MHHS PROGRAMME

Market-wide Half Hourly Settlement (MHHS) Programme Governance Framework

Consultation Questions

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Market-Wide Half Hourly Settlement – Programme Governance Consultation Questions

Introduction

It is anticipated that the high-level Programme governance structure will be directed by Ofgem in autumn 2021 through their SCR powers. Ofgem's proposed direction will place programme governance arrangements under the BSC. All programme governance documents will sit below this overarching framework.

The MHHS Programme is consulting on a proposed governance framework because:

1. Programme governance arrangements are likely required before autumn 2021.
2. MHHS Programme documentation needs to be more detailed than the overarching BSC framework.
3. The MHHS Programme wishes to be transparent and build a stronger framework through consulting with programme participants.

To support the Governance Framework we would be grateful if responders can provide their views of the proposed framework and the questions below. All comments received will be assessed by the MHHS Programme and used to feed into an amended MHHS Governance Framework documentation. Outstanding issues will be noted and taken to an appropriate programme decision group for discussion and action.

Feedback and comments should be sent to SRO@mhhsprogramme.co.uk.

MHHS Programme Governance Framework Questions

A - Programme Objectives

We have proposed programme governance framework objectives.

1) Do you support the proposed MHHS Governance Framework objectives as set out in 3.4? (Please can you give reasons for your answer)

We support the following MHHS Governance Framework objectives:

a) The Programme is set up for success from the start.
b) All programme parties are appropriately communicated with and have an opportunity to input into the programme and the decision-making process.
c) The Programme is empowered to make programme decisions.
d) Programme decisions will be made at the most appropriate level, through consensus.

These appear to be a reasonable set of objectives for the programme.

B - Governance Structure

The MHHS Programme has created a four level governance framework model. Ofgem are the highest decision maker at Level 1. PSG are proposed to be the primary programme decision maker at Level 2. Other decision making groups will be at Level 3. It is proposed this will include Implementation, Design and Cross Code decision groups. Workgroups and subgroups will be at Level 4.

2) What are your views on the proposed governance structure, including decision levels, decision groups and workgroups in sections 3.5 & 3.6?

We support the proposed governance structure including decision levels, decision groups and workgroups.

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3) **Do you agree that PSG and the Implementation Advisory Group (IAG) should be separate or would it be better if the IAG role is part of PSG? (Please can you give reasons for your answer)**

On balance we believe it would be better if the PSG and IAG are kept separate. We assume these meetings would be scheduled monthly and suggest that these two meetings are held two weeks apart. A similar process has been followed under the FMRS programme and this has enabled debate to be held on issues within level 3 and then escalated where necessary to level 2 in a timely manner.

The Level 2 and Level 3 decision groups will have nominated and elected constituency representatives, empowered by their constituency members to make decisions on their behalf.

4) **Are the proposed constituency representatives at Level 2 and Level 3 correct? (Please can you give reasons for your answer)**

We agree with the proposed constituency representatives at Level 2 and 3. With regard to the definitions of small, medium and large Suppliers we suggest that the same definition model is followed as that used under the FMRS programme.

5) **For your constituency group, would you support the MHHS Programme running a constituency member nomination and election process for all Level 2 and Level 3 meetings? (Please can you give reasons for your answer)**

It is unclear from the consultation how constituency members are intended to be funded. If it is intended that each constituency group funds its own representative our preference would be for each constituency to run its own selection process.

6) **Do you agree with attendee requirements as set out in section 3.11? (Please can you give reasons for your answer)**

We agree with the attendee requirements set out in section 3.11. Our observations from the FMRS programme is that it would be preferable to have the same representatives attending PSG and IAG meetings as this will ensure consistency and alignment of discussion between the two committees.

7) **Do you agree level 4 groups should be open for all parties to nominate members who have the relevant expertise? (Please can you give reasons for your answer)**

We agree that level 4 groups should be open to all parties to nominate members. This will ensure maximum transparency and engagement in the detail level discussions of the programme.

8) **Specifically for Supplier Agents, should this constituency category be split into two sub-constituency groups and if so what would be the best way to divide them? (Please can you give reasons for your answer)**

It may be more appropriate to split the Supplier Agent into sub-categories such as Data Collectors and Data Aggregators

9) **Specifically for the CCAG, should the constituency representatives include the Code Bodies only or should it also include other programme participant representatives? (Please can you give reasons for your answer)**

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The CCAG should include all other programme participant representatives including all four Supplier representatives to ensure all views are included in these discussions.

The governance structure has a general principle of higher decision groups being able to delegate decisions to groups below them and for lower level groups being able to escalate to a group above them

10) What are your views regarding how decisions should be delegated or escalated?

We agree with the general principles on how decisions are delegated or escalated.

11) When the Programme Plan is fully developed it is likely to contain Level 1, 2 and 3 milestones. How should milestones be linked to the proposed governance framework?

We would expect the milestones to be fully aligned to the governance structure. For example level 1 milestones should be reviewed and “owned” by Ofgem and that any movement of a level 1 milestone by 3 months or more from the original baselined plan will require Ofgem approval. Level 2 milestones should be owned by the PSG and level 3 owned by the IAG.

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C – Meeting Management

We propose meeting papers are issued at least 5 working days in advance of a meeting and post meeting papers are issued no later than 10 working days after a meeting.

12) Are the proposed 5 working days and 10 working days timescales appropriate?

We agree that meeting papers should be issued at least 5 working days in advance of the meeting. Our experience of the FMRS programme is that certain groups were regularly missing this deadline which makes preparation and review ahead of meetings problematic and inefficient for the programme overall.
We agree that post meeting papers should be issued no later than 10 working days after a meeting. We would also suggest that day after reports are issued within 24 hours of the meeting, providing stakeholders with key highlights from the meeting and confirmation of any key decisions that were taken.

D – Change Control

We have proposed high-level change control principles and a high-level change control process in section 8. We will consult upon a detailed change process in the future.

13) Should all changes follow the same change control process or should there be different routes depending on the impact?

We think that all changes should follow the same change control process. This will avoid any potential disagreement regarding change materiality or impact.

E – General feedback

Please share any further thoughts you have regarding our proposal.

14) Is there anything further you think we should include in the MHHS Programme Governance Framework?

We have not identified any other items that should be included in the programme governance framework.

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