



**MHHS
PROGRAMME**
Industry-led, Elexon facilitated

Programme Steering Group #20.1

12 May 2023

Version 1.0

MHHS-DEL1212

Document Classification: Public

Agenda

#	Item	Objective	Type	Lead	Time	Page
1	Welcome & Meeting Overview			Chair	09:00 – 09:05 <i>5 mins</i>	1
2	CR022 Impact Assessment	Overview of key insights and conclusions from the CR022 Impact Assessment	Information	Programme (Giles Clayden)	09:05 – 09:15 <i>10 mins</i>	3
3	Key Changes	Overview of changes to key risks impacting the revised plan and amendments made since April PSG/following the CR022 Impact Assessment	Information	Programme (Giles Clayden)	09:15 – 09:25 <i>10 mins</i>	7
4	IPA Report	Overview of findings from the Independent Programme Assurance provider	Information	IPA	09:25 – 09:35 <i>10 mins</i>	11
5	CR022 Recommendation and Decision	1. SRO recommendation to Ofgem to approve changes to Level 1 milestones 2. PSG support for SRO decision to approve CR022 and revised plan	Decision	Chair & Secretariat	09:35 – 09:40 <i>5 mins</i>	17
6	Summary and Next Steps	Summarise actions and decisions, and look ahead to next meeting	Information	Chair & Secretariat	09:40 – 09:45 <i>5 mins</i>	21

Appendices

Appendix 1 - High level constituent responses by Impact Assessment Area

Appendix 2 - Summary of MHHSP impact statements by area

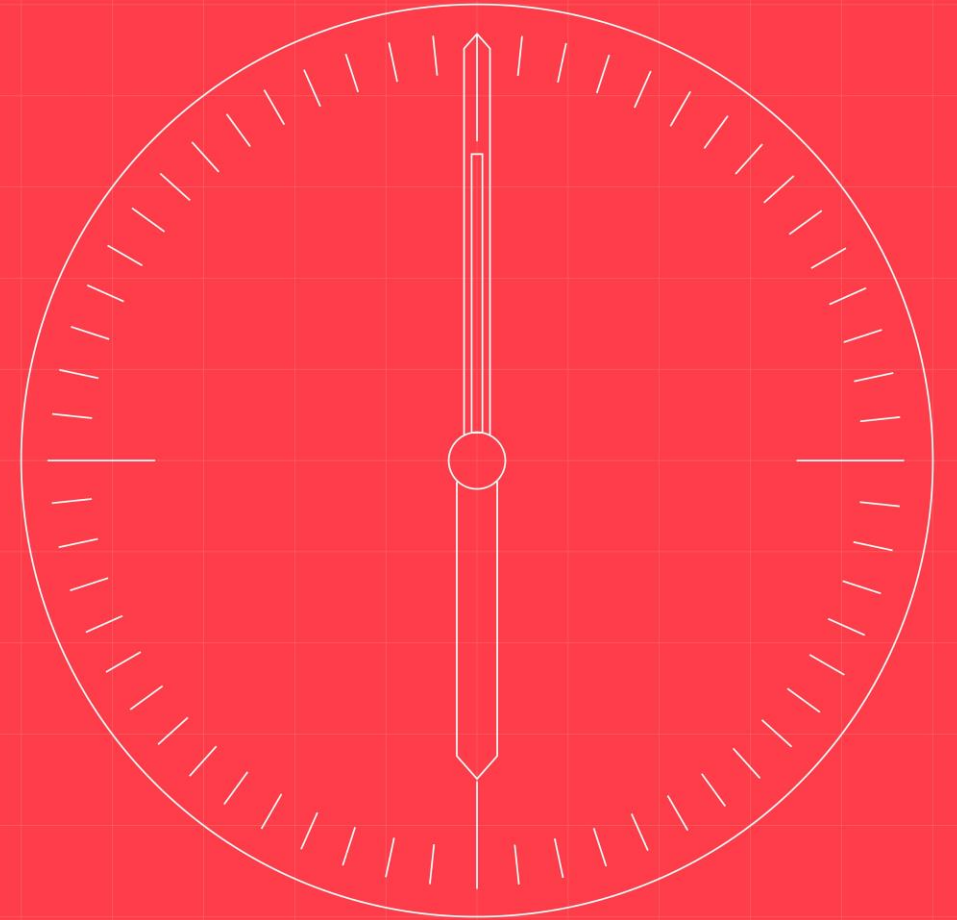
Appendix 3 - CR022 Plan-On-A-Page with key risk themes

CR022 Impact Assessment

INFORMATION: Overview of key insights and conclusions from the CR022 Impact Assessment

Programme (Giles Clayden)

10 mins



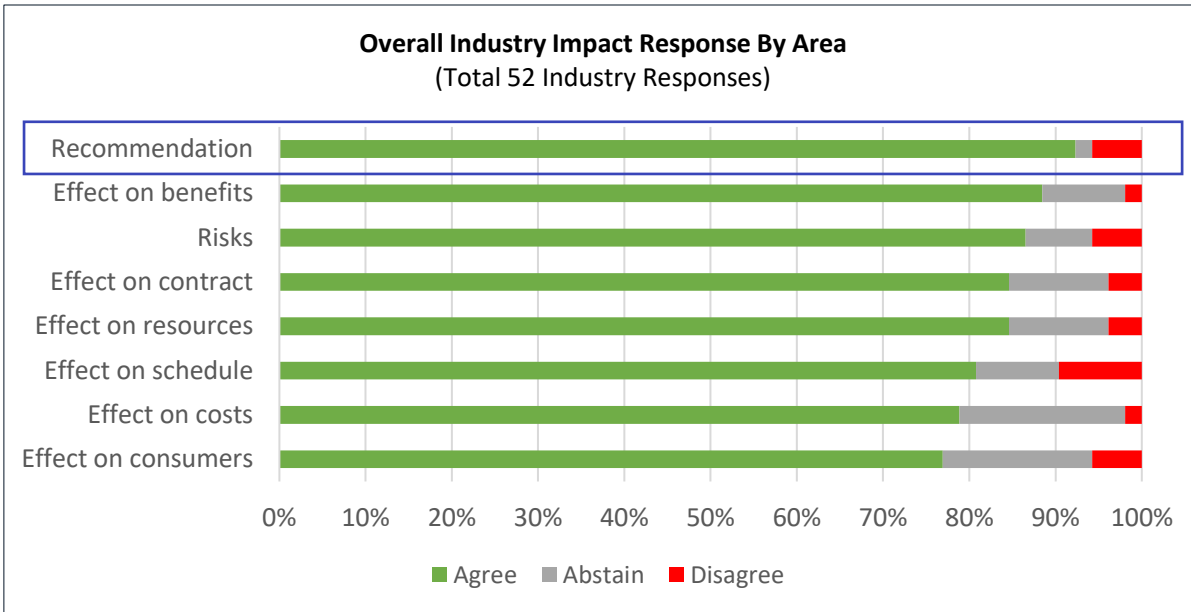
CR022 – Impact Assessment Summary

Objectives of this session:

1. Outline the key insights and conclusions from the Industry Assessment
2. Provide additional narrative and context around the response statistics

Headlines:

- ✓ **Over 92% of all responses agreed with the overall position and recommendation as set out in CR022**
- ✓ Strong agreement from across respondents to 7 impact statements ranging from 77% - 88%
- ✓ Representation in terms of volume and coverage across all constituents remains sound although 30% response rate was less than Round 3



'Top Ten' General Themes:

1. **Current Transition Timetable Unachievable.** Most of the PPs that commented highlighted that the current Transition Timetable was unachievable and therefore change was needed.
2. **Need for Baselined Plan.** Significant numbers of PPs agreed with the need for a baselined plan and accepted the longer more realistic plan to achieve greater certainty for planning purpose, including resourcing and finances.
3. **Tight Timescales.** Several PPs stated the timescales remain tight despite the proposed extensions and some citing limited contingency ahead of M10.
4. **Design Stability.** There was general feedback that the lack of design stability and scale of potential design changes was a significant risk. There is a need to understand release / change management once the Programme has qualification and migration running in parallel.
5. **Future CRs.** PPs accept there will be a need for future CRs and the need to baseline the replan, but some were dubious as to whether these will be contained to the range as set out M10-M16.
6. **Risks Identification.** Many PPs welcomed the open acknowledgement of risks, including introduction of ranges, and used the opportunity to feed in more detailed risks in addition to the risk themes set out in CR022. There was some challenge as to whether the Programme has fully weighted the volume of risk given additional risks fed in and extent of design risk.
7. **Rigorous Change Control.** Some PPs flagged the need for ranges to be used as a last resort and confirming the Programme view of the need for change control for milestone date changes within the ranges.
8. **18-Month Migration Window.** The logic was accepted, and the timescale was broadly welcomed (consistent with Round 3 responses).
9. **Staggered PIT / SIT entry.** Various responses advocated the need to stagger entry requirements to enable more PPs to enter SIT and further de-risk MVC and the plan.
10. **Tranche Allocation.** Large suppliers have highlighted need to qualify early and seeking early tranche allocation if non-SIT PP to progress full volume of MPANs, which will need to be balanced against maintaining industry fairness.

CR022 – Submitted Impact Assessments by Constituent and Market Share

Headlines:

- ✓ Over 92% of all responses agreed with the overall position and recommendation as set out in CR022
- ✓ Respondents agreed that the MHHS Transition Timetable was unachievable, and a credible re-baselined plan is necessary to give participants certainty and to provide a stable platform for participants to shape their own plans.
- ✓ Response rate was 30% (vs 50% at Round 3)

Programme Parties	CR022 Recommendations				Market Share			
	Yes	No	Abstained	Not Replied	Yes	No	Abstained	Not Replied
Large Suppliers	5	-	-	-	100%	-	-	-
Medium Suppliers	3	1 (See Note 4)	-	3	60%	11%	-	29%
Small Suppliers	1	-	-	21	< 1%	-	-	> 99%
I&C	10	1	-	29	70%	2%	-	28%
DNOs	6	-	-	-	100%	-	-	-
iDNOs	7	-	-	7				
Ind. Agents	7	1	-	16				
In-house Supplier Agents	1	-	-	6				
S/W Providers	3	-	-	35				
National Grid	1	-	-	-				
Central Parties	4	-	-	-				
SRO / IM & LDP	1	-	-	-				
IPA	-	-	1	-				
Total	49	3	1	117				

Notes:

1. Market Share information is according to the latest Meter Point Administration Number (MPAN) data held by the Programme as at May 2023
2. IPA abstains from responding by default
3. 2 additional central parties added post 3 May PSG
4. Following a bilateral, one party has verbally confirmed agreement to overall recommendation following assurance around change control in connection with ranges at M10 and M16

CR022 Impacts – Summary of Benefits and Concerns by Impact Assessment area (See Appendix 1 for analysis by constituency)

Headline Recommendation:

- 46 out of 52 responses 'agreed' that CR022 takes a pragmatic approach towards the risks although the specificity of some responses suggest residual concerns as to whether the programme has fully acknowledged the breadth or extent of some of these risks. Various responses cite the timescales as still being tight, questioning whether the full extent of design risk has been fully factored into the plan.
- 3 'disagreed' with the CR. One noted that they would like to see more time given to deciding their SIT participation, and for reaching and starting SIT. One felt that the contingency periods were too long and that Code changes would not be settled.

