

MHHS Programme Steering Group Actions and Minutes

Issue date: 18/03/22

Meeting number	PSG005.1 – extraordinary PSG	Venue	Virtual – MS Teams
Date and time	11 March 2022 1400-1530	Classification	Public

Attendees

Chair

Chris Welby (CW) MHHS IM SRO

Industry Representatives

Charlotte Semp (CS)	DCC Representative (Smart Meter Central System provider)
Ed Rees (ER)	Consumer Representative
Denise Willis (DW) (on behalf of Graham Wood)	Large Suppliers Representative
Gareth Evans (GE)	I&C representative
Gurpal Singh (GS)	Medium Suppliers Representative
Hazel Cotman (HC)	DNO Representative
Jenny Rawlinson (JR)	iDNO Representative
Keren Kelly	National Grid ESO
Lee Northall (LN)	Exelon Representative (Central Systems Provider)
Paul Akrill (PA)	Supplier Agent Representative

MHHS IM

Chris Harden (CH)	Programme Director
Jason Brogden (JB)	Industry SME
Keith Clark (KC)	Programme Manager
Martin Cranfield (MC)	PMO Governance Lead
Miles Winter (MW)	PMO Governance Support

Other Attendees

Andy MacFaul (AMF)	Ofgem (as observer)
David Gandee (DG)	MHHS IPA Lead
Rachel Clark (RC)	Ofgem Sponsor (as observer)
Richard Shilton (RS)	MHHS IPA Lead
Sinead Quinn (SQ)	Ofgem (as observer)

Apologies

Graham Wood (Denise Willis as alternate)

Actions

Area	Ref	Action	Owner	Due	Update
Raising CR001 and CR002	PSG05.1-01	Provide guidance/principles for how CR001 and CR002 may impact later milestones and go-live to inform Programme Participant's Impact Assessments (note: this will not form part of the Programme's own Impact Assessment)	Programme (PMO)	18/03/22	CLOSED: Shared to PSG members 17/03/22

	PSG05.1-02	Review the Change Control process (e.g., Change Request form, Impact Assessment requirements, Change Board) using this first Change Request experience as a means of gathering feedback. Gain PSG member views as part of review process	Programme (SRO)	04/05/22	
	PSG05.1-03	Share Impact Assessment requirements with Programme Participants following review by Ofgem	Programme (PMO)	14/03/22	CLOSED: see Key Discussion Items in the PSG Headline Report
	PSG05.1-04	Raise CR001 and CR002 for impact assessment	Programme (PMO)	11/03/22	CLOSED: raised by PMO on 11 March
	PSG05.1-05	Share Change Requests and Impact Assessments with constituent members. Support constituent members to complete Impact Assessments as appropriate. Ensure Impact Assessments are returned to the PMO by or before 25 th March	Constituency reps	25/03/22	

Decisions

Area	Ref	Decision
Raising CR001 and CR002	PSGDEC-09	Raise CR001 and CR002 for Impact Assessment

RAID items discussed/raised

RAID area	Description
Supplier engagement and the delivery of M5	This extraordinary PSG was dedicated to progressing Change Requests proposing delays to M5 and resolving challenges around supplier engagement.

Minutes

1. Welcome

CW welcomed all to the meeting.

2. Action taken and next steps

KC thanked attendees for their feedback on the Change Request process so far. KC outlined next steps for the change requests CR001 and CR002, namely, impact assessments go out to PSG constituency representatives to distribute to their constituents with 10 working days, with responses from Programme Participants to be sent to the PMO email (pmo@mhhsprogramme.co.uk)

CW further explained that impact assessment responses will be compiled by the Programme. Given that CR002 goes beyond the 3-month threshold, the Change Request will need to go to Ofgem to make a decision. For CR001, although under 3-months, it didn't feel correct for such a significant Programme raised change to be approved by the Programme, so this would also be referred to Ofgem for a decision.

