MHHS PROGRAMME

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

Consultation Questions

Document owner	Document number	Version Number	Date
Andrew Margan	**MHHS_DEL032**	**Version 1.0**	**30 July 2021**

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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)

ElectraLink supports the proposed MHHS Governance Framework Objectives.

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?

ElectraLink agrees with the proposed governance structure and decision levels.

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)

ElectraLink agrees with the proposed structure for these groups. ElectraLink believes that the SRO should monitor the outputs and interaction between these groups to ensure the right outcomes are achieved; however, provided that these groups continue to engage with each other on a regular basis, providing updates and support, the IAG does not need to form part of the PSG.

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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)

ElectraLink believes that the proposed constituency representatives of the Level 3 groups are correct; however, we would like to propose the addition of a DTS representative to the Level 2 representatives.

The role of the level 2 groups, at a high level, is to ensure the success of the programme against the TOM and ensure that proactive decisions are made to address any risk of delay. As the current provider of the infrastructure used to communicate data related to retail settlement, the Data Transfer Service (DTS) is a core component in the successful delivery of the mHHS programme. The DTS is not just the current settlement data architecture but, as per the latest AWG recommendations, the DTS will continue to support settlement following the changes implemented within the HHS programme. Therefore, ElectraLink believes that the implications on the DTS and DTS parties should be considered at this level, so a DTS representative should be included in Level 2 decision-making. This will help to ensure the success of the programme against the TOM and mitigate any future risks of transitioning from one data architecture to another.

Given the importance of the DTS in ensuring the successful transition to a new data architecture, we believe that we can form an important part of this governance process and provide invaluable insight as to how the data architecture of the new HHS regime should be constructed. We believe our involvement can reduce the risk to consumers that a new system does not provide the benefits that could be realised. Given our role in other change programmes, such as switching programme and P.272, we believe the ElectraLink has valuable expertise to support the programme's activities of design, system development, testing and migration.

We believe that our key role in ensuring a successful transition to the EDA should mean that we are a member of the Level 2 groups. This role could be a consultative role where the DTS representative does not need to be a voting party, this role could be a non-voting role.

ElectraLink believes that the best position for us to utilise this experience would be within the Level 2 groups, which will determine the key decisions regarding the design of the 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)

ElectraLink does not have anything to add on the nomination and election process.

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

ElectraLink agrees with the attendee requirements as set out. We believe that through our extensive experience with the current solutions put in place for settlement data transfer, we have senior design experts who would help with the objectives to design an effective, settlement system.

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)

ElectraLink agrees with the decision to open nominations for level 4 groups to all parties, as this will allow for industry participants, who may not meet the criteria in other groups, to contribute their expertise towards the programme.

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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)

ElectraLink has no views on the splitting of Supplier Agents into two different sub-constituency groups.

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)

The CCAG should include representatives that reflect the interests of all those affected by the changes to the Codes in response to the mHHS programme; therefore, other programme participants affected by the code changes should be included in the CCAG work (whether that is through an obligation on code bodies to consult these parties or direct attendance at meetings) to ensure their views are heard. If these views are not heard on initial consultation, there is a risk that these parties will reject the changes when they are taken to them through the code change processes.

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?

ElectraLink agrees with the suggested delegation and escalation processes outlined, at a high level, in the consultation. If the decision impacts high level principles or outcomes of the programme (particularly regarding costs, consumer impacts and timescales), then we agree this will require senior level sign-off, which includes Ofgem.

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?

ElectraLink believes that milestones delivery should be delegated; however, it is important that all milestones are tracked according to their impact on the programme. For example, progress against Level 1 milestones (those that impact the strategic delivery) should be monitored at a PSG and Ofgem level.

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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?

ElectraLink agrees with the timescales suggested in the consultation.

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?

ElectraLink believes that the aim of the change control process should be to ensure that the right consumer outcomes are achieved within this programme. The process should be flexible enough to manage different types of changes.

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?

ElectraLink has nothing further to add.

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