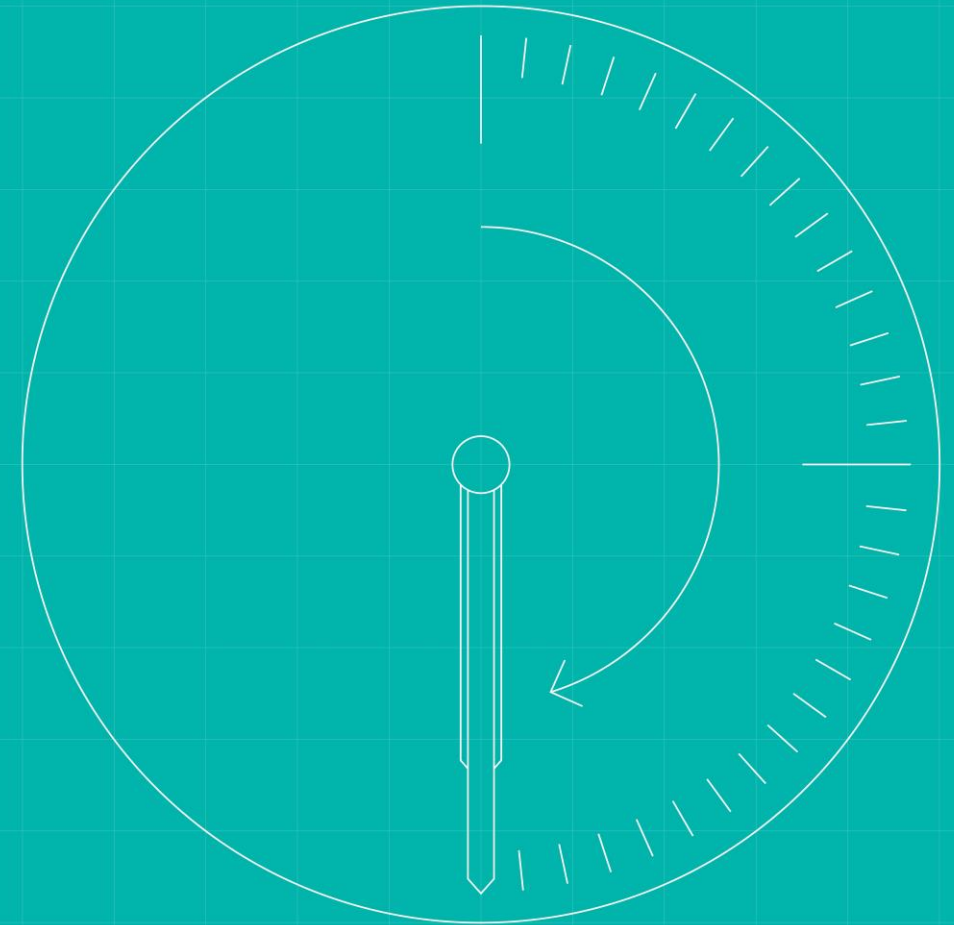
Programme Parties	Range of respondents' views on benefits and concerns
Benefits	<ul style="list-style-type: none"> + 46 out of 52 agreed with the views on benefits with the general sentiment that the previous timetable was unrealistic and that the replan will deliver the Programme benefits in a realistic timescale and enable early realisation of benefits for faster movers - 1 disagreed as a 12-month delay in completing the programme compared to the original baseline plan must translate into delays in benefits realisation • 1 abstention highlighting later delivery of benefits but unable to analyse impact at this point
Consumer	<ul style="list-style-type: none"> + 40 out of 52 agreed with the views on consumer with general support for reverse migration and phased implementation enabling early realisation of consumer benefits - 3 disagreed with 2 highlighting the delay in benefits for consumers and 1 highlighting ongoing discussions on customer segments to be excluded from reverse migration • 9 abstentions
Schedule	<ul style="list-style-type: none"> + 42 out of 52 agreed with the milestone ranges and effect on the schedule, agreeing that although the timelines are challenging a replan baseline is required to support PPs' delivery and further change requests may be needed on a Programme of this size and complexity - 5 disagreed, highlighting the delivery of M9 as a risk with no contingency window, with concerns a delay to M10 will automatically delay later milestones and no rationale for a 6-month delay to M16 • 5 abstentions
Costs	<ul style="list-style-type: none"> + 41 out of 52 respondents agreed with the views on costs, accepting that although an extension of timelines may increase overall costs, these costs would be necessary - 2 disagreed, noting the risks of uncertainty over increased costs if M10 and M16 were delayed further • 9 abstentions
Resources	<ul style="list-style-type: none"> + 44 out of 52 agreed with the views on resources, with several respondents having already developed a resource plan aligned with the Round 3 consultation plan - 2 disagreed, with similar rationale – highlighting concern regarding increased resources and costs if further delays occur • 6 abstentions
Contracts	<ul style="list-style-type: none"> + 44 out of 52 agreed with the views on contracts. It was recognised that PPs will need to review contractual positions and extend contracts with 3rd party suppliers, but this was not seen as a blocker to overall delivery and benefits of a robust, reliable plan outweigh any associated risks - 2 disagreed, with 1 party highlighting an uncertain contractual position with 3rd party suppliers as a reason to not be able to commit to participating in SIT • 6 abstentions
Risks	<ul style="list-style-type: none"> + 45 out of 52 agree with views on risks although the specificity of some responses suggest concerns whether programme has fully acknowledged the breadth or extent of some of these risks. Various responses cite the timescales as a concern, questioning if full extent of design risk has been fully factored in and whether M10 – M16 ranges represent full uncertainty around timescales - 3 disagreed', based on insufficient time to fully assess SIT participation by 23 May 23 including clarification on SIT (CIT) staggered entry, risking MVC resilience through too few SIT PPs, and MHHSP waiting until more certainty around risks becomes apparent. One PP suggested the ranges as too long and MHHSP should simply approach risk by assessing each CR as they emerge • Excluding IPA, reasons for three abstentions unclear although one response implies concerns around completeness of design risks

Key Changes

INFORMATION: Overview of changes to key risks impacting the revised plan and amendments made since April PSG/following the CR022 Impact Assessment

Programme (Giles Clayden)







10 mins



Re-plan – Changes in Pre-M10 Risk themes since CR022 issue (see Appendix 3 for plan context)

Key

-  Risk Reducing
-  Risk Unchanged

#	Risk	Impact	Change in Risk since CR022 Issued	Trend
1.	Central Party & Core Capability Provider CIT Readiness - 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	<ul style="list-style-type: none"> + MPRS plan alignment indicates that target entry points can be met with staggered entry to CIT • Other CPs' and CCPs' positions remain unaltered although likely move to staggered functional drop during CIT will provide further mitigation 	
2.	Minimum Viable Cohort – Some PPs may drop out of SIT prior to or during SIT (or fall behind)	This may delay SIT pending alternative SIT PP testing to be aligned with MVC and / or defects to be fixed	<ul style="list-style-type: none"> + Following LSC proposal, a compromise option to allow drops into SIT for different phases (i.e. CIT, Functional, Operational, Non-Functional and Migration) is being proposed; this is likely to increase the opportunities for bringing more PPs into SIT + Reliance policy issued with no major impact / rejections of policy reported – proposals starting to be submitted 	
3.	Test Data Readiness – Test data may not be available in time to support SIT	All phases of SIT may be delayed if data unavailable	<ul style="list-style-type: none"> + Test data plan developed with clear path to SIT readiness set out • Contingency remains tight and will require close monitoring 	
4.	SIT Functional and Migration Testing – 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 regard to three core functional test cycles prove invalid	<ul style="list-style-type: none"> + Increasing confidence in migration design meeting time for drop concurrent with start of cycle 3 as part of MPRS plan. Migration design approved end of April. • Impact of in-flight CRs on MPRS DBT plan still to be understood – Industry IA feedback has challenged whether full breadth and impact of potential future design changes and associated design stability are fully understood. 	
5.	LDSO Testing – There is a risk one or more LDSOs will not have 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	<ul style="list-style-type: none"> + Reliance policy significantly benefits LDSOs testing arrangements, de-risking testing across cohort. Currently have more LDSOs than required for MVC + LDSO cohort will benefit from increasing optimism in MPRS plan given reliance on SCS 	
6.	Go Live MVC Contracted Parties – Some key contracted parties to supplier(s) planning Go-Live at M11, may not have successfully completed SIT and therefore not have qualified	Absence of key contracted parties at Go-Live (M11) may prevent Go-Live occurring for some suppliers in some segments, despite all central parties & LDSOs being qualified	<ul style="list-style-type: none"> • No substantive change. However introduction of FTIG will play an important role in monitoring risk and flagging any mitigation or action going forwards 	

Re-plan – Changes in Post-M10 Risk themes since CR022 issue (see Appendix 3 for plan context)

#	Risk	Impact	Change in Risk Trend since CR022 Issued	Trend
7.	Qualification Capacity – 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 the migration window	<ul style="list-style-type: none"> No change. Qualification capacity is a risk cited in some IA responses Qualification Approach and Plan sets out approach to allocating parties to tranches in a non-discriminatory way 	⇒
8.	Late-Stage Migration – 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	<ul style="list-style-type: none"> No change. Some concerns have been raised around the need for large suppliers to qualify early to meet the currently assumed migration window, introducing some risk in the plan which is based on a current MVC view and fears of bias towards LSCs. 	⇒
9.	Qualification Tranche Duration – Current Qualification testing is assumed to take 6 months per tranche, plus 2 months for governance	Average tranche duration may be longer than 6 months once full Qualification test plans and scenarios are developed	<ul style="list-style-type: none"> No change in base assumptions. Qualification test manager recruitment underway after which base assumptions will be revisited Qualification testing artefacts dependent on SIT artefacts in plan 	⇒
10.	Migration Window – 18-month migration window is currently based on high-level modelling of MPAN throughput and may take longer	This may delay M15 and consequently M16	+ Further round of migration modelling and scenario analysis undertaken, supporting the current migration timeline [see separate paper]	⇓
11.	New Settlement Timetable – 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 stabilisation	<ul style="list-style-type: none"> No change in underlying assumption, including need for 6-month window for New Settlement Code 	⇒

Key

- ⇓ Risk Reducing
- ⇒ Risk Unchanged

Minor material amendments to plan post-CR022 Issue

As a 'living document', some minor non-material changes have and continue to be made to the plan in response to CR022 feedback and on-going developments on the Programme. The majority are at Tier 3 level of detail with no impact on POAP (as set out in Appendix 2). Further changes to staggered entry approach allowing phased PIT evidence ahead of each SIT stage will be included prior to next PSG

