

MHHS Programme Steering Group Actions and Minutes

Issue date: 13/04/22

Meeting number	PSG 006	Venue	Virtual – MS Teams
Date and time	06 April 2022 1000-1200	Classification	Public

Attendees

Chair

Chris Welby (CW) MHHS IM SRO

Industry Representatives

Andrew Campbell (AC)	Small Supplier Representative
Charlotte Semp (CS)	DCC Representative (Smart Meter Central System provider)
Ed Rees (ER)	Consumer Representative
Gareth Evans (GE)	I&C Supplier Representative
Gurpal Singh (GS)	Medium Supplier Representative
Graham Wood (GW)	Large Supplier Representative
Hazel Cotman (HC)	DNO Representative
Jenny Rawlinson (JR)	iDNO Representative
Joel Stark (JS)	Supplier Agent (Independent) Representative
Jon Wisdom (JW)	National Grid ESO Representative
Karen Thompson-Lilley (KTL)	National Grid ESO Representative (alternate, attending as observer)
Lee Northall (LN)	Elexon Representative (Central Systems Provider)
Richard Orna (RO) (on behalf of Paul Akrill)	Supplier Agent Representative

MHHS IM

Andrew Margan (AM)	Governance Manager
Charles Hyde (CH)	Procurement Consultant
Ian Smith (IS)	Design Lead
Jason Brogden (JB)	Industry SME
Keith Clark (KC)	Programme Manager
Lewis Hall (LH)	PMO Lead
Martin Cranfield (MC)	PMO Governance Lead
Miles Winter (MW)	PMO Governance Support
Warren Fulton (WF)	Outcome Assurance Manager

Other Attendees

Andy MacFaul (AMF)	Ofgem (as observer)
David Gandee (DG)	MHHS IPA Lead
Rachel Clark (RC)	Ofgem Sponsor (as observer)
Richard Shilton (RS)	MHHS IPA Lead
Sinead Quinn (SQ)	Ofgem (as observer)

Apologies

Paul Akrill – Supplier Agent Representative

Actions

Area	Ref	Action	Owner	Due	Update
CR001 and CR002	PSG06-01	In future, when presenting views of programme participants provide market share weighting for DNOs, I&C Suppliers and Small Suppliers	Programme	N/A	
	PSG06-02	Provide next steps for the IPA recommendations on CR001 and CR002 at May PSG	Programme (PSG leads)	04/05/22	
	PSG06-03	Action PSG-DEC10, including submitting CR001/CR002 recommendation to Ofgem for decision	SRO (Chris Welby)	08/04/22	SRO recommendation submitted to Ofgem on 07/04/22
Readiness Assessment	PSG06-04	<p>Incorporate PSG member feedback in the final Readiness Assessment report including:</p> <ul style="list-style-type: none"> Ensure the full report represents programme health and presents insights and action plans Clarify average scores and percentages presented in the slides Use of 'Agents' and not 'Supplier Agents' Adjust programme participant representation to reflect market share weighting (as per action PSG06-01) 	Programme (PPC leads)	04/05/22	
Programme updates	PSG06-05	Work with DCC, Elexon and RECCo to bring monthly finance reporting to PSG. Include a month-by-month view, how budgets change with Programme changes (e.g., new CRs), and budget performance against plan	Programme (Chris W)	08/06/22	
Programme dashboards	PSG06-06	<p>Continue to improve the PSG dashboards, for example:</p> <ul style="list-style-type: none"> Milestone dashboard: add further detail on the impacts and mitigations of risks/delays Finance dashboard: add commentary and further detail on what the figures show/indicate PPC: expand on the meaning of the data presented and incorporate insights 	Programme (PSG leads)	04/05/22	

Other	PSG06-07	Provide an update on expanding Programme distribution lists to include more than one Principal Contact per organisation	Programme (Andrew M)	04/05/22	
Other	PSG06-08	Add Open Day outputs to May PSG Agenda	Programme (PMO)	04/05/22	

Decisions

Area	Ref	Decision
CR001 and CR002	PSG-DEC10	The SRO decided to recommend that Ofgem approve CR001. The SRO decided to recommend that Ofgem reject CR002.

