

MHHS PSG Actions and Minutes

Issue date: 09/02/22

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| Meeting number | 4 | Venue | Virtual – MS Teams |
| Date and time | 02 February 2022 1000-1200 | Classification | Public |

Attendees:

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| Elexon Representative (Central Systems Provider) | Lee Northall (LN) |
| DCC Representative (Smart Meter Central System provider) | Charlotte Semp (CS) |
| Large Suppliers Representative | Graham Wood (GW) |
| Medium Suppliers Representative | Gurpal Singh (GS) |
| I&C representative | Gareth Evans (GE) |
| Supplier Agent (Independent) | Joel Stark (JS) |
| Supplier Agent Representative | Paul Akrill (PA) |
| DNO Representative | Hazel Cotman (HC) |
| iDNO Representative | Jenny Rawlinson (JR) |
| National Grid ESO | Keren Kelly (KK) (on behalf of Jon Wisdom) |
| Consumer Representative | Ed Rees (ER) |
| MHHS SRO | Chris Welby (CW) |
| MHHS Governance Manager, SRO | Andrew Margan (AM) |
| Ofgem Sponsor (as observer) | Rachel Clark (RC) |
| Ofgem (as observer) | Andy MacFaul (AMF) |
| MHHS IPA Lead | David Gandee |
| MHHS IPA Lead | Richard Shilton |
| MHHS Programme Manager, LDP | Keith Clark (KC) |
| MHHS Programme Director, LDP | Rachel Eyres (RE) |
| MHHS PMO, LDP | Martin Cranfield (MC) |
| MHHS Programme Director, SRO | Chris Harden (CH) |

Actions

| Action Ref | Action | Owner | Due Date |
|------------|--|---|------------|
| PSG04-01 | <p>Supplier mobilisation plans to be developed further:</p> <ul style="list-style-type: none"> Programme and supplier constituency reps to meet to develop the supplier change proposal further, exploring additional options and adding further detail. Benefits and costs of any options are to be assessed, with a further proposal and evidence base to be brought forward. Wider supplier programme participants (in addition to reps) are to be engaged in the discussion. Programme to engage wider constituencies in addition to suppliers once the supplier proposal is | <p>Programme Supplier reps (Gurpal Singh, Graham Wood, Gareth Evans), IPA leads (Dave Gandee)</p> | 23/02/2022 |

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| | <p>developed further, to ensure the impacts on wider programme parties are considered</p> <ul style="list-style-type: none"> • Programme and IPA to meet to discuss the evidence required to demonstrate that a change proposal is justified. IPA to join supplier discussions as required. • Programme to schedule ad hoc PSG as required to review new supplier proposal | | |
| PSG04-02 | Develop a consumer log to track/flag consumer issues from advisory/working groups to the consumer constituency rep | PMO | 02/03/2022 |
| PSG04-03 | Develop MHHS Governance Framework as per governance arrangement proposals presented and discussed in PSG. New version of MHHS Governance Framework to be shared with PSG group for review by correspondence ahead of March PSG | Programme | 23/02/2022 |
| PSG04-04 | Raise migration membership and role at upcoming TAG (16/02) to determine how migration may develop within the TAG, including migration membership requirements | Chris W | 09/02/2022 |
| PSG04-05 | Discuss migration role in the TAG with TAG leads, Kate Goodman and Adrian Ackroyd | Jason B | 09/02/2022 |
| PSG04-06 | Review mobilisation of a 'Comms and Engagement' governance group in May PSG | Chris W | 04/05/2022 |
| PSG04-07 | Review RAID log to ensure that the open Small Supplier nominations are captured | PMO | 02/03/2022 |

Decisions

| Area | Decision |
|---|--|
| Governance Arrangement Proposals | The governance arrangement proposals were signed off in principle with the Programme to update the Governance Framework and send to PSG members for review and approval by correspondence. Actions on migration are to be discussed in the TAG (see actions PSG04-03 and 04-04). |

Minutes

1. Welcome

CW welcomed all to PSG 4. CW introduced the Independent Programme Assurer (IPA). Introductions were provided by all attendees.