CW asked RC for the requirements of impact assessments from Ofgem's perspective. RC clarified that, in order to make a decision, Ofgem will look to understand if plans are credible and achievable and build confidence that they can be fully delivered. Ofgem will need to see if assumptions have been thought through, and that any costs and impacts on the rest of programme have been considered. Evidence will be required to show that the Change Request is the fastest way of meeting a solution. Parties will need to demonstrate they have looked at what they can do to achieve the requirement in the fastest way possible. The impact assessment process should consider forecasted impact and costs on all parties, including the delayed benefits to consumers. Parties should consider if they can deliver the current baseline plan as it stands, and if not, what steps we need to take to take make any change as close as possible to existing plan, with evidence demonstrating the existing plan cannot be delivered. RC invited questions.

GE asked how impact assessments will be shared with organisations. CW clarified impact assessments will go to constituency reps alongside the above expectations from Ofgem. For completeness, impact assessments will also be shared independently to all contacts and via the website and the Clock next Wednesday (to ensure no Programme Participants are missed).

GE noted he understood Ofgem's need for robust reasons and evidence for any proposed changes, but that the reason these changes have been raised is because suppliers do not have time to dedicate to the Programme properly. Suppliers cannot spend lots of time to justify any change via impact assessments, otherwise they would have the time to engage in the Programme as currently required. The Programme is unlikely to see reams of justification from all parties and therefore must understand that the PSG will not see the level of justification it desires in the impact assessments. RC noted she understood suppliers are under pressure and that therefore we have these Change Requests, however the timescales (particularly in CR002) have significant implications for delayed benefits to customers and realising wider benefits of the programme. RC noted these changes must be done properly and not back of the envelope. GE recognised this but added that suppliers are nervous when looking at/requested to plan end-to-end. RC added that Ofgem will need to see how the CRs impact the Programme end date, and that therefore impact assessments need to cover the impact on end date, even if it is hard to say what this will look like.

LN asked if this guidance can be written down and what the benchmark for impact assessments will be. RC noted she is happy to provide this guidance writing. CW added PMO will capture RCs points in the PSG Headline Report and review with RC before this is shared with PSG.

ACTION PSG05.1-03: PMO to share impact assessment requirements with Programme Participants following review by Ofgem

CS agreed with RC's comments that there needs to be wider understanding of wider implications of each proposal. CS remarked that DCC have progressed MP162 as per original timelines and are planning for data services for Nov 2023. DCC need M5 to be confident that they are building against the design requirement. The later M5 gets pushed, the larger the risk to DCC. Risk is further added as procurement for DSP is underway, and any significant delay would mean DCC have to wait a further 12 months. This demonstrates that there are much bigger knock-on impacts of moving out M5. DCC are happy with a 3-month delay, but anything longer means DCC are operating at risk and would likely not have a service as specified in the design, meaning consequences for the delivery of MHHS as a result.

DW asked about next steps – when will the impact assessments be issued? CW clarified this will be issued today (11 March) with 10 days for completion.

JR asked RC if there will be a decision from Ofgem without knowing the full impact of delays in the Change Requests on milestones in the rest of plan. RC responded that the Change Request outputs should include this impact on later milestones. RC noted that Ofgem understands a full replan is not possible, but that Ofgem do need to understand at a high level the intended/assumed impact on end date. Ofgem also need to see analysis about why this has been made. KC added that the Programme needs to provide guidance on this and that the Programme feel there is some scope to manage a three-month delay in the plan, but it would be more difficult the larger the delay became.

ACTION PSG05.1-01: Provide guidance/principles for how CR001 and CR002 may impact later milestones and go-live to inform Programme Participant's Impact Assessments (note: this will not form part of the Programme's own Impact Assessment)

GE noted he was nervous for the Programme to provide the delay of CR002 on later milestones and go-live when the Change Request has been raised by suppliers. GE added that suppliers have always been concerned about timelines later in the plan (particularly transition). GE was concerned that a lot of assumptions may be thrown in and the PSG could end up with several timelines and lots of back and forth. GE noted he would like a common understanding without the Programme giving solely their idea of timelines (i.e., with input from other parties). CW responded that all outputs of impact assessment would come back to PSG and that the Programme are expecting individual Programme Participants to give their own indication of impact on timelines overall. GE added he does not think either of the

changes will impact delivery date (albeit that he did not know if this is correct or not) and that he does not want Ofgem to receive opinions but facts. GE believed impact on end date needs to be discussed and robust rather than individual opinions.