RAID Items Discussed/Raised

RAID Area	Description
Supplier Engagement	The majority of discussion focussed on actions to resolve risks related to supplier engagement with the design via a decision on CR001 and CR002 (see PSG-DEC10).
Data Integration Platform (DIP)	A risk was raised on the DIP that the timelines were both ambitious and dependent on a July M5 date as per CR001.

Minutes

1. Welcome

CW welcomed all to the meeting.

2. Minutes and actions

CW invited any comments on the minutes from the 02 March 2022 PSG and the 11 March 2022 extraordinary PSG. No comments were received. The minutes for both meetings were **APPROVED**.

CW invited queries on the action updates as per the slides. No comments were received.

3. CR001 and CR002

KC introduced the item and stated the objective was to recommend either CR001 or CR002 for approval and subsequent Ofgem assessment and decision. Around 120 Impact Assessments (IAs) were received for CR001 and CR002 (roughly 60 for each Change Request (CR)). KC summarised the headlines of these IAs as per the slides. It was highlighted that the cost of delay of the Programme is likely to be £2m per month, although the full cost cannot be determined as detailed cost information was not provided in a majority of IAs. KC noted that a delay to M5 via CR001 would likely maintain the current programme end date subject to reducing the migration period, and that the delay of CR002 was more likely to impact the end date. KC further added that Citizens Advice, which is representing consumers, recommended CR001 and suggested further detail was needed for CR002 to be considered.

KC provided an overview of the detailed numbers for submitted IAs per constituency and CR. KC noted an update was required to the slide for the Helix response. *Please note: an updated version of the IA slides with this update is now available on the MHHS website.*

RS provided the IPA's view of the CRs as per the slides. RS noted that while there are no fundamental concerns regarding the overall design, it was recognised there will be some nervousness on confidence that the design is correct until it is fully baselined. RS added that the IPA's recommendation is to target the end of July for M5, as per CR001, but that this is done in a way that engages suppliers wherever possible. RS highlighted some recommendations proposed by the IPA to de-risk the CRs (as per the slides) and proposed the Programme take the recommendations forward with the decision from Ofgem.

GE asked about the responses from I&C and small suppliers. GE noted that it was hard to understand what proportion of the market is represented by the number of non-responders presented in the slides. GE stated that it is likely that the few suppliers who did actually respond represent a large proportion of the market itself, and that those that did not respond as small within the market. KC responded that this data could be drawn out. GE commented that in the switching programme market share information is provided and there were about 95% of the market in terms of market share that were ready for the programme, but still a large number of I&C suppliers who were not ready.

ACTION PSG6-01: Programme to in future when presenting views of programme participants provide market share weighting for DNOs, I&C Suppliers and Small Suppliers

GW asked if the IPA had a view as to the ideal time to create and provide a more detailed plan under CR002 (as per the IPA recommendation for CR002). RS replied as soon as possible and that elements of a more detailed plan are already there. Given that the design rebaseline is already scheduled, ideally this more detailed plan would be ready by next PSG.

KC noted that a more detailed plan for post-M5 (to include risk assessment of the design and engagement with PPs on the design) would be issued for consultation and, if M5 is delayed, the Programme intends to get volunteer PPs to input and build the plan with MHHS prior to M5. That way the plan can go out at the end of M5 having already had input from PPs. This would improve the consultation process. MHHS are already developing the detail in the Programme plan to be issued for consultation when M5 is reached. CW confirmed the plan should be created in coordination with industry reps. CW added that there is a need to engage and explain the plan to PPs when the design is finalised. The design team will continue to exist and may have to be reconvened at points as issues come out at the testing phase. KC reiterated the importance of being able to get the plan understood by PPs before it goes out for consultation, and a plan of the timings for the replan and consultation is important ahead of time.

GW queried on the call for parties to volunteer/engage and if there is a model of how the Programme sees this working e.g., a representative model, a round table etc. KC confirmed this would depend on how many PPs volunteered and that it would be likely this would be grouped by similar parties e.g., suppliers, DNOs, agents etc. This way a constituency-based view could be formed, but without formal constituency representation as per the governance framework. If M5 does move and more time becomes available to the Programme, there's an opportunity to engage with those volunteers ahead of time.