2. Minutes and actions

Minutes of the PSG 19th January 2022 were **APPROVED**.

Action updates were provided by CW as per the actions slide.

3. Supplier mobilisation plans

CW introduced the item and set out how he would run the session, with handover to supplier representatives to present their mobilisation proposal before opening comments from other constituents in turn, and then a general discussion.

GS presented the Joint Supplier Response to Action PSG 02-03 on behalf of Large, Medium and I&C Suppliers. GS introduced that the response is based on a PSG action from Nov/Dec action on when suppliers can mobilise. GS explained that each supplier rep considered their response with their constituents and found their constituents to be aligned in thinking.

GS walked through the 'swimlanes' of the supplier proposal, as per the document provided by the supplier reps:

Process design: suppliers understand the programme has sub-groups working on MHHS processes and propose that these continue. Suppliers acknowledge there is good work here but note they cannot meaningfully engage in this process at the moment

Supplier mobilisation: this swimlane describes when suppliers can mobilise and engage. This is a 12-week period after which suppliers propose the programme baselines. Suppliers note that the programme should not baseline without suppliers, as the output settlement obligations sit with suppliers and therefore require them to input as key stakeholders

Delivery consideration: following the 12-week intensive review, suppliers will be in a better position to assess their required organisation strategies. Suppliers note the decisions made here are critical for the future landscape of the energy industry and are mindful of the transition. Suppliers want to future proof for the next 20 years and so do not want to rush this process. Suppliers will need to review their services and assess whether these should be in-house or procured externally. This period will allow time for suppliers to assess and explore the market (e.g., agent offerings) and complete any cost-benefit analysis required

Supplier design, build, test: once suppliers know their strategy and required commercial arrangements, they can then engage in their own design, build & test phase from March 2023. Suppliers were not able to define what this looks in detail because of the timeframe to develop their proposal and because this phase depends on outputs of previous swimlanes. Suppliers note this phase is likely to be different for each supplier organisation

Re-baseline: suppliers noted that a baseline will be more accurate and credible following the activities in previous swimlanes, and that re-baseline will only be possible for suppliers once they've completed these earlier phases

LN noted that the proposal is at least a 7-month delay. LN appreciates the supplier challenges but added that other parties have mobilised and are incurring costs. The proposal represents an unknown impact. LN also noted that some activities in the proposal can be done in parallel and recommended that the programme does baseline on the current timelines, with an impact assessment on supplier's engagement undertaken at that time.

GS responded that, while the proposal looks like MHHS go live will be delayed, suppliers do not think this is the case. If the programme re-assesses milestones down the line, this doesn't necessarily mean a delay. This is a discussion to be had later this year on the future timeframe, following re-baseline. GS noted that there are lots of benefits to MHHS and that they do not want a delay to go live. GS added this was also the view of his constituents.

LN noted that he cannot see how this delay can't also impact go live and that it would be good to see the next part of plan to understand this in more detail.

GE noted it is too much for suppliers to come with a full E2E plan right now. Regarding delays to go live, GE provided the example that the programme may not need a year for transition, as questioned by his constituency members. GE added that suppliers do not want to delay upcoming milestones by a year, but that they want to make sure the programme is robust. The current reality is that suppliers are not engaging (as per concerns raised at previous PSGs), and so suppliers are trying to show how supplier engagement can happen. Suppliers do not want to see supplier engagement happening in an ad hoc fashion through to 2023. GE highlighted there is still a risk under the current timelines that suppliers will engage late in the programme and then will have problems with programme design, resulting in delays later in the programme. GE was further concerned that suppliers are only seen as one small aspect of the programme, and that this should be seen as a larger problem. If all suppliers are highlighting that they cannot engage then this should be a big 'red flag' as suppliers represent a large proportion of PPs and will be the ones operating the system.