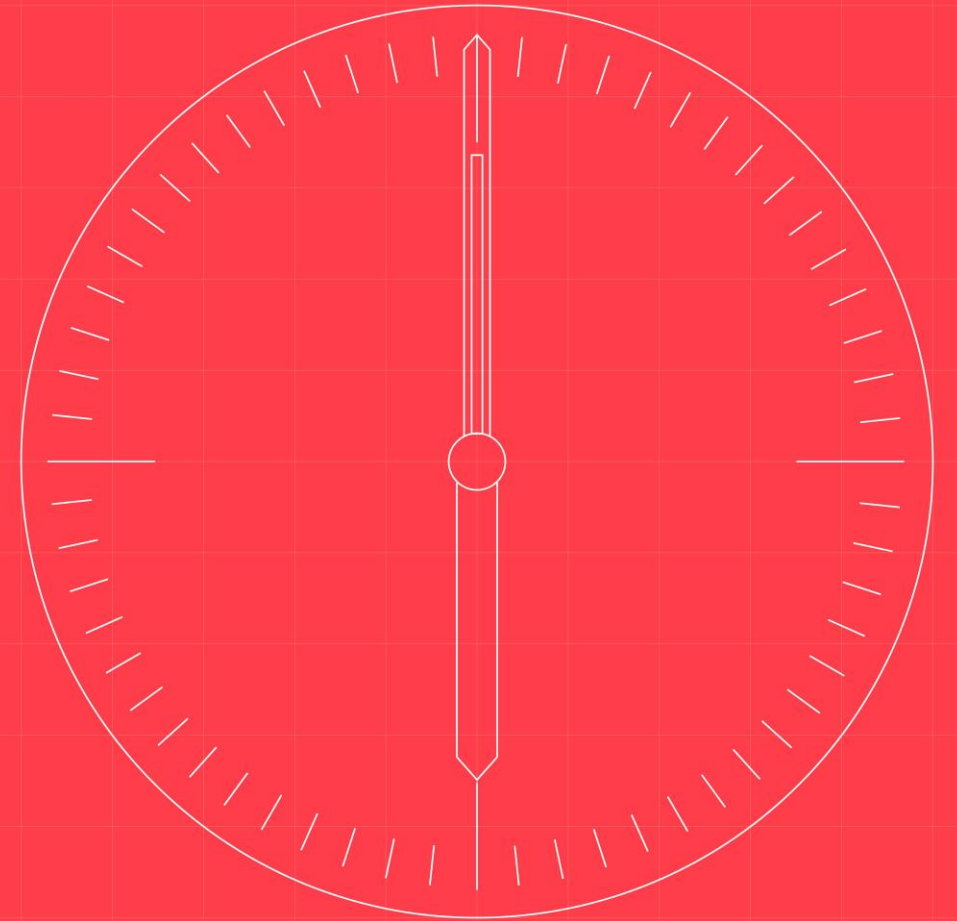
Plan Area	Amendments / Update	Reason	Tier
Early Live Running	M16* updated to reflect the 6-month range post M16	Correction: CR022 plan showed M16* with a 3-month range	1
Migration	Starred M10* - M16* elevated from Tier 2 to Tier 1 milestones (see slides 19 & 20)	Tier 1 categorisation more consistent with change management process and governance arrangements to ensure PSG maintain visibility	2
Design, Build and Test	New tasks have been added to reflect the Design Artefact release schedule New Tier 3 milestones have been created and added to the milestone register: T3-DB-0095, T3-DB-0096 and T3-DB-0097	Improve visibility of the Design Artefact release schedule	3
Qualification	Qualification testing 'Tranche 0' added, showing dates for necessary QAD report completion and PAB approvals for both SIT MVC and SIT non-MVC participants	Feedback received from QWG and CR022 impact assessments for Tranche 0 to be explicitly referred to in the Programme Plan	
	6-week lag has been added between each SIT phase approach and plan and the related qualification artefact	Allows sufficient time for the test deliverables to be developed into Qualification deliverables, reviewed with QWG, approved by PABs and incorporated into the Qualification Assessment Document (QAD)	
	Qualification Assessment Document (QAD) to be released in two phases: 1. Functional requirements (Nov 23) 2. Final baselined document with Non-Functional, Migration and Operational requirements (Jun 24)	QAD dependent on SIT testing documentation but CR022 plan did not provide adequate time to review the document before completing the QAD process	
System Integration Testing	Pre-08 June 2023 PSG. Updates to be added to reflect staggered entry approach allowing phased PIT evidence ahead of each SIT stage	Approach is being updated in order to enable additional LSC's to enter SIT and add further resilience to SIT MVC	
	Component integration testing interval 2 to 5 start dates corrected in version 4.1, issued due CR022 Industry Assessment	Correction to version 4.0, addressed in Week 1 of CR022 Industry Assessment and updated version communicated to all PPs	
	SIT Non-Functional and SIT Operational testing preparation dates corrected in version 4.1, issued due CR022 Industry Assessment		

IPA Report

INFORMATION: Overview of findings from the Independent Programme Assurance provider

IPA

10 mins



Summary of work performed

The IPA has performed embedded assurance activities throughout the duration of the plan re-baseline exercise. This approach was adopted so that we could feedback comments in flight and make available to the programme team our experiences from Project Nexus, the Switching Programme and Elexon's Foundation Programme.

Our activities included attending 110+ planning meetings (both with the Programme Team alone and with the Programme Team and the Programme Participants) and submitted formal responses and feedback at each planning consultation round. This activity was performed collaboratively with the Programme who have engaged with the assurance activity in a positive and constructive manner.

Overall recommendation

Based on the assurance activities we have performed, **our overall recommendation is that the plan should be baselined now**. Known risks should be managed through the programme's risk management process and further detail added as the programme develops.

Rationale

- Proceeding beyond June 2023 without a baselined plan presents a significant risk to the entry of SIT.
- While risks exist in the plan, as set out in CR022 and in the plan risk register, the programme has embedded contingency and has also included an explicit go-live range. These contingencies will allow the programme to accommodate a certain level of future change in the overall timeline.
- It is unreasonable to expect the same level of certainty in this plan as was the case for the post Covid Switching Programme plan. This is because the MHHSIP is at a much earlier point in its delivery.
- From the CR022 responses there is broad support for adopting the plan with only a few participants indicating disagreement which, whilst raise valid concerns that should be addressed, are not considered to undermine the overall integrity of the plan.

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Our **principle recommendations** are set out below, which are focused on forward management of the plan, once baselined, and managing the residual risks that exist within the plan. The recommendations and actions have been shared and agreed with the Programme and will be tracked to completion.

Recommendation	Rationale	Target Date
<p>1 The proposed programme plan should be put under baseline.</p>	<ul style="list-style-type: none"> • Proceeding beyond June 2023 without a baselined plan presents a significant risk to the entry of SIT. • While risks exist in the plan, the programme has embedded contingency and has also included an explicit go-live range. Both of these factors will allow the programme to accommodate some delays. • It is unreasonable to expect the same level of certainty in this plan as was the case for the post Covid Switching Programme plan. This is because the MHSP is at a much earlier point in its delivery. 	<p>30 June 2023</p>
<p>2 Prior to adoption of the baseline the Programme Team should define the programme reporting structure and templates and rehearse at least one round of reporting.</p>	<ul style="list-style-type: none"> • Experience from the Switching Programme and other large programmes is that it takes some time for reporting 'bed down'. • Programme Participant's (PP's) are often unclear on the reporting requirements and the PMO must also develop, populate and QA new reports and templates. A few iterations are required for everyone to be clear on the requirements • Likewise the recipients of the reports also need time to learn and understand the reporting formats. • The imminence of SIT means that the programme does not have the luxury of taking a few reporting cycles to get things right (there are only 4 PSGs prior to the start of CIT). 	<p>30 June 2023</p>
<p>3 The programme should set out how Control Points will be conducted and this should be tabled to the PSG in advance of the October 2023 Control Point</p>	<ul style="list-style-type: none"> • Control Points provide the opportunity to take a step back and formally review the programme. • Specifically in relation to the plan, the progress, forward plan, risks and issues; and contingency (including ranges for M10 and M16) will all be reviewed at each control point. • There should be a clear set of objectives and activities documented for the Control Point reviews including a definition of the control point reporting and this should be tabled in advance. • Advance tabling of this provides clarity to PPs and Programme as to how Control Points will be conducted. 	<p>30 September 2023</p>
<p>4 The programme should be clear when and what additional detail will be added to the plan</p>	<ul style="list-style-type: none"> • Elements of the plan where further detail is expected (e.g. item 5 below) should be identified and recorded in a plan road map made available to participants. • This road map should identify a schedule for major plan updates and describe what will be include in each update. • Updates could be batched together at Control Points if appropriate. 	<p>30 June 2023</p>

Recommendation		Rationale	Target Date
5	Data cleanse activities have yet to be determined and should be put into the plan as soon as possible	<ul style="list-style-type: none"> • A milestone is included for a data cleanse requirements report. • Any work identified as required in this report should be incorporated into the programme plan. This is likely to require a series of checkpoint milestones to measure data cleanse progress over time. 	31 July 2023
6	The programme should identify potential single points of failure outside the core capability providers and develop appropriate mitigation plans	<ul style="list-style-type: none"> • The programme has mechanisms in place to manage the core capability provider design, build and test. • However, despite the phased approach adopted there remain single points of failure in the plan that exist outside of the core capability provider design, build and test. • These include, for instance, the current requirement for 100% of LDSOs to be ready, regulatory and code alignments etc. • A list of these should be created and responsibilities identified to develop mitigation plans. • This activity should be conducted as part of the risk and issue management process. 	31 June 2023
7	When adopting the new plan as a baseline, the programme should make clear the distinction between the programme's and Ofgem's baselines.	<ul style="list-style-type: none"> • The programme baseline and the Ofgem's baseline are not the same thing. • Ofgem's baseline is the original M milestones designated as L1 (M1, M5, M6, M9, M11, M14, M15 and M16 [along with the new "*" versions of these that have been created]). The programme's baseline is all the L1, L2 and L3 milestones. • The documentation created to support the decision on the CR should clearly set out the differences between these two baselines and be clear on what Ofgem is approving. 	31 June 2023

Our assurance activities were underpinned by a set of ‘**Assurance Exam Questions**’, which we have set out below and on the next page along with our assessment against them with respect to the plan re-baseline. These underpin our overall recommendation.

<p>1. Is the proposed MHHS Transition Timetable realistic and achievable and likely to deliver the earliest possible end of migration?</p>	<p>AMBER</p>	<ul style="list-style-type: none"> • There remain a number of uncertainties and risks to the plan. • This is not unreasonable given the complex nature of the programme and the stage it is at (for some areas, execution is 2 years hence). • However, despite these uncertainties and risks, 30-40% of Round 3 consultation responses indicated agreement to the timescales set out for individual phases. A further 40-45%, gave a qualified agreement to timescales. Of the remainder, most felt unable to answer at this point. • Most questions in Round 3 related to details around testing and qualification. Since Round 3 further details have been provided which have provided greater detail (notably the placing reliance and the SIT scope documents). • In our view, the timescales are reasonable for individual activities. The risk lies in the volume of work that needs to be undertaken and the parallel execution of activities (e.g. SIT test activities). • The programme has included explicit contingency in the form of a go-live range and also holds embedded contingency as set out in the CR. However, it cannot be said with certainty that there is no risk that the programme will suffer a delay that exceeds this capacity. • The AMBER rating reflects the fact that a number of later areas of the plan still hold uncertainty, the programme is complex and that the plan includes parallelism which creates risk.
<p>2. Has the plan development process provided adequate room for participant input to the plan and is there evidence that participant inputs have been properly considered?</p>	<p>GREEN</p>	<ul style="list-style-type: none"> • There have been three rounds of formal consultation on the plan along with numerous opportunities for programme participants to provide input via working groups. • In the final round of formal consultation responses were received from over 50% of programme participants who together represented 99% of the supplier MPANs. • The programme has responded thematically to the comments made at each round of the programme. • In addition, numerous bilaterals have been held with the core capability providers to validate their inputs to the plan.

GREEN: Affirmative. Confident in the plan re-baseline to the extent that is reasonable for a programme of this size and complexity and at this stage. Potentially some minor improvement points noted.

AMBER: Affirmative with risks and/or improvement points identified. Confident in the plan re-baseline, however risks and/or improvement points. However, the risks and/or improvement points are not unreasonable for a programme of this size and complexity.

RED: Negative. More work is required by the programme to provide confidence in the plan re-baseline.

<p>A. Clarity on what participants need to do: Does the plan contain sufficient detail so that programme participants are clear on what is expected of them and when?</p>	<p>AMBER¹</p>
<p>B. Deliverables and milestones: Does the plan provide sufficient information as to what will be delivered when and how deliverables/milestones will be approved as complete?</p>	<p>GREEN</p>
<p>C. Plan management and reporting: Does the plan provide a sound basis for reporting and management of the programme?</p>	<p>GREEN</p>
<p>D. Assumptions: Are the assumptions underpinning the plan in regard to the sequencing and duration of activities reasonable for the current stage of the programme? E.g, are there clear assumptions and rationale for the duration of programme stages and are these reasonable?</p>	<p>AMBER²</p>
<p>E. Risks: Has the team appropriately considered the risks to the plan and made appropriate accommodations in the plan to minimise their impact/likelihood?</p>	<p>AMBER³</p>
<p>F. Participant engagement during planning: Did the process include a suitable approach for engaging participants not only in the detail planning but also in terms of more broadly communicating and taking feedback on iterations of the plan? Did Programme Participants sufficiently engage with the planning activity to support the Programme in developing a robust and credible full plan baseline?</p>	<p>GREEN</p>
<p>G. Overall timeline: Has the programme taken an approach to balancing risk vs. implementation timescales that is neither too conservative nor too aggressive. For, instance are the planned timelines for migration reasonable given the known risks and uncertainties?</p>	<p>GREEN</p>

Note 1:
As with all plans, detail will need to be added to fill out later stages as it becomes available. Areas such as qualification, for instance, remain at a high-level. This lack of detail for later stages is the reason for the AMBER rating.