GE noted a constituency model implies sufficient breadth of constituents with sufficient knowledge and queried how the Programme would achieve this without a formal model. KC clarified this wasn't the same as the constituency model per se, but was more about grouping volunteers by sector to gain input pre-consultation. GE asked how conflicting views would be managed within those participant groups. KC responded that this process would be about de-risking the assumptions made from the pre-consultation work for the draft of the plan, and the full consultation would be where the inputs are fully considered by all PPs for the final Programme plan.

RS noted that getting to the PM2 activity (Programme rebaseline activity in the Ofgem Transition plan) is something the Programme could be clearer on, as part of the pre-planning work and communications.

CW invited any further comments before moving the PSG to make a decision.

CW outlined the decision-making process as per the MHHS Governance Framework: the SRO aims to make a decision based on consensus from PSG. If there is no consensus, then the SRO makes a decision and documents their reasoning. CW asked PSG members in turn whether they were for or against each CR and for their reasoning.

Note: X denotes support for a CR. Where X is indicated for a CR and for Both CRs, the constituency representative expressed support for both CRs but also had a preference for one CR.

Constituency	CR001	CR002	Both CRs	Constituency Representative Comments
Supplier Agent (Independent)			X	JS noted that Supplier Agent (Independent) constituents were split and that their main concern is how future milestones may be compressed to maintain the Programme end date.
Supplier Agent			X	RO reiterated the Supplier Agent (Independent) rep's comments and stated support for both CRs. RO added that their constituency would side with suppliers.
Elxon	X			LN stated support for CR001, noting Elxon were already mobilised. LN added there was not enough information in CR002 to inform their impact assessment and so they abstained from expressing support for CR002.

National Grid ESO	X			JW was supportive of CR001. JW reiterated the LN's view that CR002 did not have enough detail and so they abstained from expressing support for CR002.
iDNO		X	X	JR noted their constituency was split and that there was support for both CRs. For CR001, iDNOs were concerned about a lack of supplier engagement. For CR002, iDNOs were supportive of suppliers and could see that they are not able to engage sooner. Based on feedback from constituents, JR expressed a preference for CR002.
DNO	X			HC noted they had a split constituency, with no engagement from 2/6 DNOs. HC voted in support of CR001, as DNOs are a mobilised party and engaged in Programme working groups. HC abstained from expressing support for CR002.
I&C Supplier		X	X	GE stated support for CR001 on the basis that the Programme is not working to current plan and so M5 needs to be moved anyway. GE noted a preference for CR002 as the CR is seen as solving the problem that exists (supplier engagement), and that CR001 does not solve this problem.
Small supplier		X	X	AC stated support for both CRs with a marginal bias towards CR002.
Medium Supplier		X		GS stated support for CR002 as this reflected all of their constituents' views. GS was not supportive of CR001 as they believed the CR does not solve medium suppliers' priority conflict.
Large Supplier		X	X	GW noted that they do not represent all large suppliers. GW stated support for both CRs noting that CR001 is more of a governance modification as the existing timelines can't be met. GW added that CR001 does still have challenges to meet its timelines. GW added a preference for CR002, noting that individual large suppliers do have different views on their ability to engage.
Consumer	X			ER stated support for CR001 as it minimises delay. ER rejected CR002 due to the risk of increased cost and delay, and the impact on consumers. ER stated they were not convinced on the need for further engagement given the Programme's confidence in current engagement levels and that some Suppliers are already engaging. The Programme should not move at the pace of the slowest.
DCC	X			CS stated support for CR001. CS did not believe CR002 provided enough evidence and saw no significant reason why CR001 can't be met by suppliers.

CW moved to make a decision. CW outlined their rationale for each decision.

SRO decision on CR001:

CW stated that while not in complete consensus, the vast majority of PSG supported CR001. CW was conscious of the fact that the Programme was not going to meet M5 and so M5 needed to be moved from a governance perspective. CW added that the longer the Programme delays, there larger the risk the end date. CW noted the IPA's view there is less risk with CR001 and acknowledged the recommendations made by the IPA and their role as the critical friend of the programme. Based on this rationale, CW made the decision to recommend Ofgem approve CR001.