Responding to LN's comments, GW acknowledged that different PPs are at different places in their mobilisation and knows the plan will have different impacts on different constituency groups/parties. GW added that the original programme plan was developed last year and had not factored in current market circumstances and disruption. GW was not aware if the programme had completed an impact assessment on the current position of the industry and its implications on the programme, and added the programme should have assessed this last autumn when the changes first came about. Instead, the programme is continuing with the position it was in last year without considering the impacts since.

CW thanked suppliers for presenting their proposal and asked each constituency rep for their view in turn.

HC (DNO) – HC acknowledged the supplier’s position but noted that her constituents are concerned that they are already mobilised and engaged, and that this creates additional costs/risks and a potential extension to programme go live.

JR (iDNO) – JR recognised the supplier challenges and noted that she can see the current timeline was tight for baseline, with pushing out by 7 months being more realistic. However, the iDNO concern is that if the programme continues with the current work now (pre-suppliers joining in September), then resources currently involved (that are already stretched) would end up revisiting work from this period with supplier input. JR added that the suggestion that the plan post-Mar 2023 will need to be reviewed also needs to include a pre-March 2023 review, as other governance milestones in this timeframe will need to move. JR added a further iDNO concern is how the proposal will affect the rest of the plan – it may squeeze areas like testing or push out the 2025 end date. **In support of GE’s comments regarding, rather than having to push out the implementation date due to a replan, there could be scope to review timelines for other phases for example, the Migration Phase might not require a full twelve months, JR agreed that it may be possible to shorten some later stages of the plan, such as <1yr for migration.**

PA (Supplier Agent) – PA noted Supplier Agents have sympathy with the supplier position and agree that it is necessary for suppliers to engage to make a good design, with risks that there would be significant changes to the baseline if suppliers can’t input before. PA therefore agreed that the proposal is a sensible suggestion to ensure outputs are valid and unlikely to change. PA raised a concern of constituents that starting the investment process and then having to change down the line will increase costs.

JS (Supplier Agent, Independent) – JS noted two additional points for Supplier Agents: 1) SAs have fully stood up and mobilised teams but still see 81 design artefacts by end of April as being aggressive, and 2) the programme shouldn’t be overly optimistic of delivering migration in more compressed timescales (i.e., it would be difficult to remove the delay from the proposal via a shorter migration timeline later in the programme).

LN (Elexon) – LN noted that he agrees it was important that suppliers are engaged but did not agree that suppliers are not engaged at all given the large volume of ex-suppliers representing across multiple other constituencies. LN believed the programme should look at alternative ways of delivering this change. LN highlighted that a waterfall approach will push things later, whereas the programme could take an agile approach to create a version that can be reviewed and approved once suppliers can engage. An agile approach would create a very good straw man for review once the suppliers are available, otherwise the supplier proposal will result in big increases in costs to the industry.

GE recognised LN’s comments but noted the programme must respond to the current lack of supplier engagement. While the supplier proposal represents when suppliers think this engagement can happen, this does not mean suppliers think all other timescales should be shifted in the same way. GE noted that the programme should not underestimate supplier diversity (and therefore need the need for high engagement) and should take learning from FSP that there needs to be a variety in supplier views. GE reiterated that suppliers do want to engage and do not want the programme go-live to be delayed, but without changing these timelines now, this may be inevitable anyway.

LN agreed that some change to current timelines is required.

GE noted that suppliers have not sat as a group to review the whole E2E plan but focussed on where risk the risk is: the next 18 months. GE added there is not an alternative to getting their ‘best and brightest’ engaging, other than the plan proposed. This is because suppliers have four or five other programmes happening which must be delivered in 2022 as per regulator requirements, and therefore these are being prioritised by suppliers.

