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Dear MHHS team,

### **Response to consultation on the proposed directions to Market-wide Half-Hourly Settlement (MHHS) Participants**

This letter is in response to Ofgem's MHHS consultation published on 10 March 2025<sup>1</sup> and is submitted on behalf of Optimal Power Networks (OPN). OPN is a licensed IDNO and a non-Systems Integration Testing (SIT) Licensed Distribution System Operator (LDSO) participant in the MHHS programme.

In summary, we do not believe that the proposed directions are necessary as the MHHS programme and existing obligations already sets out a clear and structured path for MHHS delivery.

#### **We want to see the MHHS programme delivered on time and recognise need to engage with participants to ensure this**

We are committed to the MHHS programme and share Ofgem's disappointment that the planned MHHS 'go-live' has recently had to be delayed. We recognise that timely delivery of the MHHS programme will help enable a smarter and flexible energy system, which will benefit network operators, suppliers and ultimately consumers. We therefore agree with the need for Ofgem, as programme sponsor, and Elexon, as the senior responsible officer and implementation manager, to consider ways to ensure the programme continues to progress to plan.

We are well engaged in the programme and in a good position ahead of the crucial M10 milestone in the future (ie the point at which central parties will be ready to accept migrating MPANs), for example we are regularly engaging with programme officials to share updates on our own activities on the programme and are making good progress on our Qualification Assessment Document (QAD) which is due for final submission in May. Using the QAD as an example, we have had good engagement and feedback on our own activities via this process, as the online portal is easy to use and code bodies have shared quick feedback on our draft submission.

#### **However, we believe imposing additional requirements via a direction is unnecessary and counter-productive**

The existing MHHS programme is well set up to track and ensure participants progress and readiness. Detailed requirements on MHHS participants are already set out within the BSC and there is a clear programme framework to engage with participants and assess their progress towards M10. Additionally,

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<sup>1</sup> [Proposed directions to Market-wide Half-Hourly Settlement \(MHHS\) Participants | Ofgem](#)

PWC, as the Independent Programme Assurance (IPA) provider, has a clear role assuring the overall programme and reporting its status back to Ofgem and Elexon.

The proposed direction would place additional administrative and reporting burden on programme participants, at a time when efforts would be better focused on delivering MHHS in line with agreed milestones. Participants will have to divert attention to these new programme reporting requirements, which risks distracting participants from focusing on operational activities required by the MHHS programme. This is especially true for non-SIT LDSO participants like ourselves who are placing full reliance on third parties for our testing and currently have a lean resourcing model for our MHHS work. Therefore, the new reporting requirements could slow down participants' progress, which would run counter to Ofgem's ultimate policy objective to prevent delays to the programme.

Additionally, the proposed new requirements in the direction lack clarity. For example, the nature of the MHHS Participant Plan that participants are expected to share is unclear – what level of detail and format is expected to be submitted by programme participants? This uncertainty about the format and template to be used in the MHHS Participant Plan will become a distraction for participants.

Imposing additional reporting and governance requirements on participants will increase the MHHS programme administrative and resourcing burden. This will increase costs of the overall programme and is not in the interests of consumers.

**If additional reporting requirements are imposed on participants, we believe additional guidance needs to be issued to ensure any information MHHS participants submit is useful and to achieve Ofgem's objectives**

Building on the above, if Ofgem believes that additional reporting should be imposed, we believe it would be much more useful to the MHHS programme if detailed guidance and a standardised template is issued to programme participants. This would ensure a consistent approach is adopted across industry participants and enable Elexon to more robustly assess participant readiness. Additionally, participants would need a reasonable amount of time (more than that proposed in the current direction) to translate their own planning activities into this more useful format.

This does, however, highlight the high risk that imposing additional reporting requirements on parties will in fact lead to delays in the overall MHHS programme as significant time and effort will need to be devoted to developing programme plans that can be assessed by Elexon.

We are happy to discuss our response further with you. Our response is not confidential.

Yours sincerely,

Graeme Barton  
Regulation Manager