CW invited the IPA to respond to this. RS stated the IPA role is to look at the Change Requests independently. It is important that the impact assessments give a view of what can and can't be supported in case neither work so an alternative view can come through. The IPA will be reviewing the impact assessments as they come in and will need to see they contain supporting evidence to substantiate any claims. This includes rationale and justification as to why parties can or cannot currently engage with the Programme and what the true resource constraints are.

LN noted there was a dependency that the MHHS Programme will provide their own impact assessment to PPs before they can complete their own IAs. LN added on GE's point that whether the PSG believes timelines in the Ofgem Transition plan, Programme Participants must follow it at the moment and believe it to be correct. The PSG should not be looking at the impact on other milestones but only the end date. LN agreed the Programme should provide guidance on impact on end date regardless. LN requested a delay in issuing the Changes Requests for impact assessment.

GE added that the Programme believes the July date means end date will not be affected, while suppliers believe their proposal won't affect end date. The Programme cannot say that one Change Request cannot affect end date while the other can. KC recognised this and said the Programme needs to provide a view of the potential impact on end dates to give basis for people to comment on.

CS added that she understood the Impact Assessment needed to be done against the current baseline plan and that this therefore needs to be consistent in our messaging. CS asked if there is a standardised impact assessment scoring system so risks etc can be scored equally. JB responded that the Programme do not have a risk assessment profile as part of the Change Request form. The impact assessment currently covers different categories but does not have a risk assessment profile/methodology. CS added that Programme Participants need to be able to understand how their impact assessment will be assessed, as individuals will complete impact assessment differently (e.g., cost vs probability or high/medium/low cost and time responses). JB responded the Programme is asking for quantitative cost responses and is happy for these responses to be kept confidential and aggregated by the Programme. For example, Programme Participants may quantify costs such as run costs per week or month, and this will allow the Programme to understand the potential costs associated with a delay. Impact assessments must include consequential impact on costs (impacts cost-benefit case). CS noted they will be adding costs of standing down their programme for several months.

DW noted that she understood there will be a replan after M5 against the original plan. For programme participants to consider the impact of a delay on the programme end date, programme participants would need to know what the replan will look like. It may be that even if M5 were stuck to, the end date might be affected regardless as part of the replan. DW did not see how the PSG can look at the impact on the end date without the replan. KC agreed that the replan would be the way to properly understand impact on the end date and that this would rely on several assumptions that will be debateable and difficult to nail down. These Change Requests are time constrained and could have a lot of discussion, becoming a long process. DW responded that the PSG may then need to be open honest and say we cannot give a definite end date. KC agreed this would one option but that there would still be a lot of opinions. The PSG would need to quickly build consensus on assumptions and risks for an end date. This we will not be possible until full rebaselining. DW responded that individual views and assumptions should feed into impact assessment and then these could be replayed to PSG – the Programme could transparently aggregate inputs from impact assessments to give end date.

JR asked KC to clarify how guidance on the impact to the Programme end date would be provided. JR noted that the PSG should be impact assessing against NOT moving M5 against the content of CRs, rather than spending time on guessing an end date. JR was concerned about implications to subsequent milestones but noted the Change Requests are about the move of M5 date. All milestones are important overall, but at the moment the PSG is just looking at M5. CW agreed and added that if there is no change now then there may be more Change Requests to come later. The further the Programme moves M5 out, the lower this risk becomes. JR asked if Programme Participants are impact assessing CR001 against CR002 or against the current baseline plan. CW responded that impact assessment is against current the baseline plan. JR remarked that the discussion so far suggest seems like comparison of the two Change Requests. RS added that the Programme need to get to a design with acceptable level of risk, and therefore Programme Participants need to impact assess against the risk of future Change Requests to the design.