CS (DCC) – CS echoed comments from others and noted that DCC understand the supplier’s position. However, CS noted that the supplier plan is immature and lacking in detail to understand if the timeline is realistic. The plan needs more information and PPs need to understand dependencies. CS noted she agrees with LN in completing activities in parallel and that collaboration is needed to create a plan that works for all. DCC do not want suppliers to be separate and only come back in September, and believes the plan should include all stakeholders and look holistically. CS added that there are cost implications from the delay and the programme needs to look at other options. CS recognised GE’s points regarding a need to prioritise asks on programmes from regulators. CS noted that a lot more work was required to understand assumptions and dependencies, and this must be done collaboratively.

GE noted that suppliers do not see this as a trivial change and reiterated that suppliers see MHHS as a priority, but that something needs to give in the timelines.

ER (Consumer) – ER agreed with points already raised and noted it is critical suppliers engage, however the plan risks delay on the project with two drawbacks: 1) increased costs on parties and delayed benefits due to knock on, and 2) a squeeze on later elements of programme that creates risk. Therefore, there needs to be more detail to know what can be achieved (other options). The programme needs to assess the risk presented by the proposal to see the impact this will have on the programme as a whole, with more detailed options explored.

KK (National Grid) – KK noted suppliers are key to the design process and that NGENSO are concerned about how effective the design will be without Supplier design engagement. KK added that PPs need to understand more about the risks and benefits across the whole programme and the implications of the change, especially given suppliers have an integral role to benefits. KK added that NGENSO see the Dec – Feb market offering period as key and do not want impacts to negatively affect this. More information is required to understand if other options are feasible.

CW handed over to KC for the programme's view.

KC (MHHS Programme) – KC noted that the programme needs to consider the proposal, and that the programme is collaborative and needs to find the best way forward for all. KC referenced a positive meeting on 01/02 with suppliers to discuss the proposal and provide challenge. KC acknowledged previous comments that the plan is very 'left to right' and is low risk, and that for the proposal to be a plan, it must balance progress and value against risks. Therefore, the proposal is not a plan until the programme assess the risks. KC added that the proposal cannot be solved at the high level presented by suppliers and that the plan requires more detail and information on the impact on all parties (the approach cannot be a 'one size fits all'). KC noted that the assumption that suppliers are not meaningfully engaging is not correct and referenced that design options were responded to by more than half of the suppliers, demonstrating a difference between suppliers and the supplier rep's position. This means that the programme needs to take the proposal down a level of detail to gain views of all suppliers, as these are clearly different. KC noted that he could not see how this delay of 7-10 months would not cause delay in overall timelines and that it would be extremely difficult to mitigate this delay by changing timelines later in the plan. KC added that the programme needs the right level of detail and to reach an acceptable M5 timeline where there is an acceptable and manageable level of risk for all. This requires speaking with actual suppliers to get their actual positions, and then for the programme to undertake a proper risk assessment on supplier engagement. The programme needs to acknowledge that risks on the baseline cannot be reduced to nothing and that it is likely the design will need to change in the future regardless. KC summarised that the programme therefore needs to assess options that compress this plan to allow a manageable level of risk.

RC (Ofgem) – RC reiterated the importance of the MHHS programme from Ofgem's perspective and that Ofgem do not want to see slippage of timelines and the benefits for consumers and the environment as a result of MHHS. RC was heartened that this is also a consistent theme across PSG reps (including suppliers). RC noted that Ofgem are not wedded to the sub-components of the baseline plan but to realising the outcomes in a timely fashion and against expectations. RC added that *how* the plan delivers is for the programme to determine, although there is regulatory obligation on all parties to comply with the baseline plan and for changes >3mo to L1 milestones to be signed off by Ofgem. RC further commented that Ofgem either require any changes to be supported across the programme and to ensure they do not adversely impact other parties or the end date, *OR* that a change has been fully scrutinised and there is no other option other than the impact it delivers. RC reiterated that Ofgem do not want to give a view on the specifics of the plan but that the programme does need to achieve its aims by the end date.

