistic and the current plan delivers benefits in the shortest possible time with Go-Live in 2025.</p>
To prove and provide a model for future such industry-led change programmes	<p>Introduction of phasing, enabling each party to proceed at their own pace within planning envelopes set out in this CR, marks a key change. It delivers an industry delivery model that engenders a philosophy of the earliest possible delivery of benefits.</p> <p>The plan has been built as an industry-led plan, based on consensus.</p>

**Guidance – Please document the known programme parties and programme deliverables that may be impacted by the proposed change**

<b>Impacted areas</b>	<b>Impacted items</b>
Impacted Parties	As a systemic change to the programme, all parties are inherently impacted. In addition to the organisations listed in Table A-3 (constituent parties) and Table A-4 (market roles) which are impacted, there is also an impact on Code Bodies, National Grid ESO, and MHHSP.
Impacted Deliverables	The re-plan is a reset of the programme in terms of delivery, and therefore key activities, deliverables and timings have been updated to reflect the latest thinking in the Programme as set out in the plan and supporting documentation.
Impacted Milestones	See Table A-1 above

**Note – Please refer to MHHS DEL174 Change Request Guidance for Programme Participants for information on how to score the initial assessment.**

<b>Initial assessment</b>			
Necessity of change	1 – Critical Change	Expected lead time	4 > 20 workings days
Rationale of change	Programme <b>Error!</b> <b>Bookmark not defined.</b>	Expected implementation window	2 – Short
Expected change impact	High		



**Guidance** – Please include a reference and link to any additional documentation which the change relates to.

<b>Change Request to be read in conjunction with:</b>		
<b>Ref</b>	<b>Title</b>	<b>Link</b>
1.	MHHS Implementation Arrangements Decision Document. Author: Ofgem dated 11 August 2021	<u><a href="#">Link</a></u>
2.	Ofgem published MHHS Transition Timetable 20 <sup>th</sup> April 2021	<u><a href="#">Link</a></u>
3.	November PSG Papers and Minutes	<u><a href="#">PSG Papers</a></u> <u><a href="#">PSG Minutes</a></u>
4.	Implementation Approach (updated post Round 3)	<u><a href="#">To be added when CR is issued for IA</a></u>
5.	December PSG Papers and Minutes	<u><a href="#">PSG Papers</a></u> <u><a href="#">PSG Minutes</a></u>
6.	March PSG Papers and Minutes	<u><a href="#">PSG Papers</a></u> <u><a href="#">PSG Minutes</a></u>
7.	Reliance Policy (Under Consultation)	<u><a href="#">Link</a></u>
8.	MHHS Governance Framework	<u><a href="#">Link</a></u>
	<b><u><a href="#">Enduring Planning Artefacts</a></u></b>	
9.	Updated MPP plan – post Round 3	<u><a href="#">To be added when CR is issued for IA</a></u>
10.	Milestone Register	<u><a href="#">To be added when CR is issued for IA</a></u>
11.	RAID - dPMO	<u><a href="#">Link</a></u>