CH responded to GE that it is important his points are reflected in their Impact Assessment. On deferring M5, CH noted the I&C community may believe they can shorten migration, but that views of others be that migration may need to be longer. CH agreed that the Programme should share principles (and not a Programme view) e.g., if you move M5 then you must move M10. CH noted that all PSG members will have different views about how long different activities and

milestones take. GE agreed that the PSG will not get to single view because of different acceptable risk levels of each party. GE noted that the year-long transition period comes up lots by suppliers, however GE accepted that others may see this not enough time. GE added that suppliers cannot do an end-to-end assessment and are waiting for the replan. If the Programme is already really tight for time, why are planned timescales so short in the future? The Programme will end up with a range of potential timeframes and risk levels. CH noted that the PSG have been discussing two separate points, firstly that the Programme Participants need to consider the impact of delaying M5 (on cost, timescales, and current states) and secondly, the impact of any M5 deferral on the overarching Programme and its timescales. CH proposed that the PSG do not delay issuing the Change Requests for Impact Assessment and that these are issued now, with principles for the Programme developed and shared in parallel. LN withdrew his request for a delay in impact assessments.

DW questioned whether CR001 relied on suppliers being engaged between now and July. JB responded that extending the time to a July M5 gives more time for suppliers to engage (spreads resource over a longer period) and also gives more time for suppliers to target specific artefacts and deliverables with their resource. JB noted the Programme is seeing supplier engagement at the moment, and that CR001 will increase this engagement.

ER noted the CRs need to provide demonstrate valuable change to programme. The proposals need to provide an overall value proposition. Without this, the Change Requests add risk without actual value

3. Change Requests

CW invited suppliers to present CR002

GE talked through CR002 proposal, as per the CR002 Change Request form. GE added that this was the same timeline as previously presented to PSG but with content post-November 2022 removed. GE added he believes suppliers will be able to fully engage and mobilise from the beginning of September to then have 12 weeks to engage and deliver M5 to a greater level of robustness. GE noted suppliers are keen to avoid June/July due to FSP and summer holidays. LN asked what suppliers are proposing happens in the design process between now and September? GE said the design process would not continue in same way but the Programme would prioritise areas and activities that do not require suppliers so these can continue as they currently are. The Programme would then move onto areas requiring supplier input from September. LN asked what other parties would do in September (when only supplier activity is planned as per CR002)? GE said he had not thought through this detail. LN asked if it would be simpler for the programme to continue as is in CR001 and submit a different change to get suppliers engaged after a July M5. GE noted he felt CR002 is more nuanced and allows some areas to be prioritised and completed now, whereas LN's suggestion means work would be repeated. LN responded that CR001 tells the PSG the design process in detail, whereas CR002 does not give enough detail to be a meaningful Change Request, and therefore he will not be able to complete a full Impact Assessment.

ER added that the CR002 delay raises lots of costs for parties and that these will ultimately be put on the end consumer e.g., Helix etc have high costs that will be passed down. Given the costs of energy and the benefits of MHHS (e.g., load profiling) and rising fuels, the benefits of MHHS are even more important now for realising benefits to consumers. ER noted CR002 has huge risk as it doesn't have the required level of detail and questioned how the Programme can manage this level of risk. ER added that it is a worry that the Programme could allow this level of risk and additional cost for consumers.

CW asked RC to clarify whether the MHHS business case assumed an expected price of energy. RC responded that she did not think calculations were based on price of energy but on savings based on a reduction in network costs, in strengthening networks etc.

