



**MHHS
PROGRAMME**
Industry-led, Elexon facilitated

CR009 Impact Assessment report

August 2022

[Objective of this pack:](#)

Provide a summary of CR009 Impact Assessment responses to inform a Programme Steering Group (PSG) decision on a recommendation to submit to Ofgem

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Executive summary

A majority of respondents supported the Change Request to move M3 and M5 to the end of October and to maintain the timescales/approach to the re-plan (as per the interim plan)

- The overall response rate was 18%. In total, 17 respondents supported the change, 6 respondents rejected the change and 1 respondent abstained:
- 4 respondents agreed with the change with unqualified support
- 13 respondents supported the change with the following qualified support and considerations
 - Support**
 - Agreement that the approach was **more likely to deliver a robust baselined design**, with benefits such as improved programme efficiency, increased likelihood of delivering later milestones, improved delivery of benefits to consumers, and an improved ability to deliver DBT
 - Agreement that the approach meant **Programme Participants were more likely to have sufficient engagement with the design** ahead of M5, including for participants only just coming up to speed/resourcing the Programme
 - Agreement that the approach allowed **improved ability for parties to mobilise against the pre- and post-M3 requirements**. Some parties welcomed that some activities proposed to be completed ahead of M3 in CR007 were now amended to continue to take place following M3
 - Considerations**
 - The **importance of delivering the programme re-plan alongside M3 and M5** in the timelines given. This would show implications of the move for the Programme end date and on later parts of the plan, and provide Programme participants with information to support their delivery of M3
 - Several risks were highlighted:
 - A **lack of time for Programme Participants to engage with the design** ahead of their full mobilisation
 - A **lack of resources required to support the design review, re-plan review and M3 in parallel**
 - **As-yet unknown consequential changes** that may impact the programme plan
 - A request for a **third re-plan consultation following M5**, to allow Participants to input into the programme plan once they have digested the design
- 6 respondents rejected the change highlighting
 - A **lack of time following M5 and before M3 for Programme Participants to impact assess the design**. This could make it challenging for Programme Participants to achieve the M3 criteria and be fully mobilised
 - A **lack of clarity on consequential change** and how any consequential changes may impact the programme plan
 - A request for **third re-plan consultation following M5**, to allow participants to input into the programme plan once they have digested the design
 - Concern that **Readiness Assessment 2 (RA2) in October will only provide an estimate of readiness**, given it is ahead of M3

CR009 Impact Assessment responses

| Programme Parties | CR009 Recommendations | | | |
|-------------------|-----------------------|----|-----------|-------------|
| | Yes | No | Abstained | Not Replied |
| Large Suppliers | 2 | 1 | - | 2 |
| Medium Suppliers | 1 | - | - | 6 |
| Small Suppliers | 1 | - | - | 21 |
| I&C | - | 3 | - | 37 |
| DNOs | 4 | 1 | - | 1 |
| iDNOs | 3 | - | - | 10 |
| Ind. Agents | - | - | - | 46 |
| Supplier Agents | - | - | - | 5 |
| S/W Providers | 2 | 1 | - | - |
| National Grid | 1 | - | - | - |
| Code Bodies | - | - | - | 3 |
| Consumer | - | - | - | 1 |
| Elexon (Helix) | 1 | - | - | - |
| DCC | 1 | - | - | - |
| SRO / IM & LDP | 1 | - | - | - |
| IPA | - | - | 1 | - |

| Market Share | | | |
|--------------|-----|-----------|-------------|
| Yes | No | Abstained | Not Replied |
| 37% | 18% | - | 45% |
| 20% | - | - | 80% |
| <0.1% | - | - | >99.9% |
| - | 44% | - | 66% |
| 75% | 13% | - | 12% |

- Market Share information is according to the latest Meter Point Administration Number (MPAN) data held by the Programme as at July 2-22. Market Share has not been provided for constituencies where MPAN data is not currently available.
- The classification of Independent and Supplier Agents is maintained by the Programme Party Coordinator and is subject to change.

Rationale for being marked down as 'abstained'

As providers of independent assurance, we abstain from recommending or disagreeing with the three proposed changes. We do not consider there to be a material impact on the delivery of IPA activities as a result of the change.