**List of Abbreviations**

<b>Abbreviation</b>	<b>Description</b>
<b>BSC</b>	Balancing and Settlement Code
<b>CIT</b>	Component Integration Testing
<b>CP</b>	Central Party
<b>CR</b>	Change Request
<b>CSS</b>	Central Switching Service
<b>DAG</b>	Design Authority Group
<b>DBT</b>	Design Build Test
<b>DESNZ</b>	Department for Energy Security and Net Zero
<b>DIP</b>	Data Integration Platform
<b>DNO</b>	Distribution Network Operator
<b>dPMO</b>	Digital Project Management Office
<b>DWG</b>	Data Working Group
<b>FTIG</b>	Fast Track Integration Group
<b>HMT</b>	His Majesty's Treasury
<b>I&amp;C Supplier</b>	Industrial and Commercial Suppliers
<b>IA</b>	Impact Assessment
<b>IDNO</b>	Independent Distribution Network Operator
<b>LDP</b>	Lead Delivery Partner
<b>LDSO</b>	Licensed Distribution System Operator
<b>MAPN</b>	Meter Point Administration Number
<b>MHHS/MHHSP</b>	Market-wide Half-Hourly Settlement (Programme)
<b>MPRS</b>	Meter Point Registration System
<b>MVC</b>	Minimum Viable Cohort
<b>PAB</b>	Performance Assurance Board
<b>PIT</b>	Pre Integration Testing
<b>PMO</b>	Programme Management Office
<b>PP</b>	Programme Participants
<b>PPC</b>	Programme Party Coordinator
<b>PSG</b>	Programme Steering Group
<b>QA</b>	Quality Assurance
<b>REC</b>	Retail Energy Code
<b>SCR</b>	Significant Code Review
<b>SI</b>	Systems Integration
<b>SI QA</b>	Systems Integration Quality Assurance
<b>SIT</b>	Systems Integration Testing
<b>SITWG</b>	Systems Integration Testing Working Group
<b>SMAP</b>	Smart Meter Act Powers
<b>SRO</b>	Senior Responsible Owner
<b>TOM</b>	Target Operating Model
<b>UMSDS</b>	Unmetered Supplies Data Service
<b>UMSO</b>	Unmetered Supplies Operator
<b>VAS</b>	Volume Allocation Systems

**Part C.1 – Summary of Impact Assessment**

**Note** – This section will be completed initially by the Change Raiser and then by Programme Participants as part of the full Impact Assessment.

All Impact Assessment responses will be considered public and non-confidential unless otherwise marked. If there are any specific elements of the response (e.g., costs) that are confidential, please mark the specific sections as confidential rather than the response as a whole. The MHHS Programme will publish all Impact Assessment responses and redact any confidential information as noted.

**Guidance** – Programme Participants are required to:

- A. Respond with ‘Agree’, ‘Disagree’ or ‘Abstain’, deleting as appropriate. If the respondent agrees, they can provide additional evidence to further support the assessment. If the respondent disagrees or abstains, they should provide a detailed rationale as to why.**
- B. Add any additional effects that have not already been identified. In doing so, they should provide as much detail as possible to allow a robust assessment to be made.**
- C. Proceed to Part C.2 for Impact Assessment Recommendation response once completed.**

<b>Part C.1 – Summary of Impact Assessment (complete as appropriate)</b>
<p><b><u>Effect on benefits</u></b></p> <p>Whilst the impact on benefits is that they will be realised later than in the original MHHS Transition Timetable, that is no longer a credible timetable knowing what we do now in the Programme – therefore it is not a credible comparison. The plan set out in this CR is a credible delivery plan with an implementation approach that encourages the fastest delivery, therefore the re-plan facilitates the earliest realisation of benefits with increased certainty of delivery as a whole.</p> <p>There is no material impact on the benefits themselves as the Programme will deliver the TOM and the associated benefits, as set out in the Programme Benefits Realisation Plan, approved at PSG.</p>
<p><i>&lt;Delete as appropriate&gt;</i>: <b>Agree   Disagree   Abstain</b></p>
<p><i>Impact Assessment respondents to add supporting commentary to support their selection. Where possible, Impact Assessment respondents to identify and describe any further impacts.</i></p> <p><i>Impact Assessment respondents should consider and provide detail of any additional effect e.g. whether there will be an impact on when a benefit will be realised; who will realise the benefit; the extent to which the benefit will be realised.</i></p> <p><i>Where possible, contextual information should be included e.g. the benefit will be delayed by X weeks; the change means Y population will also realise the benefit.</i></p>
<p><b><u>Effect on consumers</u></b></p> <p>The benefits of MHHS to consumers will be realised as per the Effect on Benefits section above.</p> <p>Reflecting the reverse migration process, per the PSG decision in December 2022, will ensure that consumer choice is not compromised for the period between M11 &amp; M14 when not all suppliers will be qualified and operating in the new MHHS arrangements.</p>
<p><i>&lt;Delete as appropriate&gt;</i>: <b>Agree   Disagree   Abstain</b></p>
<p><i>Impact Assessment respondents to add supporting commentary to support their selection. Where possible, Impact Assessment respondents to identify and describe any further impacts.</i></p>