Note 2:
Up to the completion of CIT, the plan is based on significant input from participants as to their DBT activities (specifically those of the core capability providers). Beyond this there is less detail as to the assumptions and basis for durations in the plan. This is not unexpected.

Note 3:
The programme team has identified a set of key risks in the CR022 paperwork. We agree with these risks but would note an additional four risks in the following areas:

1. Environments - risk of congestion during testing
2. Parallelism and complexity - overall complexity of programme and parallel paths
3. Balance between MVC and non-MVC - getting the balance right
4. SIT Management - orchestration of multiple parties in SIT

GREEN: Affirmative. Confident in the plan re-baseline to the extent that is reasonable for a programme of this size and complexity and at this stage. Potentially some minor improvement points noted.

AMBER: Affirmative with risks and/or improvement points identified. Confident in the plan re-baseline, however risks and/or improvement points. However, the risks and/or improvement points are not unreasonable for a programme of this size and complexity.

RED: Negative. More work is required by the programme to provide confidence in the plan re-baseline.

CR022

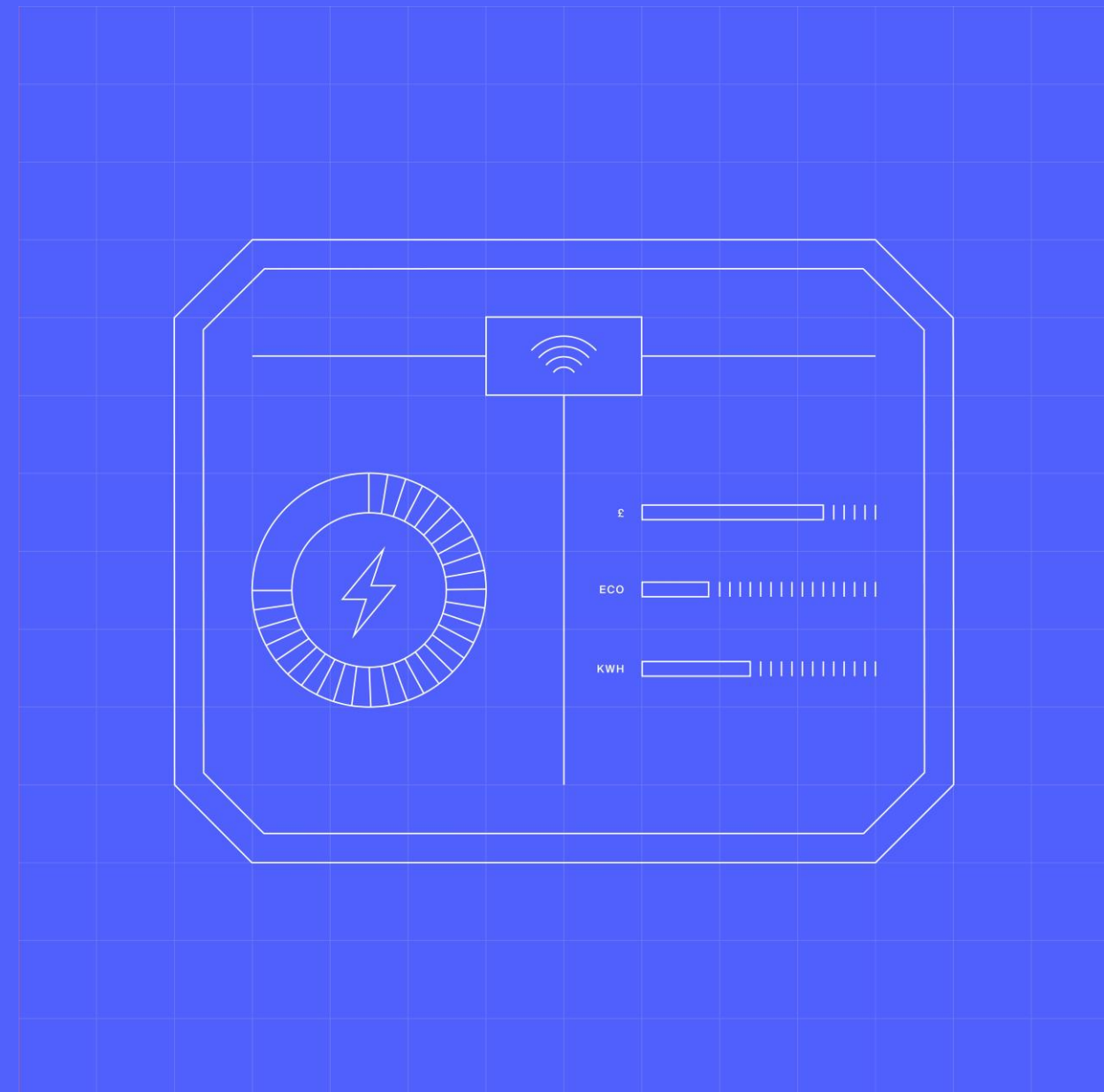
Recommendation and Decision

DECISION:

1. SRO recommendation to Ofgem to approve changes to Level 1 milestones
2. PSG support for SRO decision to approve CR022 and revised plan

Chair & Secretariat

5 mins



Key Decisions

The SRO is minded to recommend changes to the Level 1 milestones and approve CR022 based on the following:

- 92% of respondents agreed with the overall recommendation to approve CR022
- The IPA recommends the plan should be baselined
- The IPA expressed high confidence regarding adequate participant input to the plan

The PSG is invited to consider the following:

RECOMMENDATION

The SRO will recommend that Ofgem approve changes to the Level 1 milestones (see slides 19 & 20)

DECISION

Do PSG support the SRO's decision to approve CR022?

Next Steps

- Ofgem will be asked to make a decision on the Level 1 milestone changes on or before **08 June 2023**
- At the PSG meeting to be held **08 June 2023 at 1pm**, the PSG will agree, subject to Ofgem's decision, that the replan becomes the new Programme baselined plan
- For the avoidance of doubt, it is expected Programme Participants will proceed in accordance with the replan dates set out in CR022

Decision 2. Request to Ofgem to approve changes and additions to Level 1 milestones up to completion of Qualification (M14/M14*)

L1	Milestone	CR009	CR022	Change	Reasons for Change
M6	Code Changes Baselined	July 23	Aug 24	+13 months	<ul style="list-style-type: none"> The prior baseline for Code drafting was as set out in CR003 as a 9-month development activity from M5 Since CR003, the Programme has replanned the Code Drafting in consultation with CCAG to reflect: <ul style="list-style-type: none"> Delayed start to drafting to reflect increased preparation and effect of Christmas 2022 Updated topic areas and added Migration and Consequential Change, as per CR012 and scope in the log here Realistic but increased development time required from Code Bodies & the Programme Improved industry consultation and increased assurance / review time Additional time to triage and respond to consultation comments This has driven the current timescales and the detailed activity is defined in the plan
M9	SIT Start	Aug 23	Oct 23	+2 months	<ul style="list-style-type: none"> Extension of DBT timelines following additional period for design to be signed off at M5 and consistent with M9 as set out in PSG approval of interim plan. (Included for completeness alongside other Level 1 milestone changes)
M11	Start of 18-month migration for UMS / Advanced	Oct 24	Apr 25	+6 months	<ul style="list-style-type: none"> Start of migration is directly linked to M10, which had not been moved with CR009 Movement of 6 months preserves duration of DBT and SIT in original timescales Delivery has proved considerably more complex than first envisaged, with no opportunity to recover extended time pre-M11 Original wording adjusted to <i>18-months</i> from <i>1 year</i> as per extended migration window set out in CR022
M11*	Start of migration for UMS / Advanced – Late Exit	N/A	Jul 25	New	<ul style="list-style-type: none"> Additional Level 1 milestone introduced at CR022 to reflect known plan risks and latest permitted movement in M11 without additional Ofgem approval outside PSG governance
M14	All suppliers must be able to accept MPANs under the new TOM (one way gate)	Feb 25	Mar 26	+13 months	<ul style="list-style-type: none"> Start of migration delayed by 6 months as above 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 complete Qualification and start Migration at M14 in March 2026 following PAB approval M14 is based on 7 qualification tranches, each requiring 6 month testing plus 2 months PAB approval at entry and exit
M14*	All suppliers must be able to accept MPANs under the new TOM (one way gate) – Late Exit	N/A	June 26	New	<ul style="list-style-type: none"> Additional Level 1 milestone introduced at CR022 to reflect known plan risks and latest permitted movement in M14 without additional Ofgem approval outside PSG governance

Request to Ofgem to approve changes and additions to Level 1 milestones from completion of Migration (M15) to New Settlement Timetable commencing (M16 / M16*)

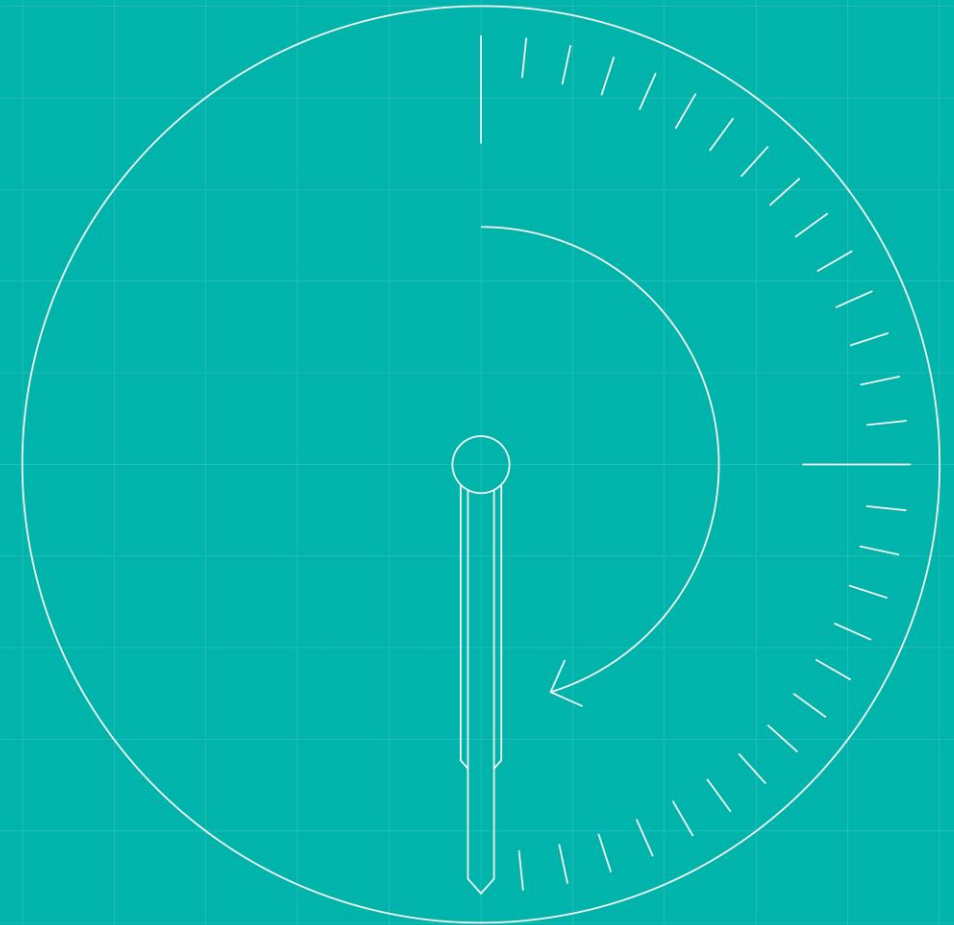
L1	Milestone	CR009	CR022	Change	Reasons for Change
M15	Full Transition Complete	Oct 25	Oct 26	+12 months	<ul style="list-style-type: none"> Start of migration delayed by 6 months as above Phasing has allowed the early realisation of benefits starting with SIT / MVC PPs migrating sooner, followed by Qualification in parallel enabling all remaining PPs to qualify by M14 Timelines for Migration are driven by this phasing approach with the Programme having taken the opportunity to reduce time between M14 & M15 because of the ramp-up of migration volumes delivered by phasing 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 Migration window underpinned by migration modelling reflecting assumed technical constraints during transition Although M15 is later, this revised phased implementation approach supports the earlier realisation of benefits in 2025 which would otherwise have been delayed
M15*	Full Transition Complete – Late Exit	N/A	Jan 27	New	<ul style="list-style-type: none"> Additional Level 1 milestone introduced at CR022 to reflect known plan risks and latest permitted movement in M15 without additional Ofgem approval outside PSG governance
M16	Cutover to New Settlement Timetable	Nov 25	Dec 26	+13 months	<ul style="list-style-type: none"> Delay is primarily based on delay exiting transition at M15 as above 2 months minimum and 6-month window is preserved, consistent with original assumptions between M15 and M16, but will ultimately be dependent on operational metrics to be set out in future
M16*	Cutover to New Settlement Timetable – Late Exit	N/A	May 27	New	<ul style="list-style-type: none"> Additional Level 1 milestone introduced at CR022 to reflect known plan risks and latest permitted movement in M16 without additional Ofgem approval outside PSG governance. This is consistent with maintaining the 6 month window previously defined, as above.