1 Medium Supplier provided comments but no recommendation.

CR009 Impacts – Detailed Programme Participant views (1 of 2)

| Programme Parties | Range of respondents' views on benefits and concerns (related to the approach in CR--9) |
|-------------------------|--|
| Large Suppliers | <ul style="list-style-type: none"> + One Large Supplier was supportive of the change as they believe it provides a sensible approach to the design of the solution and subsequent post-design work - Participants are being asked to consume and understand the MHHS design and be consulted on the plan in parallel, this is feels like a key risk - There is a suggestion to have another short plan consultation period after M5 has been approved - A duration of the consultation period should be after M5 to ensure the plan is robust and supportable |
| Medium Suppliers | <ul style="list-style-type: none"> - The delay to M5 means that time will have to be made up during later stages of MHHS delivery and it is not clear how, or when, the time will be saved - Only 1 medium supplier responded to the Impact Assessment <ul style="list-style-type: none"> ▪ One respondent replied to impact assessment with positive commentary but did not indicate whether they agreed, disagreed or abstained from the change request |
| Small Suppliers | <ul style="list-style-type: none"> + The one respondent agreed with the change with unqualified support |
| I&C | <ul style="list-style-type: none"> - Respondents highlighted that at least one month is required between M5 and M3 to allow for sufficient participant impact assessment to coordinate resources and fulfil the requirements specified under M3 - The M3 entry criteria should acknowledge that Suppliers need to initiate requirements gathering and impact assessments after the industry M5 Design has been baselined - There is concern that Readiness Assessment 2 is before the end of October and responses will on be estimates of their readiness - There is support for a second consultation period that extends beyond M5 to support the development of a more robust plan |
| Agents | <ul style="list-style-type: none"> ▪ Did not respond to the Impact Assessment request |
| DNOs | <ul style="list-style-type: none"> + Agree with the M3 readiness criteria specified and the newly proposed revised/dates for M5 and M3 milestones + One respondent highlighted that the proposed reprofiling in the current milestones will allow those parties who have been unable to engage to provide valued input to the Design and Build phase - There is nothing within the change that justifies moving from the position of M3 being delivered 2 months after M5 as recommended and strongly supported by the industry under CR007 - In order to meet the M3 requirements, parties need to provide a high-level plan. However, to be able to provide this, parties will need to see the re-plan well in advance of 31 October 2022 - Concerns were raised about the number of comments/issues that could be raised as part of the Design review process, which impacts this DNO's confidence in the M3 date - There is a potential risk that the design baseline causes additional consequential change that will require addition resource / cost / time |
| iDNOs | <ul style="list-style-type: none"> + The delay to M5 will improve capability to deliver future milestones and reduce the risk of overlap between Faster Switching and MHHS + The change to the design delivery date allows the opportunity for M5 baseline design to be completed to a satisfactory level to enable Design, Built and Test activities to be undertaken + There will be a risk that future milestones will be impacted by this change and clarity on the effect on the schedule needs to be understood |

CR009 Impacts – Detailed Programme Participant views (1 of 2)