GW responded to JS's comment on the aggressive timeline of 81 artefacts by end of April, adding that suppliers agree with this and that, even with all resources engaged, suppliers think it would be difficult to deliver against the current plan. GW noted that pushing M5 later would help with this, rather than pressing toward a design by end of April.

GE added two points: 1) GE's constituents have unanimity of view that current timeline won't allow meaningful supplier engagement, with all constituents aligned (GE would welcome Elexon engaging with suppliers to confirm this), and 2) whatever the way forward, the programme is running out of time. The programme cannot spend another month or two gathering evidence to build a large justification document but needs to reassess the timeline immediately otherwise the status quo will prevail.

GS added that he wished market conditions had been considered earlier as per FSP when COVID and market changes happened, as this had knock on impacts for this programme.

CW asked for final comments.

GW noted that 'evidence' has been raised a few times and referenced a discussion with CH and KC regarding sufficient evidence to demonstrate timelines must be changed. GW noted that clarity was needed over what evidence is required and that suppliers do not want to go away and do a lot of work unnecessarily. Suppliers need to make sure they tick the right boxes for the programme and Ofgem, and that they can provide this evidence in the tight timelines.

CW noted that the programme will continue to work with the suppliers and that the evidence needs to show any proposal is the optimal solution and addresses the problem that needs to be solved. The evidence needs to find a preferred solution for all parties that would not have a significant increase in cost, while getting the required supplier engagement. The current proposal adds significant cost to programme, especially if the whole programme is extended, and therefore suppliers and the programme need to look if there are other more cost-effective solutions. The evidence then needs to demonstrate the best solution.

GW confirmed he understood the evidence requirements and that suppliers need to work with the programme to determine that this looks like in more detail.

JR agreed with the approach from CW and added that the proposal needs to be cost effective, including for other parties.

DG noted that, while the MHHS programme was new for the IPA, they would be happy to feed into conversation from an IPA perspective to ensure evidence provided covers what the IPA would expect to see.

KC added that any evidence provided needs to be against other options. KC noted he had already agreed with GW the programme would speak to other suppliers to look at further options to then balance risks against costs. KC added that further action is needed to look at delivery planning under this proposal to get a sense of what is actually possible between this extreme and the existing timeline, to get some common ground. KC finished that this process would define if the proposal needed to go to Ofgem, as the change could be made <3mo.

Action PSG04-01: Supplier mobilisation plans to be developed further:

- **Programme and supplier constituency reps to meet to develop the supplier change proposal further, exploring additional options and adding further detail. Benefits and costs of any options are to be assessed, with a further proposal and evidence base to be brought forward. Wider supplier programme participants (in addition to reps) are to be engaged in the discussion.**
- **Programme to engage wider constituencies in addition to suppliers once the supplier proposal is developed further, to ensure the impacts on wider programme parties are considered**
- **Programme and IPA to meet to discuss the evidence required to demonstrate that a change proposal is justified. IPA to join supplier discussions as required.**
- **Programme to schedule ad hoc PSG as required to review new supplier proposal**

CW confirmed the action and ensured suppliers agreed.

GE noted he was keen for a session with the programme and his constituents to happen at pace.

CW explained that the formal process is for a formal change to be submitted to programme and impact assessed before coming back to the PSG for a decision or a recommendation, if the change needs to go to Ofgem. Until then, the current plan stands as per agreed governance arrangements. CW added there is a need to move as fast as possible, and the programme may look to hold an ad hoc PSG for further discussion. CW re-confirmed the action.

CH noted that, while it is for the programme to work with suppliers to review the proposal and other possible options to satisfy supplier concerns but also hit 2025 proposal, the programme must also consider the impact on other constituents (e.g., costs) and that the programme needs to look holistically, not just at suppliers.

CW agreed with CH's comments, adding that the programme will contact all PSG reps to bring them into discussion as required, and that the discussion would start with suppliers.

