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)

Yes – the proposed framework objectives should enable delivery of MHHS

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?

The proposed hierarchy is logical and should enable key decisions to be made at the right level, and delivery MHHS effectively

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)

We agree – as per Q2, we believe that this will allow decisions to be made at the right level

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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)

We can understand why you have made these proposals. Our slight concern is that there will not be sufficient persons nominated to fill all of the seats at each level. This ~~will~~ could lead to either; some people sitting on groups at level 2 and level 3 or; not enough people on each group

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)

This is not relevant to us. We did note however, that you have not included any contingencies in case there are not enough nominations

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

Our experience from Workgroups is that not all members need to attend every meeting for the Workgroup to be effective; we suggest you consider 50% quoracy and 50% rolling attendance (nominee or alternate) to be able to vote on decisions for level 3 and 4 groups. This will make membership more favourable as it will allow members to manage attendance and participation more efficiently – particularly given how many other 'pulls' there are in the industry.

PSG members however, should be required to attend all meetings (or an alternative) given the decision making authority vested in the group – we would also suggest that an alternate should not be someone who would otherwise be in attendance (i.e. one person, two votes) – the reason for this is that there is a risk that too much weight could be given to similar constituencies e.g. Suppliers and their Agents

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)

Yes – this is commensurate with how our Workgroups and Issue groups operate

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)

We have no particular view whether to split the category but, consideration should be given to whether Supplier Agent is the right term/definition – there are data companies in operation that are customer appointed (e.g. by the Generator in relation to PPAs) – it is possible that such companies will be impacted by MHHS but may not be nominated as they do not work with Suppliers

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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Yes – only Code Bodies should be involved as it is they who have the knowledge to advise on how Code changes should be made. If Code Bodies think that industry members should have their views taken into account, then they still have the ability to consult members through their own governance arrangements e.g. an Issue Group for the BSC.

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?

Consideration should be given to putting thresholds in place for delegation/escalation e.g. any decision with a cost over £250k has to be escalated/cannot be delegated

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 agree with your proposals for how delivery against milestones is reported at each 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?

We have no particular views either way on this

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?

There should be consistency across the change processes

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?

Nothing further to add

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