SRO decision on CR002:

CW noted that CR002 had less support from PSG members than CR001. CW added that he had read every IA that came in and therefore was not making any decision based solely on the summary. CW stated that there was a lack of supporting evidence for CR002 and that this was highlighted by a number of PSG members. Noting his own background of 20 years in retail, CW added he was sympathetic of the issues faced by suppliers but also noted these issues are unlikely to be resolved by September and so delaying further would likely not lead to better engagement. CW added that the sooner the Programme gets to the replan, the sooner the Programme can take into account the market conditions in that replan. In the IAs, a small number of suppliers were willing to commit to engaging in design by September 2022. A small number were willing to engage by September 2022 with the caveat that the Faster Switching Programme (FSP) was complete and market conditions had improved. A majority of suppliers agreed that suppliers need more time but added that they won't get involved even by September 2022 as they don't have the resource to engage in the design. This was often due to lack of expertise rather than a lack of time. On this basis, CW made the

decision that CR002 is not proven to be better than the current baseline and therefore to recommend that Ofgem reject CR002. CW added that there will be risks and issues that will come out in testing, and the longer PPs get to look at the Design, the lower the risk of issues coming out at Testing. With current market conditions, the sooner HHS can be offered to consumers, allowing them to use energy at cheaper times of day, and therefore the sooner consumers will feel the benefits of HHS.

DECISION PSG-DEC10: The SRO decided to recommend that Ofgem approve CR001. The SRO decided to recommend that Ofgem reject CR002.

ACTION PSG06-02: Programme to provide next steps for the IPA recommendations on CR001 and CR002 at May PSG

ACTION PSG06-03: Programme to action PSG-DEC10, including submitting CR001/CR002 recommendation to Ofgem for decision

CW invited any final comments or questions.

GE wanted to understand what the output will be for industry to see from these discussions e.g. how much detail will be given regarding the views of participants.

LN asked when a decision will be made by Ofgem.

RO stated they agreed with CW's comments on delivering the benefits to consumers and asked what the programme intends to do to drive or challenge parties to engage with elective HHS in parallel with the MHHS Programme.

CW noted these comments. In terms of the process, the recommendation will be submitted to Ofgem by the SRO. Ofgem will be offered access to individual responses and the IPA will be advising Ofgem as well. If Ofgem has any queries on an individual IA, they may approach the PP themselves for clarification.

4. Readiness Assessments

CW introduced the Readiness Assessments (RA) item and noted the majority of RAs have been received and are now in review for the final report later in April.

KC provided an overview of RAs as per the slides. KC reiterated that the RAs are still being reviewed so the content in the slides may change slightly. KC added that the low score among supplier agents was mostly meter operators which skew the numbers. KC explained that the Programme will publish RA1 full report on 14th April. Content will be anonymised and every respondent will receive a bespoke and confidential response to their Principal Contact. KC highlighted the figures as they stand as per the slide.

JR asked if it would be worth highlighting the portfolio size of constituencies, rather than just organisation numbers. For example, there is at least one iDNO with no electricity metering points so this iDNO is unlikely to engage and will not impact the programme. KC responded that this could be adjusted as per action PSG06-01.

GW raised concern on figures on the second slide: 64% of PPs have no plan and only 53% have business funding at this stage. GW commented that the spectrum of average RAID log prep did not make much sense as PPs should either have one or not. KC accepted this and said these figures would be clearer in the full report.

JS noted that comments about market share apply to supplier agents too, as there are a large number of small agents. JS suggested supplier agents and independent agents shouldn't be amalgamated into supplier agents but rather be just 'Agents'.

RC noted the slides had a lot of data but do not tell the PSG about the overall health of the programme and how this is likely to impact delivery of the Programme. KC replied this is just the initial self-assessment data and more insight will be built into the full report.

ER echoed RC's point. RS noted this would also be incorporated into overall assurance views for the IPA.

GS noted the two tables on top row of the second slide contain identical percentages and wanted to check this is correct. KC noted this would be clarified in the full report.

AC added that software providers will provide a response based on the service they provide to their clients, but that a supplier will often have multiple software providers not all of whom will be ready. AC concluded that this needs to be made clear on the report.