KC added that the programme will engage with other parties not just on costs, but also on delivery methodology. Some reps (e.g., DCC) have suggested there are other ways mitigate the proposal, and other parties need to be involved.

CW added that the programme needs to focus not just on timelines, but on how the programme can solve the problem and manage risk.

4. Programme dashboards

CW introduced the agenda item and explained that this was intended to be a standing item going forward, to provide updates on programme progress.

Milestone dashboard

KC provided an overview of the milestone dashboard as per the meeting slides and explained that the content comes from discussions with constituency reps since December.

GW asked about LDP mobilisation and when PPs can expect to see more detail on the plan and its milestones (as per FSP). Constituencies would like to know when further detail will be delivered and available for scrutiny.

KC noted the detail behind the FSP plan was created in an initial baselining period and that the full plan will come out of the M5 baseline for MHHS. This is because the content is based on the design. At present, the programme does not intend to create further detail as this is dependent on design. KC added that there is a detailed plan (e.g., artefact pathways, governance approvals) to M5 and that this is being socialised through working groups.

CH asked a GW to clarify if his question was on the plan to M5 or to 2025?

GW clarified that his question was on the other milestones associated with plan on a page from Ofgem (e.g., further milestones, critical path etc). GW and his constituent had assumed further detail was being worked on against the Ofgem plan and that this would be provided now and then updated again after baseline.

CH responded that the programme is working to the Ofgem plan and that it has significant detail underneath, including highlights of the main activities to 2025. The programme did not intend to redo this plan now, but at M5 re-baseline.

GE agreed to take the discussion offline.

KC commented that in FSP there was an integration approach document, and that the programme is working through the TAG to create test, data, and migration strategies up to M5 (equivalent to FSP), and that these need to be agreed before a more granular plan can be created against the Ofgem plan to avoid a further re-planning activity.

GE clarified that he was looking for more detail on the process to deliver the more granular plan.

KC noted that the programme has a methodology to re-baseline the plan and offered a session to go through this. KC added that the programme is ready to go and is keen to get industry involved upstream in planning activities in a collaborative exercise to build the plan together.

PPC dashboard

KC presented the PPC dashboard as per the slides, noting there is a large amount of MI behind the dashboard and that this will be available via the portal in time. KC noted good progress has been made across all areas, with good responses from all constituencies, but that there was still some work to do with DNO, iDNO, Supplier and software providers. KC added that the programme is still awaiting SPOCs for a lot of organisations, but that this is progressing.

GE noted that there is a big range and diversity of I&C suppliers from the largest non-domestic providers to small suppliers with single meter points. GE added he was happy to help sub-divide up this group to ensure they are well-represented.

KC noted this was the largest population and that PPC had seen some good responses.

GE added the I&C suppliers were unlikely to go beyond 30% engagement and that he did not want this to skew the level of engagement and understanding of the market. This could be perceived as a risk unnecessarily.

ER noted that, as the only consumer rep, it was a challenge to use his time effectively, particularly as there is no consultation process with wider stakeholders currently planned. ER requested that a consumer log is created to flag consumer issues across the working groups, noting this request had been raised previously but that he had not had a response.

KC responded that this was a good idea and one way of reducing risk.

AM added that this was one of the requirements of PMO and it would be beneficial to track these issues.

Action PSG04-02: PMO to develop a consumer log to track/flag consumer issues from advisory/working groups to the consumer constituency rep

GW remarked that there were a number of points to raise regarding the slide: 1) emails sent and responses were not useful, and his constituents would rather see SLAs and performance context. 2) GE's constituents found that they needed to 'second guess' what some of the slides are saying without the WebEx. 3) There is a lack of clarity on who the six large suppliers are. 4) There is nothing in the key themes about current market situation and this is the main driver of low PP engagement. GW appreciated the references to FSP but noted this 'bigger elephant' in the room was not represented.

KC noted that the slide reflects issues raised to PPC and that this (large supplier engagement) largely hadn't been raised in PPC conversations.

GW responded that he had raised this last week in PSG and that it needs to be added.