Summary and Next Steps

INFORMATION: Summarise actions and decisions, and look ahead to next meeting

Chair & Secretariat

5 mins



Summary and Next Steps

1. Confirm actions and decisions from meeting
2. Next PSG meeting: **08 June 2023 13:00 - 15:30*** (note: face-to-face at Elexon Offices)

*Regular PSG meeting, moved by one day to accommodate Ofgem Level 1 milestone change decision

08 June 2023 agenda items

- Outcome of Ofgem decision on movement of Level 1 Milestones
- Acceptance of re-baselined Programme Plan
- Restatement of MHHS delivery focus
- SIT MVC Update (TBC)

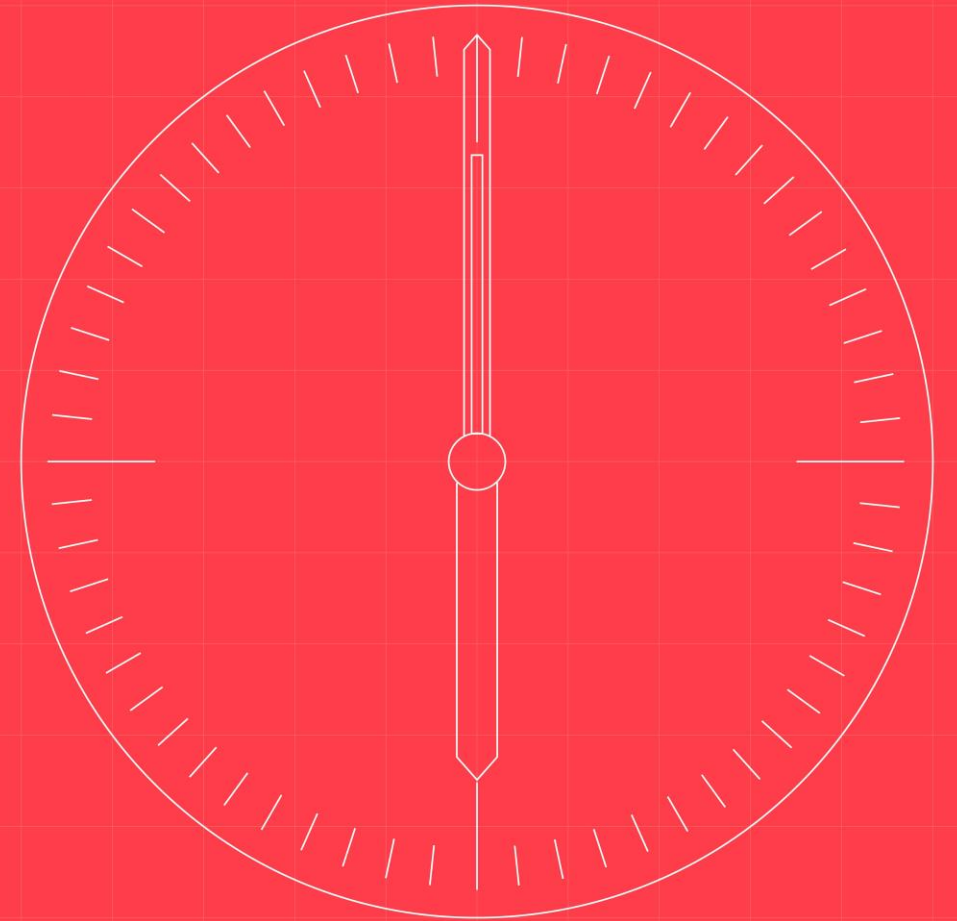
Standing items

- Minutes and action review
- Sponsor update
- Delivery dashboards
- Summary and next steps

If you would like to propose an agenda item for the PSG, please contact the PMO at PMO@mhhsprogramme.co.uk

Appendix 1

High level constituent responses by
Impact Assessment Area



CR022 Impacts – Views on the benefits

Headlines:

- 46 out of 52 agreed with the views on benefits with the general sentiment that the previous timetable was unrealistic and that the replan will deliver the Programme benefits in a realistic timescale and enable early realisation of benefits for faster movers
- 5 abstained, due to lack of impact or as unable to undertake analysis at this point
- 1 disagreed as a 12-month delay in completing the programme compared to the original baseline timetable must translate into delays in benefits realisation

Programme Parties	Range of respondents' views on benefits and concerns
Large Suppliers	<ul style="list-style-type: none"> + 3 agreed with general comments in agreement that it is appropriate to delay the realisation of the benefits in order to agree a credible and achievable plan • 1 abstention highlighting later delivery of benefits but unable to analyse impact at this point - 1 disagreed as a 12-month delay in completing the programme compared to the original baseline plan must translate into delays in benefits realisation
Medium Suppliers	+ Unanimously agreed with supporting comments that the credible plan supports Programme benefits and the phasing enables early delivery of benefits to consumers
Small Suppliers	+ Unanimously agreed - no material impact on benefits; Appropriate to allow faster movers to realise benefits earlier
I&C	<ul style="list-style-type: none"> + 10 out of 11 agree with 1 abstention with no further rationale + 3 highlight that the benefits will still be realised and probably demonstrate better outcomes as a result of extending the programme + 1 explicitly picked out the early realisation of benefits to customers from early adopters
DNOs	<ul style="list-style-type: none"> + 5 out of 6 agreed with 1 abstention as DNOs not identified as recipients of benefits • Generally recognised that benefits will be realised later and that the original timetable is no longer credible in terms of delivery, but some comments raised on the credibility of the replan given DNO risks
iDNOs	+ Unanimously agreed, supporting that the previous timetable was unachievable
Ind. Agents	<ul style="list-style-type: none"> + Unanimously agreed, with various comments, mostly supportive that a greater proportion of the intended overall benefits will be achieved despite deferred benefits • Differing views on the credibility of the replan
Central Party	<ul style="list-style-type: none"> + Unanimously agreed; broadly agree that the replan is more realistic • Question from 1 party whether benefits should remain similar but should the benefit period 2021-2045 been extended
Software Provider	+ Unanimously agreed; support to the credible plan highlighted
IPA	• Abstain, the IPA is comfortable that the change request is not expected to have an impact on our activities and has no specific objections to the CR.
In-House Supp Agent	• 1 in-house agent abstained with no further rationale
Other (NG ESO)	+ Agree and encourage the MHHS Programme to request Programme Participants to adhere to this re-plan timeline

CR022 Impacts – Views on the consumers

Headlines:

- 40 out of 52 agreed with the views on benefits with general support for reverse migration and phased implementation enabling early realisation of consumer benefits
- 9 abstained and 3 disagreed with 2 highlighting the delay in benefits for consumers and 1 highlighting ongoing discussions on customer segments to be excluded from reverse migration

Programme Parties	Range of respondents' views on benefits and concerns
Large Suppliers	<ul style="list-style-type: none"> + 4 agreed, with explicit support for reverse migration from 2 suppliers. 2 supporting suppliers noted a number of impacts: <ul style="list-style-type: none"> • a longer delivery timeline will equate to additional cost which may be reflected in customer bills and will delay customer offers of new tariffs and products • risks regarding design stability / uncertainty are not documented and this could result in rework or change impacting customer experience • uncertainty on qualification timescales could impact consumers - 1 disagreed as the MHHS plan has been delayed, therefore so too have the benefits for consumers and this should have been reflected
Medium Suppliers	<ul style="list-style-type: none"> + Unanimously agreed, with 2 out of 3 suppliers explicitly supporting reverse migration and the early realisation of benefits from phased implementation
Small Suppliers	<ul style="list-style-type: none"> + Unanimously agreed, with 1 out of 2 suppliers explicitly supporting reverse migration and phased implementation, but highlighting the need to support later participants through qualification
I&C	<ul style="list-style-type: none"> + 9 out of 11 agree, 1 supplier explicitly supporting reverse migration and 1 supplier explicitly supporting the early realisation of benefits from phased implementation • 1 abstention with no further rationale - 1 supplier disagreed due to the ongoing discussions on whether certain customer segments will be excluded from reverse migration
DNOs	<ul style="list-style-type: none"> + 5 out of 6 agreed, with 1 abstention with no further rationale + 3 DNOs identified the consumer benefits of reverse migration, but 2 of them noted the additional complexity and costs for DNOs that this introduced and 1 DNO highlighted the need to identify which MPANs may be excluded from reverse migration
iDNOs	<ul style="list-style-type: none"> + 5 out of 6 agreed, with 1 abstention with no further rationale
Ind. Agents	<ul style="list-style-type: none"> + 5 agreed with 1 agent noting the additional complexity and cost of reverse migration + 2 abstained with 1 agent noting the additional cost of reverse migration but not voting against given the regulatory position - 1 disagreed as the delay to the programme delays the consumer benefits of load shifting and increased financial certainty of a shorter settlement window
Central Party	<ul style="list-style-type: none"> + Unanimously agreed, with 1 out of 2 Central Parties explicitly supporting reverse migration
Software Provider	<ul style="list-style-type: none"> + 1 software provider agreed, explicitly supporting reverse migration and the early realisation of benefits from phased implementation. + 2 abstained with 1 stating they are unable to comment on behalf of their clients
IPA	<ul style="list-style-type: none"> • Abstain, The IPA is comfortable that the change request is not expected to have an impact on our activities and has no specific objections to the CR.
In-House Supp Agent	<ul style="list-style-type: none"> • 1 agent abstained with no further rationale
Other (NG ESO)	<ul style="list-style-type: none"> + Agreed, supporting reverse migration

CR022 Impacts – Views on the schedule

Headlines:

- 42 out of 52 agreed with the milestone ranges and effect on the schedule, agreeing that although the timelines are challenging a replan baseline is required to support PPs delivery and further change requests may be needed on a Programme of this size and complexity
- 5 abstained and 5 disagreed with similar rationale - highlighting the delivery of M9 as a risk with no contingency window, concerns that a delay to M10 will automatically delay later milestones and no rationale for a 6 month delay to M16