GE noted the PSG is now receiving more opinions and that suppliers believe CR001 will cost more money later through further Change Requests than CR002. GE added that, on the level of detail expected on CRs, he understands the Programme has lots of capacity to complete a Change Request in detail and queried if it is the expectation that external parties have the same level of detail as programme? If so, this is a big hurdle. GE asked if the PSG is expecting MHHS to help Change Raisers and if constituents feel there is a threshold for the level of detail to consider for any change. CW clarified the CC process. This included that the Programme must capture full industry cost, not just cost on the programme. The Programme will review the CR process as a result of these Change Requests e.g., form re-design, what has gone well/badly, what should/shouldn't be asked. Feedback from the PSG will be captured.

ACTION PSG05.1-02: Review the Change Control process (e.g., Change Request form, Impact Assessment requirements, Change Board) using this first Change Request experience as a means of gathering feedback. Gain PSG member views as part of review process

GE noted the PSG need Impact Assessments at the same level of detail for both Change Requests to effectively balance risk. GE added that the need for detail must not stifle the process and that suppliers should not be expected to come with whole project plan for CR002 to be considered. CW noted GEs concerns and referred to the IPA. JB noted Change Board have agreed both Change Requests have enough detail. DW asked what the Programme will do if Impact Assessments are not good enough (e.g., if Programme Participants cannot assess against a given CR). JB agreed the Programme needs to find specific areas to support Programme Participants to complete their Impact Assessments. It is on the Programme to support the Change Raiser to get Change Request through in timely manner. KC added that Programme support is built into Impact Assessment process. CH added that the Programme understand the supplier proposal but need the detail from other parties to know the full impact.

GE noted CR001 has illustrative timelines that might need to flex as the Programme gets close to dates, and that suppliers do not want to nail down the timelines. CR001 does not give detailed timelines and suppliers did not think they have to provide a run book with lots of detail. CW clarified that the content of Change Requests do not mean that the change is completely right, and the final decision/outcome may be slightly different. CS asked if there is a way to determine if the Change Request is right enough? LN noted parties are at very different points from M3 e.g., Helix have DBT starting soon, depending on when the design is finalised. CR002 results in lots more assumptions. KC added on GEs point that the Programme provided sessions with constituents to give the granularity of plan under CR001 and show the timelines for design artefacts so that parties can impact assess CR001 effectively. CH added that Programme Participants are not looking for week-by-week in any Change Request, but they do need to know enough to determine how a proposal impacts their own plans.

GE asked if Programme Participants must provide the same detail as MHHS has in CR001 as a minimum level of detail in all cases of CRs going forward? GE accepts that some parties are mobilised and will have costs from a delay, but a Programme Participant cannot have a view of other party's mobilisation and what their costs would be when raising a Change Request.

DW added she assumed tranches in CR1 are structured in the way provided in CR001 because of their impact on DBT. DW asked if anything could be brought forward from what is currently in those tranches of design already. JB replied that these had been planned as a sensible staging of the design artefacts and is the Programme's best view of how to stagger the review of these artefacts.

CS noted that DCC will try and respond with a view on which element they could continue to progress with, even if M5 moves as in CR002.

4. Summary and next steps

CW moved to close the meeting. MC summarised the actions (as in the action table above).

JR asked whether impact assessments were expected from all Programme Participants. CW confirmed yes.

CW reconfirmed that impact assessments would come out 11 March afternoon via constituency reps and also via PPC/PMO and The Clock. There are 10 working days to complete these. Outputs will be collated by the Programme and presented back to the PSG in April.

DECISION PSGDEC-09: Raise CR001 and CR002 for Impact Assessment

ACTION PSG05.1-04: Programme PMO to raise CR001 and CR002 for impact assessment

ACTION PSG05.1-05: Share Change Requests and Impact Assessments with constituent members. Support constituent members to complete Impact Assessments as appropriate. Ensure Impact Assessments are returned to the PMO by or before 25th March

RS noted he will put time in with constituents to understand when they can be mobilised and engaged based on evidence.

CW closed the meeting and thanked attendees for their contributions.

Date of next meeting: 06 April 2022