CW invited PPs to provide any feedback on the RA process so far to the PPC and reiterated that the full report will contain/address the feedback provided so far.

ACTION PSG06-04: Programme to incorporate PSG member feedback in the final Readiness Assessment report including:

- **Ensure the full report represents programme health and presents insights and action plans**
- **Clarify average scores and percentages presented in the slides**
- **Use of 'Agents' and not 'Supplier Agents'**
- **Adjust programme participant representation to reflect market share weighting (as per action PSG06-01)**

5. Data Integration Platform (DIP)

WF ran through the DIP procurement approach as per the slides. A Request for Procurement was sent out on Friday 01 April 2022 with the intention to conclude the procurement process and sign a contract with the preferred bidder by September 2022.

JW noted the acronym 'ESO - Enduring Service Owner' in the context of the DIP is well-used in the industry already and expressed the view that it would be good to change this term. WF accepted this suggestion and noted it had been highlighted before and would be changed once the preferred bidder was identified.

GW noted the procurement timeline looked quite challenging and asked whether there are any linkages or dependencies on this piece of work with the CRs, PM2, and the rebaseline. GW asked if one of these moves out of sync with the other if it would create any issues or concerns. WF noted that there was a dependency that the DIP procurement needs the Design to be finalised by June/July so the final design can be included in bidders' BAFOs. As such, CR001 makes this doable, while CR002 makes this much tighter. GW asked if there is a risk related to contract negotiations being drawn out and whether this could impact the programme. KC confirmed this has been identified within the RAID management framework and is being managed as an acceptable risk.

6. Additional Programme updates

CW ran through the Programme update slide. CW noted that CR003 proposes changes to M6 and M7 and, given the proposal is a delay of greater than three months, the CR will need to be raised to Ofgem. CR004 was a housekeeping change and was approved at Change Board. CR005 contained the previously discussed cooperation principles was issued for IA alongside CR003.

CW highlighted the Open Day on 21 April 2022 and encouraged PPs to register.

CW gave a verbal update on sign-off of the Change Control process. This was currently with Ofgem for sign off.

CW provided an overview of the 2022/23 budget for central programme costs, as published publicly. GW asked if there was a plan to develop these costs to see a month-by-month forecast versus progress, and how CRs might impact these costs. GW added that a robust set of financial indicators similar to FSP would be useful. CW noted this and added that cooperation would be needed from the central parties to provide a more detailed breakdown. CW stated that this was not an unreasonable request and that support will be sought to get this breakdown from central parties. RC echoed GW's comments and added that it is important for these costs to be transparent.

ACTION PSG06-05: Programme to work with DCC, Elexon and RECCo to bring monthly finance reporting to PSG. Include a month-by-month view, how budgets change with Programme changes (e.g., new CRs), and budget performance against plan

7. Programme Dashboards

CW invited questions on the Programme dashboards.

RC noted there is a lot of information in the dashboard slides but that they could also have more information. In the milestone status dashboard, there is an indication of status and actions but nothing that shows the impact of risks.

Further information on milestones that aren't on track would be helpful, as this would improve the ability of PSG to have oversight of the Programme. KC replied that the milestone status dashboard is a work in progress and will be developed as time goes on.

LN noted that the CR001 and CR002 leave the Programme in limbo as it's unclear which Programme plan we're measuring against. LN questioned if it is the assumption we are now delivering to CR001. KC clarified that the milestone status dashboard was measured against the current plan and will be changed once baseline plan changes (e.g., once the CRs are approved or the replan have happened).

GW noted that he felt the slides were a little bit light and that a WebEx would be welcomed by their constituents. In particular, on the finance dashboard GW wanted a greater understanding of what the forecast vs budget graph was actually telling PPs. CW accepted there was a lack of commentary on this dashboard to explain what the figures mean and the underlying reasons for what the data is presenting. CW added this is a work in progress and will be improved.

GW noted on the Design dashboard there were concerns that there are already Amber statuses for a lot of the design artefact groups. GW also commented the provision of a response to a high level RA1 doesn't necessarily mean large suppliers are engaging well (in reference to the PPC dashboard).