*Impact Assessment respondents should consider and provide detail of any additional effect e.g. whether there will be an impact on service delivery to consumers; will there be a cost impact to consumers; will there be a choice impact to consumers?*

*Where possible, contextual information should be included e.g. what is the scale of the effect? Will the effect be permanent?*

**Effect on schedule**

The revised timescales are set out in the Table A-1 setting out the impact on Tier 1 milestones. The range of dates bounded by M10-M10\* and M16-M16\* milestones reasonably represent the risk and uncertainty in planning assumptions at this stage in the programme. Further CRs may be needed potentially in the near-term should certain risks materialise, particularly with respect to the impacts of design related decisions and in-flight CRs on SIT testing activities.

**<Delete as appropriate>: Agree Disagree Abstain**

*Impact Assessment respondents to add supporting commentary to support their selection. Where possible, Impact Assessment respondents to identify and describe any further impacts.*

*Impact Assessment respondents should consider and provide detail of any additional effect e.g. will the schedule/milestones be directly impacted; will the schedule/milestones be indirectly impacted.*

*Where possible, contextual information should be included e.g. the change will delay the project by X days; the change will require additional resource to complete (though detail resource in resource section); the delay can/cannot be recovered by condensing Y activity.*

**Effect on costs**

The extended implementation timeline will have an impact on PPs' costs and in-year profiles. However, a realistic and credible delivery timetable as articulated via the programme re-plan will provide PPs with the best opportunity to plan ahead and secure the necessary budget required to deliver MHHS as part of the business planning needed for a multi-year programme of this duration.

**<Delete as appropriate>: Agree Disagree Abstain**

*Impact Assessment respondents to add supporting commentary to support their selection. Where possible, Impact Assessment respondents to identify and describe any further impacts.*

*Impact Assessment respondents should consider and provide detail of any additional effect e.g., will the change cause a loss of income; will the change cause additional cost; will the change cause a reprofiling of cost?*

*Where possible, contextual information should be included e.g., whether it is capital or operating expenditure that will be affected; what period costs will be affected in; what the rough order of magnitude of the cost impact will be and if organisation will be able to absorb it?*

**Effect on resources**

An extended implementation timeline will require PPs' delivery resources to be dedicated to the Programme for longer than articulated in the MHHS Transition Timetable. However, a realistic delivery timetable as articulated in the programme re-plan will allow PPs to appropriately resource the plan and, if required, recruit to deliver the requirements of MHHS. The phased approach will allow participants to progress at a pace which is appropriate to their delivery within the milestones set out in this CR, potentially mitigating any gaps in activity waiting for other PPs to catch up, enabling more efficient deployment of project resources.

**<Delete as appropriate>: Agree Disagree Abstain**

*Impact Assessment respondents to add supporting commentary to support their selection. Where possible, Impact Assessment respondents to identify and describe any further impacts.*

*Impact Assessment respondents should consider and provide detail of any additional effect e.g., will there be an impact on tools or equipment; will there be an impact on staff capacity; will there be an impact on staff skills or capability?*

*Where possible, contextual information should be included e.g., the change will require X additional staff for Y period of time; the change requires Z training or support.*

**Effect on contract**

The Programme recognises that an extension to the implementation timeline could have an impact on contracts that Programme Participants have in place with their service providers and other third parties, requiring extensions and re-negotiation. This is likely to also impact MHHSP contracts with LDP, IPA and possibly DIP. A realistic delivery timetable, as articulated in the programme re-plan, will allow PPs to assess the implications on their contractual positions and take the appropriate steps to ensure it does not impact their ability to deliver MHHS on time.

