

The MHHS Implementation
Manager and to all MHHS
Participants

7 April 2025

Dear colleague,

Market-wide Half-Hourly Settlement (MHHS) is a key enabler of Britain's transition to Clean Power in 2030 and to net zero. Ensuring the successful rollout of MHHS will help unlock consumer-led flexibility for those who choose to participate and reduce electricity system costs by minimising generation and network build. It will also facilitate innovation in the GB retail market. This is a flagship programme for the industry with significant net benefits as demonstrated by Ofgem's published MHHS impact assessment. That is why Ofgem has always made clear – including in the Balancing and Settlement Code – that MHHS Participants cannot seek to avoid or delay undertaking their obligations as MHHS Participants by reason of cost.

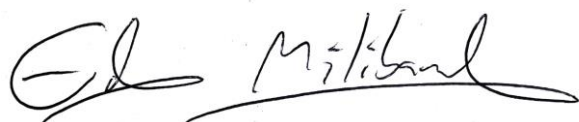
We were extremely disappointed that progress on industry testing last year was so slow that a delay of 6.5 months in the delivery of MHHS became unavoidable. We are clear that there should be no further delays. This determination extends not only to the rest of the testing phase, but also through the qualification and migration phases, and the switchover to the faster settlement timetable. We have already met with the CEO of Elexon to ask for assurances that the Programme will not slip further.

We have been encouraged by the extent to which the responses to the Ofgem 'Innovation in the energy retail market' consultation¹ made the point that industry is keen for MHHS to be implemented as soon as practicable, as it is considered one of the key enablers of innovation. However, the industry must reinforce these responses with timely action. It is vital that you, as the CEOs, play your part in facilitating punctual delivery of MHHS milestones. We expect you to do that as a matter of urgency by making sure sufficient resources are allocated to MHHS within your organisation.

¹ [Innovation in the energy retail market](#)

To ensure that satisfactory progress is being made we will have regular meetings with Elexon's senior management, and we will, as necessary, engage with individual MHHS Participant CEOs, to mitigate any emerging risks to the current delivery timetable. We encourage you to raise potential issues early. In addition, Ofgem is taking steps this year to deliver a package of regulatory measures intended to minimise the likelihood of further delays. We will expect all parties concerned to comply with them in full.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ed Miliband', with a long horizontal flourish extending to the right.

RT HON ED MILIBAND MP
Secretary of State for Energy Security & Net Zero

A handwritten signature in black ink, appearing to read 'JBearley', with a long horizontal flourish extending to the right.

Jonathan Brearley
Chief Executive