Programme Parties	Range of respondents' views on benefits and concerns
Large Suppliers	<ul style="list-style-type: none"> + 3 agreed to the milestone ranges for M10-M16 and effect on the schedule and 2 abstained + Milestone ranges will enable a more controlled transition to the MHHS TOM + Welcome delivery as close to the start of the range as possible - Contingency should also be given to M9 with the uncertainty around Design issues - PPs don't have full clarity on SIT/QT scope so difficult to assess whether the ranges are sufficient - Further delays to the Programme timeline could result in costs up to £720k - Delays to M10 should not automatically delay Qualification - Migration preparation activities may take longer than set out in plan impacting M11
Medium Suppliers	<ul style="list-style-type: none"> + The milestone ranges were accepted by all three responses and there was an understanding that change requests may be required - One supplier had concerns around the impact that a change in milestones may have to contracts, resourcing and forecasting
Small Suppliers	<ul style="list-style-type: none"> + One supplier was in agreement with the milestone ranges and effect on the schedule - One supplier had concerns with a 3-month contingency for M10 with risks of either losing resource to other projects or an increase in costs - M16 window is too long, and a CR must be required to assess the impact on all PPs
I&C	<ul style="list-style-type: none"> + 8 respondents were supportive of the milestone ranges and effect on the schedule and 2 abstained + Replan will mitigate risks further down the Programme + 1 abstention with no further rationale ▪ Consideration should be given to more than one tranche of SIT to allow more parties to participate - SIT participation date is too challenging, request that contingency for M10 is used to delay SIT - There is a large amount of uncertainty around testing and design related decisions which could impact delivery dates - M10 and M16 milestones only impact central systems and do not take into consideration the impact of in-flight or future CRs on other PPs
In-House Supp Agent	<ul style="list-style-type: none"> - Any significant material impact to the current baselined design could adversely ability to deliver to proposed milestones

CR022 Impacts – Views on the schedule (cont)

Programme Parties	Range of respondents' views on benefits and concerns
DNOs	<ul style="list-style-type: none"> + 5 respondents agreed to the milestone ranges and effect on the schedule + Plan is challenging but should enable a successful implementation ▪ 4 respondents made their decision to accept and 1 to abstain on the following assumptions: <ul style="list-style-type: none"> ▪ CR17 and CR18 should have minimal impact on registration services ▪ No further CRs are raised which impact LDSO systems and processes ▪ Design issues are resolved in a timely manner ▪ Phased entry of MPRS into SIT ▪ Require urgent clarification around the scope of UMISO deliverables as there may be additional impact on DNOs and LDSOs
iDNOs	<ul style="list-style-type: none"> + Unanimously agreed and acknowledged further CRs may be required ▪ On iDNO mirrored same assumptions as DNOs
Ind. Agents	<ul style="list-style-type: none"> + 6 out of 8 respondents agreed to the milestone ranges and effect on the schedule + Extended migration timeframe is welcome and will help mitigate early issues - No rationale for 6 month delay to M16 but no contingency around M9 - Qualification should commence earlier
Central Party	<ul style="list-style-type: none"> + All Central Parties agreed to the milestone ranges and effect on the schedule ▪ One raised concerns around Ofgem use of SCR Powers not matching the BSC Mod process timeframes ▪ The same raised a risk that Performance Assurance code drafting may not align to the code drafting plan ▪ Need confirmation on qualification requirements and likely numbers to confirm if qualification testing can deliver against the plan ▪ One code body flagged a number of minor amendments to the plan not impacting critical path
Software Provider	<ul style="list-style-type: none"> + Unanimously agreed to the milestone ranges and effect on the schedule + One highlighted working with a flexible plan in order to move at the fastest pace + Timeline challenging but CR022 realises the original plan was not achievable ▪ One PP mirrored the same assumptions as listed under DNO responses
IPA	<ul style="list-style-type: none"> ▪ IPA will schedule stage-based activities to reflect any changes
Other	<ul style="list-style-type: none"> + Agreed to the milestone ranges and effect on the schedule + Implementation should be as early as possible for M16 ▪ Risk that there may be complications and cost implications if charges changes are not aligned to the start of the charging year (1 April)

CR022 Impacts – Views on the costs

Headlines:

- 41 out of 52 respondents agreed with the views on costs, accepting that although an extension of timelines may increase overall costs, these costs would be necessary
- 10 abstained and 1 disagreed, noting the risks of uncertainty over increased costs if M10 and M16 were delayed further

Programme Parties	Range of respondents' views on benefits and concerns
Large Suppliers	<ul style="list-style-type: none"> + Some large suppliers have developed their programme budgets to align with timelines articulated in the R3 consultations, so will not incur extra costs through the extensions. + It was suggested that whilst an extension of timelines will increase overall costs, the changes will reduce the risk of the cost impacts of constrained migrations and settlement impacts. <ul style="list-style-type: none"> ▪ Uncertainty over when the Qualification process would begin contributed to the concerns mentioned above. ▪ There were concerns raised around the costs of further delays to programme timelines. Monthly delays were calculated at costing between £160k - £750k between suppliers. The need for a contingency plan for the delivery of M10, as well as the provision of noticed for further delays, were both noted.
Medium Suppliers	<ul style="list-style-type: none"> + Two respondents view the programme as 'zero-cost', so can absorb extended timelines into the programme budget. + Creating a baseline plan will minimise the effect on costs due to the ability to plan ahead. <ul style="list-style-type: none"> ▪ One supplier calculated that delays to M10 would incur a cost of £200k per month, and delays to M16 would cost £100k per month. - Delays to M10 and M16 will incur costs.
Small Suppliers	<ul style="list-style-type: none"> + The extension allows for additional time to adapt and build around requirements. - Extending the programme timelines will prevent resources from being able to work on other projects with the business.
I&C	<ul style="list-style-type: none"> + The extended timetable provides a better chance for securing resources. + Participants have more time to make cost effective decisions and are able to plan ahead. + The main cost increase will be on resource, which is manageable in budgets. <ul style="list-style-type: none"> ▪ More clarity is needed on the impact on costs in Qualification and Migration.
DNOs	<ul style="list-style-type: none"> + There will be an increased cost in resource due to the extension of the programme, but this is warranted to ensure the process is fit for purpose. <ul style="list-style-type: none"> ▪ One DNO requires urgent clarification as to the scope of UMSSO deliverables with potential cost implications of several £m. ▪ Monthly costs incurred from the extension range from £6k - £70k. The M16 stabilization period may also cost £46k per month. ▪ Clarity is needed on expectations during Migration and Qualification, as well as how SIT involvement is needed for planning ahead. - The phased delivery of MPRS will increase costs. - The absence of revised cost profiling in the CR means participants are unable to confirm whether it will allow for planning and securing necessary budgets.

CR022 Impacts – Views on the costs (cont)

Programme Parties	Range of respondents' views on benefits and concerns
IDNOs	<ul style="list-style-type: none"> + The extended timeline allows for planning ahead and time for securing budget. + Overall costs may be reduced, IDNOs currently have no mechanism for cost recovery. – Extended delivery period will increase costs, particularly third-party costs.
Ind. Agents	<ul style="list-style-type: none"> + Costs will increase but so will confidence and certainty. + The risk of incurring high costs as a result of rushing to meet unrealistic timescales is reduced. + One agent's use of cloud platforms will allow for the mitigation of costs. + The revised plan enables better estimation of expenditure and will remove uncertainties. <ul style="list-style-type: none"> ▪ Operational costs may not be clearly established until M16 is set. There is also a limitation on the possibility to assess the impacts on cost, particularly SIT and Qualification, until the CR is approved, and it is fully understood what resources are required. ▪ One agent quoted increased monthly costs of £690 for DA system support, and an additional annual cost of £2,412 for other settlement systems. ▪ One agent predicted a monthly cost of delay at £10,000, but stated they cannot measure this exactly due to a lack of specifics in the CR.
Central Party	<ul style="list-style-type: none"> + One central party cited no impact on costs. + Another supportive of extended costs in order to achieve certainty via a credible plan which will aid securing funding – Another suggested a significant increase in £multi-million costs although some will be accounted for in current business planning. – Another suggested addition platform and support costs due to extended SIT support phase and environment costs
Software Provider	<ul style="list-style-type: none"> + 1 provider responded that they were confident they can absorb the changes into their programme costs. + Another stated that their current budget profile will not be impacted. + Utilising less resource over a longer period, therefore reducing the peak, will have a positive impact on costs. – The phased MPRS delivery will increase costs.
In-House Supp Agent	<ul style="list-style-type: none"> ▪ Response limited to high level budget and more detail required in particular assumptions with regard to qualification being a sub-set of SIT
IPA	<ul style="list-style-type: none"> ▪ IPA estimate that moving M16 by 12 months may incur significant costs.
Other	<ul style="list-style-type: none"> + Resources and process changes are being managed where possible to prevent unnecessary additional costs. – One of the benefits of MHHS is more accurate data for forecasting. Delays to the implementation of MHHS will lead to a delay in the realisation of expected cost reductions. – Cost to consumers will be impacted by delays. It is recommended that the implementation happens closer to December 2026 than May 2027. The monthly cost to the consumer in this period could be up to £7.5m.

CR022 Impacts – Views on the resources

Headlines:

- 44 out of 52 agreed with the views on resources, with several respondents having already developed a resource plan aligned with the R3 consultation plan
- 6 abstained and 2 disagreed with similar rationale – highlighting concern regarding increased resources and costs if further delays occur

Programme Parties	Range of respondents' views on benefits and concerns
Large Suppliers	<ul style="list-style-type: none"> + Respondents unanimously supported the Programme's initial assessment on the impact of resources + Several respondents have developed a resource plan aligned with the R3 consultation plan and is not materially impacted by the changes proposed in CR022 <ul style="list-style-type: none"> ▪ Additional phasing of the test period could be employed to reduce resource impacts further in both the DBT and Testing phases ▪ Clarification required regarding the qualification tranche allocation ▪ Concurrent release of programme artefacts for review/consultation has an impact on overall programme resources and demand, and there is a need for a detailed understanding of discussion topics and output to plan appropriately ▪ MHHSP release schedule drives a significant knock-on effect on resources, and the central Programme's forward view of document release should be matured and regularly reviewed - Uncertainty surrounding SIT and Qualification Test scope and scenarios means that resource requirements for those activities cannot be accurately determined, but no material impact is anticipated
Medium Suppliers	<ul style="list-style-type: none"> + Respondents unanimously supported the Programme's initial assessment on the impact of resources + Comfortable with the impact on internal resources and do not typically isolate resources for programmed, so they are not at risk and welcome the approval of the change request - Any delays will have an impact on resources. For example, project mobilisation and supporting legacy software longer than anticipated - Disagree with the contingency windows, with delays to M10 and M16 incurring a c.£300k cost per month
Small Suppliers	<ul style="list-style-type: none"> + Extra time to possibly allocate more resources, recruit additional team members to ensure MHHS requirements are met do outweigh the resource risks for suppliers - Additional costs may also be incurred if the resource was planned to work on other projects causing a more widespread impact within the business
I&C	<ul style="list-style-type: none"> + CR022 will allow additional time to assess the resource required at both a programme management level and also the internal testing resource required, and to recruit or engage contractors where necessary - Further clarity required on testing requirements and which of the qualification tranches Programme Parties will be allocated

CR022 Impacts – Views on the resources (cont)

Programme Parties	Range of respondents' views on benefits and concerns
DNOs	<ul style="list-style-type: none"> + Respondents unanimously supported the Programme's initial assessment on the impact of resources + Provision to extend services of third-party suppliers, SMEs, business, and contract resources has been made to ensure all impacted systems and processes are delivered, with additional costs included in the costs section <ul style="list-style-type: none"> ▪ Several respondents noted significant dependencies on resources from St Clements Services for MPRS and Durabill changes ▪ Assumption of a 3-month period of early life support (ELS) at the start of migration in April 2025, with the project element ending in July 2025 and handed over to BAU ▪ Request for urgent clarification on whether project staff are required throughout migration and potentially until the end of 2026 or into 2027, as this has not been factored into responses or cost estimates and could have an adverse impact ▪ Key dependency on MPRS, which is now on the Programme's critical path, with limited resources with knowledge of MPRS available to suppliers – Increasing internal testers is hindered by the lack of clarity for SIT and other test phases – No flexibility in the delivery timescales, making it difficult for systems providers to recruit and train resource on complex bespoke systems
iDNOs	<ul style="list-style-type: none"> + Respondents unanimously supported the Programme's initial assessment on the impact of resources – Several respondents noted the amended timeline will have a direct impact on their third-party service providers – MPRS development resource is already at full capacity and therefore key design decisions must be carefully assessed for their impact on MPRS – Should future change requests introduce a need for additional functionality, the implementation timeline resulting from CR022 will need to be revised again
Ind. Agents	<ul style="list-style-type: none"> + Half of respondents supported programme assessment, highlighting the benefit of improved certainty for planning purposes – One agent highlighted the dual-running of both old and new TOM-related systems, which would require additional operational support (approximately 20 additional heads to operate during the migration period) – Another stated the duration should be determined by the speed of migration of partner customers but reverse migration means that dual-running is needed for the entire duration of the migration – One agent disagreed due to concerns than some suppliers of solutions may not be able to resource all suppliers in SIT <ul style="list-style-type: none"> ▪ Same supplier suggest commercial disadvantage for targeting entry via qualification and therefore better to progress with SIT
Central Party	<ul style="list-style-type: none"> + Respondents unanimously supported assessment on basis the replan has resulted in increased resource requirements for a longer period of time, it has also helped to provide certainty around what those requirements are