*<Delete as appropriate>*: **Agree Disagree Abstain**

*Impact Assessment respondents to add supporting commentary to support their selection. Where possible, Impact Assessment respondents to identify and describe any further impacts.*

*Impact Assessment respondents should consider and provide detail of any additional effect e.g. whether there will be an impact on contracts with sub-contractors; whether there will be an impact on contracts with vendors; whether there will be an impact on contracts with regulators/ESO.*

*Where possible, contextual information should be included e.g. the changes will require new contracts to be created; the changes will variations to existing contracts; the changes will affect ability to meet contract requirements.*

**Risks**

The high-level risks and mitigations associated with the programme re-plan are outlined in Table A-5 and more detailed risks by phase are covered in reference 4. The programme recognises that a phased delivery approach is different to what had originally been planned for MHHS. This creates greater complexity of delivery but it better facilitates the objectives and pace of the programme, with sufficient mitigations in place for this.

Given MHHSP is well underway, there will be an inherent level of risk which cannot be avoided. Furthermore there is no guarantee that MHHSP will find itself in a better overall risk state by delaying the re-baseline further. The ranges set out by milestones M10 / M10\* (Go-Live) and M16 / M16\* (New Settlement Timeline) recognise current known risks which may materialise and deemed as proportionate by the programme.

Further CRs may be needed potentially in the near-term should various risks materialise, particularly with respect to the impacts of design related decisions and in-flight CRs on SIT testing activities. However reference to a baselined plan (per this CR) will enable significantly improved impact assessments of any future CRs and overall decision-making in the context of the programme as whole, hence the urgency to now re-baseline the plan.

*<Delete as appropriate>*: **Agree Disagree Abstain**

*Impact Assessment respondents to add supporting commentary to support their selection. Where possible, Impact Assessment respondents to identify and describe any further impacts.*

*Impact Assessment respondents should consider and provide detail of any additional effect e.g., will existing risks be affected; will new risks be created?*

*Where possible, contextual information should be included e.g., the change will affect the likelihood of a risk occurring, the change will affect the impact the risk would have, the change will require additional controls and mitigation.*

## **Part C.2 – Impact Assessment Recommendation**

**Note** – *This section must be completed initially by the Change Raiser and then by Programme Participants as part of the full Impact Assessment.*

**Guidance** – **The primary reporting metric of the Impact Assessment is the recommendation response. The consolidated response will be presented to the relevant governance group(s) and decision maker(s) with the totals for ‘Agree’, ‘Disagree’ or ‘Abstain’. As such, please ensure this section is completed before the form is returned to MHHS PMO. Provide detailed rationale and evidence in the commentary field.**



Part C.2 – Impact Assessment Recommendation (mandatory)

**Recommendation**

It is recommended by the Change Raiser the change is approved.

<Delete as appropriate>: **Agree**   **Disagree**   **Abstain**

*Impact Assessment respondents to add supporting commentary to support their selection.*

Impact assessment done by: <Name>

**Guidance:** *If you are a third party responding on behalf of another Programme Participant, please state this in your response.*

Impact assessment completed on behalf of: <Name>

**Part D – Change approval and decision**

**Guidance:** *The approvals section will be completed by the MHHS PMO once the Impact Assessment has been reviewed.*

Part D - Approvals
<p><b>Decision authority level</b></p> <p>&lt;Based on the impact assessment, state who is required to make a decision concerning this change&gt;</p>

**Guidance** - *This section will be completed by the MHHS PMO and Change Owner following the review of the impact assessment and decision reached by the SRO.*

Part D – Change decision		
Decision:		Date
Approvers:		
Change Owner:		
Action:		
Changed Items	Pre-change version	Revised version

Part E – Implementation completion

**Guidance** - This section will be completed by the MHHS PMO at the end of the post-implementation process.

Part E – Implementation completion			
Comment		Date	

**Guidance** – The Closure Checklist in MHHS DEL175 Change Log must also be completed by MHHS PMO at this stage.

Checklist Completed	Completed by
Yes/No	

**Guidance** – This section will be completed by the MHHS PMO at the end of the post-implementation process and should be used to add any appropriate references of the change once it has been completed.

References		
Ref	Document number	Description