IS responded with regards to the Design RAG statuses. One of the issues identified is once documents come out of WGs and go to L4, there is a higher level of scrutiny and feedback than had been anticipated. This is why some documents are Amber. The Design team are trying to size the activities based on expected response rates and don't have explicit contingency built in for this. KC noted the contingency approach is to accelerate the incorporation of comments into the Tranche documents.

In response to the PPC dashboard comment KC clarified this is more of a status update rather than in depth analysis and insight. KC added the PPC dashboard could have better insight to show more interpretation as to the responses that have been received and the level of engagement.

AC commented on the milestone status dashboard that the M5 milestone is Red and queried if this would become Green against the CR001 change. KC confirmed yes. AC noted M3 for Agents being Green was counter intuitive based on engagement activities on the RA in isolation. KC confirmed the milestone status dashboard was based on engagement with design process and not on the RA responses. If the report off the back of RA indicated otherwise, this milestone colour could be updated.

CW invited further comments. None were received.

ACTION PSG06-06: Programme to Continue to improve the PSG dashboards, for example:

- **Milestone dashboard: add further detail on the impacts and mitigations of risks/delays**
- **Finance dashboard: add commentary and further detail on what the figures show/indicate**
- **PPC: expand on the meaning of the data presented and incorporate insights**

8. Summary and Next Steps

MC summarised the meeting actions as per the actions summary above.

AC requested the position of constituency representatives on CR001 and CR002 to be publicised and asked when Ofgem will make the decision. MC replied that the voting would be captured in the meeting Headline Report. RC replied that she could not give a firm date as it depends on when this the SRO recommendation is received and how much analysis is needed by Ofgem, as well as IPA feedback. RC added that the aim is to give a decision as soon as possible and the hope would be with one week of receipt of the required information.

JR asked is there a standard comms distribution list that is used by the Programme. JR remarked that the single point of contact model isn't resilient for their constituency and that it may be better not to have a single point of failure in case that person is on holiday (for example). JR also asked on CRs 003 and 005 that came out recently - the proposals say they were raised on 23 March 2022 but they were sent out on 29 March 2022. A shorter IA window could impact ability to respond. AM confirmed having multiple 'primary' points of contact might require a system change and is being looked at. LH confirmed the decision to raise CR003 and CR005 to IA was made on 24 March 2022 and the request for IA went out on 29 March 2022. The 10-working day IA window starts from when it's sent out (29 March), not when the decision is made at Change Board, and this so won't affect response times.

ACTION PSG06-07: Programme to provide an update on expanding Programme distribution lists to include more than one Principal Contact per organisation

GW asked how the next steps for the recommendations from the IPA on CR001 and CR002 would be taken forward. CW clarified these would be brought back to next PSG following a decision on CR001 and CR002 by Ofgem.

CW confirmed next PSG date of 04 May 2022 and outlined current proposed agenda items for next PSG. CW confirmed if any PSG members wished to suggest an agenda item they may do so by emailing the PMO at pmo@mhhsprogramme.co.uk

GW suggested an agenda item for outputs from the Open Day (e.g. feedback and points of concern etc.)

ACTION PSG06-08: Programme to add Open Day outputs to May PSG Agenda

GS asked for latest position on the impact of consequential change discussions which aren't currently in the scope for Design and how these would feed into the Design baseline. GS provided the use case of industry issuing EACs and AQs which are used by price comparison websites and by consumers, but these aren't currently considered by MHHS. KC noted the scope of MHHS TOM was clear and the discussions about what is in and out of scope of the TOM were had at that point. The management of consequential change is a risk to be considered by the Programme but isn't within scope of the Design. IS commented that the EAC issue is something that is on the Design team's radar and where there are specific elements of consequential change this can be addressed. IS added that the design team are currently looking at the logical point at which to stand up the Consequential Change Impact Assessment Group (CCIAG).

GW asked if this links across to the IPA's Recommendation 2 in terms of identifying gaps. RS confirmed this was linked and needed to be built into the plan, even if consequential changes fall outside of the Programme's responsibility to deliver them.

CW thanked PSG members for their attendance and closed the meeting.

Date of next PSG: 04 May 2022