CR022 Impacts – Views on the resources (cont)

Programme Parties	Range of respondents' views on benefits and concerns
Software Provider	<ul style="list-style-type: none"> + Respondents unanimously supported the Programme's initial assessment on the impact of resources - MPRS development and testing is on the programme's critical path meaning that there is no flexibility for St Clements to deliver MPRS later - Any increase in resourcing that would increase/bring forward MPRS delivery would already have to be in place (i.e identified, trained and integrated into the team) - Having resource available for a longer period will inevitably have a negative impact on costs.
In-House Supp Agent	<ul style="list-style-type: none"> + Agree with statement as plan requires delivery resources for additional 6 – 9 months
IPA	<ul style="list-style-type: none"> ▪ IPA will rearrange existing resources for stage-based activity to reflect changes ▪ Extension to final deadline may require extended resourcing at 50-100% of current effort for theme-based activity ▪ Resources for WP9,10,11 are currently being agreed with Ofgem and SRO ▪ Impact on WP12 resources will need to be agreed after the finalisation of Programme approach to qualification

CR022 Impacts – Views on the contract

Headlines:

- 44 out of 52 agreed with the views on contracts. It was recognised that PPs will need to review contractual positions and extend contracts with 3rd party suppliers, but this was not seen as a blocker to overall delivery and benefits of a robust, reliable plan outweigh any associated risks
- 2 disagreed with 1 party highlighting an uncertain contractual position with 3rd party suppliers as a reason to not be able to commit to participating in SIT

Programme Parties	Range of respondents' views on benefits and concerns
Large Suppliers	<ul style="list-style-type: none"> + All large supplier respondents (5) agreed with the programme statement in CR022. + 2 suppliers noted the need to revisit contracts as a result of the extended timescales + 3 suppliers called out that they did not foresee this impacting delivery + 2 suppliers noted that to a large extent they have already begun working to the revised timetable - 1 supplier noted the need to bridge an existing incumbent contract
Medium Suppliers	<ul style="list-style-type: none"> + 1 supplier did not foresee any issues with contractual amendments to be made • It was noted that any further delay to the end of the programme will require further contract extensions and software support and any decision to extend M10-M16 should be made in good time - 1 supplier noted a potential impact on SDS/ADS which could delay commercial benefits of the offering to consumers - 1 supplier noted that interim contracts may need to be adopted at higher costs than currently agreed. This could have increased costs for consumers and PPs
Small Suppliers	<ul style="list-style-type: none"> + 1 small supplier responded in total and was in agreement with the programme statement in CR022 + The proposed extension to the timeline are critical and need to be put in place - Contractual changes could have significant ramifications for PPs
I&C	<ul style="list-style-type: none"> + 8 respondents responded that they agreed with the programme statement + 2 abstained without providing any qualitative impacts, 1 disagreed - 1 independent agent believed the timeline for SIT volunteering feels compressed and without knowing full the full contractual impact of the plan, PPs could be reluctant to join SIT. A suggestion of using 3-month contingency at M10 or an additional SIT tranche were proposed.
DNOs	<ul style="list-style-type: none"> + All 5 DNO respondents agreed with the programme in their response to CR022 + Two DNOs noted that there would be no anticipated impact to contractual position, or any material delivery issues caused as a result of the Change Request + One DNO noted that a more realistic timetable will allow for better resource planning - One DNO highlighted uncertainty regarding upcoming design changes (CR17/18) as a concern that could have further impact on commercial positions - Plan feels optimistic and further delay will incur further costs

CR022 Impacts – Views on the contract (cont)

Programme Parties	Range of respondents' views on benefits and concerns
iDNOs	<ul style="list-style-type: none"> + All 7 iDNO respondents agreed with the programme statement in their response to CR022 + 2 respondents noted that having a more robust plan will allow for better planning - It was noted that additional costs will be incurred to extend existing third party supplier contracts
Ind. Agents	<ul style="list-style-type: none"> + 7 Independent Agents agreed with the programme statement with 1 abstaining but providing no qualitative reasoning + Recognised that contractual reviews are needed but do not foresee any issues or material impacts as a result
Central Party	<ul style="list-style-type: none"> + Impact of contractual changes as a result of the replan is unlikely to create a risk to delivery of MHHS resulting in on abstention - 2 Central Parties agree with impact statement, recognising delivery contracts, licensing costs and technology costs (environments) will need to be extended
Software Provider	<ul style="list-style-type: none"> + No issues foreseen to amend contractual positions + 2 respondents agreed with the Programme's statement in CR022 and 1 abstained - 1 software provider noted a potential impact on SDS/ADS which could delay commercial benefits of the offering to consumers
In-House Supp Agent	<ul style="list-style-type: none"> + Extending resources by 6-9 months has allowed agent to agree new commercials with delivery partners, but risk any future slippage will require further re-work.
IPA	<ul style="list-style-type: none"> • Comfortable that the CR is not expected to have an impact on activities but changes will need to be reflected in delivery approach • Stage based activity to be reviewed based on timeline changes
Other	<ul style="list-style-type: none"> • There could be an impact on costs for DIP users and this should be monitored by the programme

CR022 Impacts – Views on the risks

Headlines:

- 45 out of 52 responses agree that CR022 takes a pragmatic approach towards the risks although the specificity of some responses suggest residual concerns as to whether the programme has fully acknowledged the breadth or extent of some of these risks. Various responses cite the timescales as still being tight, questioning whether the full extent of design risk has been fully factored into the plan and therefore the range of dates at M10 – M16 may fully mitigate the risk to timescales.
- 3 disagreed' based on insufficient time to fully assess SIT participation by 23 May 23 including clarification on SIT (CI) staggered entry, risking MVC resilience through too few SIT PP's, and MHSP waiting until more certainty around risks becomes apparent. In contrast, one PP suggested the ranges as too long and MHSP should simply approach risk by assessing each CR as they emerge
- Excluding IPA¹, reasons for three abstentions unclear although one response implies concerns around completeness of design risks

Programme Parties	Range of respondents' views on risks
Large Suppliers	<ul style="list-style-type: none"> + All large suppliers are supportive of the replan and most concur that the latest version of the plan issued is not without a significant degree of risk and will need to be amended at some point <ul style="list-style-type: none"> ▪ Staggering SIT entry will enable more large suppliers to be part of SIT, increasing MVC resilience to drop out, derisking SIT as a whole ▪ One supplier question whether programme has given due consideration to disaster recovery and risks of roll-back ▪ General concern that not all key risk areas flagged (e.g. ability to close out all identified CR's & defects within Tier 1 milestones. Various suppliers listed defects which were not covered in CR022 ▪ Any delay to SIT exit will add additional cost to large suppliers entering progressing via qualification path ▪ Risk flagged if large suppliers cannot be scheduled in early qualification tranche that they will not have sufficient time to migrate volumes ▪ Clarity required from Ofgem around timing of Ofgem's decision to mandate the registration of export MPANs for currently unregistered sites will be enacted – Common view that the plan is not built on the foundations of design certainty or stability which creates risk and uncertainty around PIT, SIT and Qualification
Medium Suppliers	<ul style="list-style-type: none"> + General agreement to the risk assessment and phasing approach as pragmatic way of reducing risk <ul style="list-style-type: none"> ▪ One supplier stressed that flexing the timescales should be a last resort due to cost implications. ▪ Same supplier stressed risks to hedging if M15/M16 are delayed late on in the programme due to nature of fixed tariffs - cannot afford to delay these milestones within 1 year of original date. [To be added to scope of CR13] – One supplier disagrees with approach, challenging whether contingent windows are too long and any risk that materialise should be handled as a CR at the time.
Small Suppliers	<ul style="list-style-type: none"> + Single response supportive of risk approach
I&C	<ul style="list-style-type: none"> + All respondents comfortable with risk approach.

Notes

1. IPA abstain by default.
2. Notable absence of reference to dPMO RAID log as referenced in CR022 so unclear if responses made in relation to detail review, recognising CR was limited to high level risk themes only.

CR022 Impacts – Views on the risks (cont)

Programme Parties	Range of respondents' views on benefits and concerns
DNOs	<ul style="list-style-type: none"> + Over 80% of respondent supportive but with various comments in relation to risk and tight timescales for MPRS <ul style="list-style-type: none"> ▪ One DNO lists assumption that there will be clear definition of which MPXNs are excluded from Reverse Migration, i.e. Complex Sites. As migration progresses, there will be less choice for consumers as more Suppliers on-board into MHHS HH Settlement and replan impacts the consumer choice as additional risk ▪ Early identification of design CR critical to de-risking programme. ▪ Others known risks highlighted relating to regulatory risk of change due to extended timelines, operational risk of running new and legacy settlement in parallel for longer and potential need for 24 x 7 availability risks significantly impact timescales
iDNOs	<ul style="list-style-type: none"> + Majority of PP agree that the replan provides an appropriate balance given the risks - Several PP feel the risk of change remains high
Ind. Agents	<ul style="list-style-type: none"> + Over half respondents supportive without additional comment <ul style="list-style-type: none"> ▪ One PP cites a contingency plan should be considered to support the eventually that a cohort of participants do not engage with the transition. - Another suggests the risk focus is disproportionately based on timing of benefits and not achieving more certainty in the plan. SIT readiness has been downplayed and further time needed
Central Party	<ul style="list-style-type: none"> + All respondents agree with IA - One PP specifically concerns around transition design timing, future design changes and concerns that PP will have sufficient resources to review code drafting changes in time allocated - Another cites concerns milestone dates may move in either direction at short notice leading to wasted effort and sunk costs
Software Provider	<ul style="list-style-type: none"> + All respondents agree with IA although timescales remains tight risking delay if further CRs develop <ul style="list-style-type: none"> ▪ Ofgem should act where necessary to prevent delays for everyone else ▪ One PP cites greater transparency needed into core service providers - Phased delivery plan necessary to enter SIT (particularly CIT) introduces a risk where the detailed impact assessment for the full MPRS development will not be known until the final sprint.
In-House Supp Agent	<ul style="list-style-type: none"> - Agent agrees with statement but highlights risk of no preparatory phase for migration, leading to additional, unplanned work being required which could impact costs, resources and timeframes.
IPA	<ul style="list-style-type: none"> ▪ Abstain
Other	<ul style="list-style-type: none"> + Sees replan as a more pragmatic solution to reduce risk should there be a requirement to roll back or impacts of further CR's <ul style="list-style-type: none"> ▪ Resolution of the P210 file discussions is critical to proceed with M16/M16*

CR022 Impacts – Views on the IA Recommendation

Headlines:

- 47 out of 52 responses 'agreed' that CR022 takes a pragmatic approach towards the risks although the specificity of some responses suggest residual concerns as to whether the programme has fully acknowledged the breadth or extent of some of these risks. Various responses cite the timescales as still being tight, questioning whether the full extent of design risk has been fully factored into the plan
- 3 'disagreed' with the CR. One noted that they would like to see more time given to deciding their SIT participation, and for reaching and starting SIT. One felt that the contingency periods were too long and that Code changes would not be settled