KC reiterated that the themes reflect comments from PPC discussions (not PSG).

GW questioned why views from previous three PSGs had not been captured.

CW confirmed that this was a PPC dashboard reflecting views captured by the PPC and not PSG discussions. CW noted that the programme is not ignoring the views put forward by PSG participants.

GE asked where these views were being captured, if not here.

KC added these were being captured through the risks (to be presented shortly) and via PSG minutes.

Design dashboard

CH presented the design dashboard as per the slide. CH noted that the programme needs to spend more time on this content to provide full understanding (e.g., via WebEx). CH highlighted that the key message is that the design is progressing, and attendance is increasing, while acknowledging that the design is not getting as much supplier input as the programme would like. The programme is not rushing to hit the timescale but that is aiming for quality of design – the programme wants the 81 artefacts to be of sufficient quality for design/build teams to start DBT. The timeline for all

artefacts by end of April is challenging and is already slipping to May – it is likely the programme will get design content completed in start of May, with approvals via DAG at end of May. CH noted some artefacts are ‘blocked’ due to optionality, and these are being worked through following responses on 31/01.

Risks dashboard

KC presented the programme risk assessment dashboard as per the slides. KC added that this was an illustration of risks in RAID log as the programme mobilised and that the programme intends for this to be open via the Portal. The programme is further looking to chunk the RAID log into themes.

GW asked if the RAID log will be published.

KC confirmed the RAID log will be available and is already digitised through the Programme Portal. The aim is to have functionality for RAID submissions for triage by the PMO.

JR asked a question on supplier timeframes and the content of the milestone dashboard. The current assessment is against the current plan. While iDNOs are advocating that the programme continues against the current plan, some parties will be frustrated that the programme is now in limbo. JR asked when there will be an idea on timeline changes.

KC responded that the default is to stay with current timelines and reiterated the importance to progress action PSG04-01 at pace with suppliers.

5. Governance arrangement proposals

CW introduced the agenda item, including that this item resulted from LDP assessment of the current MHHS framework.

JB provided an overview of the governance arrangement proposals as per the slide pack, reference supporting detail in the appendix. JB provided an update on TAG mobilisation. JB requested approval in principle of the content of the proposal.

CW opened the item for questions.

GW queried if the PSG is approving the governance principles line-by-line in the PSG or if the programme intends to go away and make an amendment to then approve the updated ToR.

JB proposed that the PSG approve the recommendations in principle and that the programme then updates, with approval by correspondence.

Decision PSG04-01: The governance arrangement proposals were signed off in principle with the Programme to update the Governance Framework and send to PSG members for review and approval by correspondence. Actions on migration are to be discussed in the TAG (see actions PSG04-03 and 04-04).

Action PSG04-03: Programme to develop MHHS Governance Framework as per governance arrangement proposals presented and discussed in PSG. New version of MHHS Governance Framework to be shared with PSG group for review by correspondence ahead of March PSG.

LN noted that he did not agree that migration and testing should be combined, and he did not agree with the rationale in the appendix. LN added that migration and testing experts are quite different and that the groups should not be combined to ‘save space’ or that testing experts should comment on migration matters.

JB responded that this had been discussed in detail by the SI team. JB said that the SI team were taking learnings from FSP that migration and testing were siloed, and that this meant testing did not have an appreciation for migration activities. JB noted that migration is also an important part of testing strategy, meaning the testing group needs strong understanding of migration and transition activities. JB added that this is not just about not having another group.

LN noted it was important that all areas understand migration, not just testing, and that perhaps it would be better to have a group that has migration experts covering the whole programme.

CW commented that this would be kept under review.

LN responded this his concern was just about representation and that the Elexon TAG rep is a testing expert, not migration.

KC noted that there would be a Migration Working Group with experts under the TMAG and that the programme would expect to separate out migration and testing in future.

JB agreed and added that the programme intended to separate testing and migration next year but could separate the two earlier if required.