| Programme Parties | Range of respondents' views on benefits and concerns (related to the approach in CR--9) |
|---------------------------|---|
| S/W Providers | <ul style="list-style-type: none"> + Delaying M3 reduces the risk caused by the overlapping Faster Switching and MHHS Programmes - There is a risk that not having the two-month period between M5 and M3 (as recommended in the withdrawn CR007) will mean that there will be insufficient time for parties to fully digest the design after M5 - Respondents highlighted that this Change Request will have an inevitable impact on the schedule and are particularly interested in how that is reflected in the re-plan - One respondent highlighted that they need to have clarity on Consequential Change before they could support any change in M5 or M3 milestones as they feel they cannot provide confidence in relation to the implementation / go live plan |
| National Grid | <ul style="list-style-type: none"> + NGESO supports the Change Request based on the information provided and it is their opinion that the overall effect will positively benefit consumers |
| Code Bodies | <ul style="list-style-type: none"> ▪ Did not respond to the Impact Assessment |
| Consumer | <ul style="list-style-type: none"> ▪ Did not respond to the Impact Assessment |
| Elxon (Helix) | <ul style="list-style-type: none"> + In overall agreement with the change request - As a result of the further delay to M5 there will be additional effort to review the MHHS requirements. The delay could impact design resource availability during Helix build and test phases - The programme could consider absorbing the additional 3 months into System Integration Testing or Transition phases - There is concern that this CR is not only changing the date of design, but also the scope. Transition requirements, non-functional requirements and DIP interface specs will not be ready by M5 - There is concern that performance assurance is being considered out of scope by the programme - An assumption is also made that M6 will also need to move because of this change request and that this impact will be covered by the re-plan |
| DCC | <ul style="list-style-type: none"> + The recommendation to approve is on the basis that there will be certainty around go live from the end-to-end plan and certainty on design artefact quality from the design review process |
| SRO / IM & LDP | <ul style="list-style-type: none"> + The programme agree that moving M5 to October will allow for greater engagement from industry into the design phase. This will help to de-risk significant design change post-M5 and allow those PPs yet to mobilise the change to do so. - The programme recognise that by delaying M5 to end of October 2022, this will impact future programme timelines. However, this impact will not be fully understood until the re-plan process is completed later this year |
| IPA | <ul style="list-style-type: none"> ▪ The IPA abstained from providing a recommendation as they do not consider there to be a material impact on the delivery of IPA activities as a result of the change |

Programme responses to Impact Assessment commentaries

| Considerations highlighted by Programme Participants through Impact Assessment | Programme team's view and / or suggested next steps |
|--|--|
| <p>Several respondents believed time is required between M5 and M3 to allow Participants to impact assess the design ahead of their full mobilization. One respondent noted a lack of justification for moving from the position of M3 being delivered 2 months after M5 (as recommended and strongly supported by the industry under CR007). One respondent was concerned that linking M5 and M3 would mean M3 would also be delayed, should M5 move again.</p> | <p>As per the previous Programme position, there is no direct dependency between M3 and M5. The criteria for M3 ("DB start") have also been amended based on industry feedback to acknowledge that many Programme Participants will not be fully mobilized at M3 and some mobilization activities (such as full impact assessments of the design) may continue take place after M3 (if parties have not already conducted and completed them already).</p> |
| <p>Several respondents highlighted a desire for a further consultation window on the re-plan once the design has been baselined at M5.</p> | <p>This request was presented to the Programme through CR010. Following a Change Board on 28 July, a third re-plan consultation window has been added in the Programme interim plan following M5. Full detail on this, included the updated interim plan, will be presented at 10 August PSG.</p> |
| <p>Several responses noted that a delay to M5 may extend overall programme timelines (and hence delay benefits to consumers) or that future phases of the programme could be shortened.</p> | <p>There may be an impact should there be a further delay to M5. The Programme re-plan and supporting industry consultation phases to run from August to October will help to determine any impact should such a delay occur.</p> |
| <p>Some participants highlighted a concerns over the impacts of consequential changes and how they will be managed, noting that some consequential changes may only be highlighted once the design is baselined.</p> | <p>Consequential changes are considered out of scope of the Programme (although the associated risks are relevant to the programme's delivery). The working draft of the Programme plan is now available, and it does address the need to the programme to monitor Participants' progress in this area.</p> <p>The Consequential Change Impact Assessment Group (CCIAG) exists below the Design Advisory Group (DAG) as a forum for industry to table consequential changes for consideration.</p> |
| <p>One respondent highlighted concerns that, in order to meet the M3 requirements, parties need to provide a high level plan. However, to be able to provide this, parties will need to see the re-plan well in advance of 31 October 2022.</p> | <p>Two rounds of industry consultation will have been undertaken before 31 October. This process will provide significant detail on the Programme plan well in advance of M3. The Programme considers this enough detail upon which Programme Participants can create a high-level plan.</p> |
| <p>One respondent was concerned that Readiness Assessment 2 is before the end of October and therefore responses will only be estimates of their readiness.</p> | <p>Readiness Assessment 2 will assess participant readiness at a point in time and will align to the criteria provided in CR009 for M3 (start of DBT). The Programme acknowledges that some participants may not be fully mobilised at this time (for example, as per the criteria in CR009, detailed impact assessments and sourcing strategies may continue beyond M3).</p> |