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)

The four objectives laid out in section 3.4 of the consultation document are appropriate for any large-scale programme such as MHHS, and as such we are supportive of them.

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?

It is important that the correct knowledge is at all levels of the governance structure, this will ensure that where decision making responsibility is either escalated or delegated to ensure the best choices for industry are made throughout the programme. With this issue addressed, we can see that providing a clear process of escalation/delegation with well-defined authority levels should prove to ensure faster decision making throughout the implementation of the MHHS programme.

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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)

Within other programmes it has worked well to have an overall programme steering group, who has the authority on the highest decisions. Therefore it would stand to reason that this same approach would work well within the MHHS programme governance.

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)

The proposed constituency representatives for level 2 and level 3 groups adequately represent the spectrum of the market.

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)

Whilst we agree this would be the fairest method of appointing constituency representatives, there has been a distinct lack of resource within our constituency in other programmes, thus making it difficult to appoint a representative despite there being an appetite for one.

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

The high-level requirements for the attendees of each group are appropriate.

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, due to the broad nature and specific skill sets which will be required within these working groups. It would be adequate to allow for any party to nominate members with relevant expertise. However, it should be for the programme to encourage a fair representation from a variety of industry parties.

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)

The category assigned to supplier agents should be split into two constituencies. The two sub-constituency groups should be:

1. Data Collectors and Data aggregators
2. Meter Operators

The groups in this proposed split provide very dissimilar services to the industry, and will be impacted in separate ways. Should this be kept at one constituency, it would result in the Supplier Agents from the other group being under represented and could lead to working groups not having the required skills amongst the attendees.

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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)

As the primary role of the CCAG primarily is to monitor the progress of consequential changes made to industry codes, it would be appropriate for the groups constituency to comprise of representatives from Code Bodies only. Work which will impact other industry parties through these codes will be dealt with through each codes own modification process.

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?

As noted in our answer to question 2, we believe the process of escalating and delegating decision-making authority will need to ensure a hand off of all the relevant information and potentially expertise from one group to another. Failure to do so could result in the group who is passed the decision lacking the ability to make the most informed and progressive decision.

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?

Whilst we do not have the full criteria for the assignment of criteria to a milestone, it would be appropriate for any level 1 milestones to be approved by the PSG (for example, go/no-go). And for level 2 and level 3 milestones to be approved 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?

Five working days prior to a meeting is acceptable. However, ten working days post meeting is above the current norm within industry of five working days turn around time.

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?

For reasons of continuity and fairness, all changes should follow the same change process.

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?

Reiterating our response to question two, it is important that there is an overlap in the decision-making groups. This will ensure consistency in knowledge and understanding of issues to resolve them quickly and correctly.

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