LN responded that a different rep would need to be put forward.

JB noted that TAG membership could be expanded to include migration.

Action PSG04-04: CW to Raise migration membership and role at upcoming TAG (16/02) to determine how migration may develop within the TAG, including migration membership requirements

GS asked if there was a supplier rep at the TAG.

CW responded that there were not currently any supplier reps but that the programme would like them.

GW responded that this was a continuation of the theme that suppliers cannot engage in design activity. GW added that the programme needs to be careful that one expert cannot cover both test and migration, but that bringing the two together for now sounds sensible, if there is intention to split them out in future.

CW confirmed the action that this would be discussed at next TAG. CW further requested JB to speak to TAG leads Kate Goodman and Adrian Ackroyd.

JB confirmed the programme will hold off on changes to the framework to reflect feedback from the next TAG.

Action PSG04-05: JB to discuss migration role in the TAG with TAG leads, Kate Goodman and Adrian Ackroyd

GW further commented that some principles will require review once written into the framework. GW also reflected that the engagement and comms group would be difficult to engage with given current challenges. GW requested evidence that this group is required.

JB responded that there was deliberately no recommendation to set up the engagement and comms group. JB has seen the benefits of this group in other programmes as it gives the opportunity for stakeholders to provide input and make use of this engagement in their own programmes. JB added that this was an open question to test appetite, and if the PSG did not want to stand this group up now, then the PSG should review again at a point in the future.

GW noted that, following the CCAG, there was still a lack of clarity on the meaning of E2E.

JB responded that this was covered under the actions of CCAG and that this review was not on content of discussions but on the Governance Framework.

CW confirmed this action was part of the CCAG.

GE asked if the programme would be getting a small supplier rep for the PSG.

AM responded that they had contacted the FSP rep from ESG and asked if their position had changed. ESG had responded that there was no change in position, and they were working on FSP. Small suppliers currently had no resource to send to PSG and will review once FSP has been delivered. This has been the small suppliers long-standing position shared previously with this group.

CW reiterated comments from the previous PSG that PPC will be talking to small suppliers and that feedback from other suppliers likely resonates with small suppliers.

GE queried how long the programme will leave this space open.

CW requested any final comments, including on thoughts on engagement and comms as an informal group. No further comments were raised and the engagement and comms group was agreed to be reviewed in May.

Action PSG04-06: PSG to review mobilisation of a 'Comms and Engagement' governance group in May PSG

6. Next steps and actions

Actions from the meeting were confirmed, as per the action summary

JR questioned how the programme is quantifying and capturing the risk posed by a lack of engagement from small suppliers.

KC noted this was a risk and issue and needs to be captured in the RAID management framework. KC noted he could not recall if this was already captured and that he would check.

Action PSG04-07: PMO to review RAID log to ensure that the open Small Supplier nominations are captured

JR queried if low small supplier engagement was a big risk. JR noted that, given comments from other suppliers, the overall supplier proposal needs to include small supplier views.

AM reiterated that general feedback from small suppliers has been that they don't want to engage until supply and build (after design). AM reiterated that the programme has known and shared this position with PSG reps for some time, and that the position hasn't changed. AM added that the programme is using PPC to reach out.

JR added that there is a risk that small suppliers request changes to work completed so far, if not engaged until a later date.

AM added that there is a further mitigation is to ensure small supplier *providers* are engaged in the programme.

CW noted that is a risk and recognised in programme. CW handed over to AMF for an item of AOB.

AMF provided a reminder that Ofgem were consulting on governance arrangements relating to the EDA for MHHS, with an event 03/02 at 3pm to go over issues raised at consultation. AMF explained that this is a chance for early feedback and to hear from 2x parties who may take on the role. The session is open to all PSG attendees and constituents.

CW requested any final items of AOB. CW reiterated the importance of the supplier action PSG04-01 and closed the meeting.

The next full PSG meeting will be **02 March 2022**.