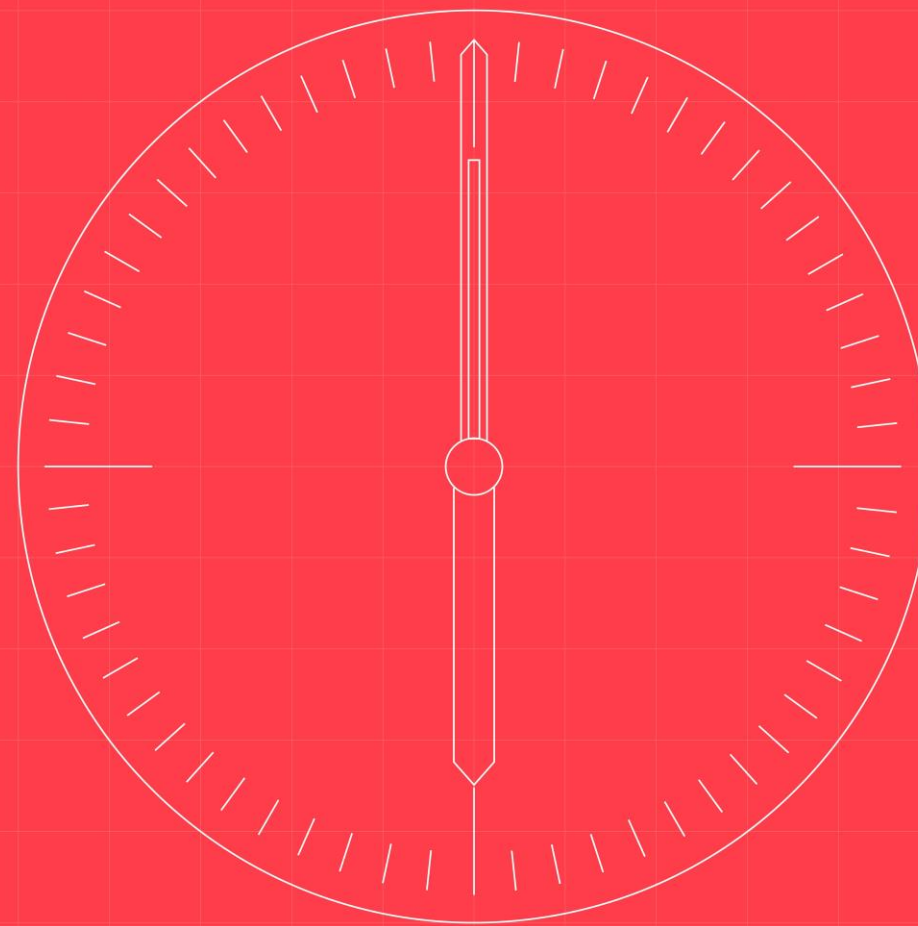
Programme Parties	Range of respondents' views on benefits and concerns
Large Suppliers	<ul style="list-style-type: none"> + Respondents were universally supportive of the CR, to baseline a plan and provide a more stable platform for Programme Participants to shape their own plans around + Some concerns about how achievable some of the planned timelines are, but generally belief that setting the current plan as the baseline is the most appropriate step + Request that the Large Supplier Constituency SIT CIT / SIT Functional Phasing proposal should be adopted by the programme – Note that the plan presents some delivery risk, particularly given the large volume of unresolved design issues raised to the programme, and the likelihood for further change requests which may necessitate further movement in this plan – Concern that allocation of Qualification tranches in Feb 2024 is too late to provide plan and cost certainty
Medium Suppliers	<ul style="list-style-type: none"> + Respondents were universally supportive of this CR + Belief that rebaselining will provide confidence amongst participants and allow for clearer visualisation and delivery of consumer benefits + Timeline shift to the right will help to be in a better place when qualification and migration activities begin, and the phasing approach adopted by the plan is also beneficial
Small Suppliers	<ul style="list-style-type: none"> + Low and mixed response, supportive of the CR but with some concerns raised – One respondent does not agree with a 3-month contingency, being too long and risking losing internal resource to other projects if there is a wait once qualified before they can start to migrate. This respondent proposed a 1-month contingency - anything over and above requiring a CR to assess the impact – One respondent stated that Code changes are being delivered (M8) in line with M10 but only shortly before migration starts – which does not allow sufficient time to amend T&Cs / literature to be circulated to customers, which may in turn may prohibit CoS Migration at the start of the migration window
I&C	<ul style="list-style-type: none"> + Almost all respondents were supportive of the CR – Some concern about there not being enough time to make a decision about whether or not to join SIT (i.e. to complete the contracting process with third parties that could be necessary to be able to become a SIT volunteer by the deadline)
In-House Supp Agent	<ul style="list-style-type: none"> + Agent supportive of CR

CR022 Impacts – Views on the IA recommendation (cont)

Programme Parties	Range of respondents' views on benefits and concerns
DNOs	<ul style="list-style-type: none"> + Respondents were universally supportive of this CR, notably on the basis of the phased entry of MPRS into SIT – Concern that timescales may turn out to be unduly optimistic and do not guarantee assurance against the unknowns – Some concern that the timeline for Participants' DBT is tighter than would be preferred (to deal with outstanding design uncertainties, particularly those impacting MPRS) and represents risk, including outcomes of CR017, CR018 and the other design issues plus insufficient clarity on requirements for test data cuts and data privacy at this stage
iDNOs	<ul style="list-style-type: none"> + Respondents were universally supportive of this CR – Similar concerns (as for DNOs) relating to timescales, and uncertainties on design and testing data
Ind. Agents	<ul style="list-style-type: none"> + Respondents were universally supportive of this CR and believe that this proposal has resulted in a more realistic and credible timeline for the industry as a whole – One respondent expressed disappointment that the plan is unable to enable participants (Suppliers and Services) progressing through the Qualification route to be able to enter the market at or shortly after M11, putting them at a significant commercial disadvantage
Central Parties	<ul style="list-style-type: none"> + Respondents were universally supportive of the CR – Noted that the Programme's testing / environment strategy still needs some clarification, as do Market Domain Data (MDD) or Industry Standing Data (ISD) allocation processes
Software Providers	<ul style="list-style-type: none"> + Respondents were universally supportive of the CR as expressing a realistic and credible delivery timetable that will provide PPs with the best opportunity to plan ahead – and that there is no guarantee that MHHSP will find itself in a better overall risk state by delaying the re-baseline further + Belief that rebaselining will provide confidence amongst participants and allow for clearer visualisation and delivery of consumer benefits + View that the extended implementation timeline will require PPs' delivery resources to be dedicated to the Programme for longer than articulated in the MHH Transition Timetable, but that a realistic delivery timetable as articulated in the programme re-plan will allow PPs to appropriately resource the plan and, if required, recruit + View that the phased approach will allow PPs 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 – Some concerns were expressed related to potential future impacts on MPRS (see DNO and iDNO response headlines)
IPA	<ul style="list-style-type: none"> • Separate commentary to be provided to PSG
Other	<ul style="list-style-type: none"> + Supportive of the CR – Some concerns in terms of the contingency periods added for M10 / M10* and M16 / M16*, for example better understanding of consequential impact of (*) milestone slippage on later milestones, and lack of clarity of contingency arrangements should (*) milestones not be met – Noted that “Operational Metrics” detailed on Table A-2 will need development to ensure that the transition from the old to new Settlement Timetable goes smoothly

Appendix 2

Summary of MHHSP Impact Statements

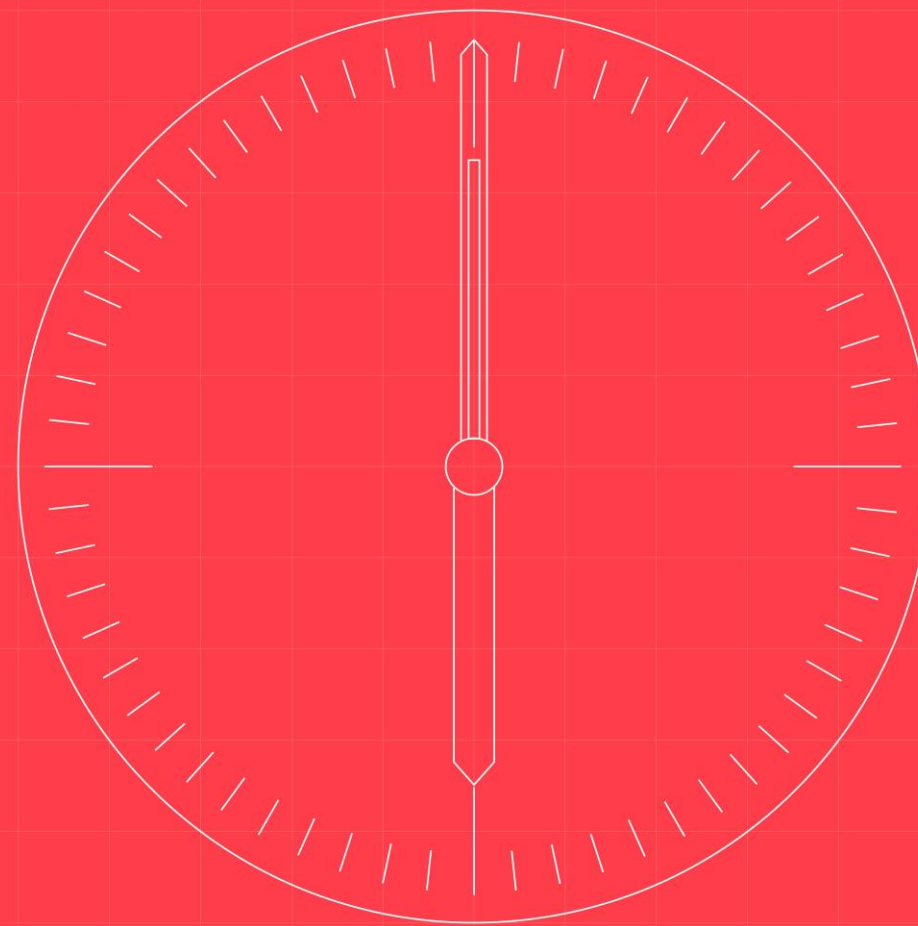


Re-plan – MHHSP Impact Assessment Statements (see CR022 Part C for full wording)

Impact on	Preliminary MHHSP Assessment
Benefits	<ul style="list-style-type: none"> ✓ Facilitates the earliest realisation of benefits and de-risks delivery . ✓ No impact on benefits as MHHSP will still deliver TOM and benefits set out in Benefits Realisation Plan. ✗ Realised later than in the original MHHS Transition Timetable.
Consumers	<ul style="list-style-type: none"> ✓ Reverse migration process will ensure that consumer choice is not compromised .
Schedule	<ul style="list-style-type: none"> ✓ All Tier 1 milestones remain as at Round 3. ✓ A credible baselined plan is fundamental to effective governance and control on a programme of this scale and complexity. ✗ Go Live moves from October 2024 to April 2025 (6 months); New Settlement Timeline moves from November 2025 to December 2026 (at least 13 months).
Costs	<ul style="list-style-type: none"> ✓ Greater confidence in plan should support better business planning needed for multi-year programme. ✗ Timeline will have an impact on PPs’ costs and in-year profile.
Resources	<ul style="list-style-type: none"> ✓ Phased approach will enable delivery at PPs’ own pace, enabling more efficient resource deployment. ✗ Delivery resources to be dedicated to the Programme for longer than articulated in the MHHS Transition Timetable.
Contract(s)	<ul style="list-style-type: none"> ✗ Extended timeline may impact PPs’ contracts with service providers and other third parties, requiring extensions and re-negotiation. ✗ Timelines are also likely to impact MHHSP contracts with LDP, IPA and possibly DIP.
Risks	<ul style="list-style-type: none"> ✓ Phased delivery approach introduces complexity and therefore risk but benefits of pace outweigh downside. ✗ CRs may be required soon after baselining to address known risks which may materialise.

Appendix 3

MHHSP CR022 POAP with Key Risk Themes



MHHS Programme Re-baseline POAP and Key Risks

