

18 April 2024

Jenny Boothe,
Head of MHHS,
Ofgem,
10 South Colonnade
Canary Wharf
London
E14 4PU

Dear Jenny,

MHHS Licence Review

As you are aware, the MHHS Programme is required under section C12.5.2(a) of the BSC “to identify and inform the Authority of, any and all further modifications to energy licences which are required for MHHS Implementation”

The Programme has reviewed the Standard Licence Conditions of the Supply, Distribution & Transmission licence and has concluded that there are no required changes required to enable MHHS implementation.

This conclusion has been consulted on with Industry who have not raised any issues with the licences that could prevent the implementation of MHHS.

To this end I am now formally confirming to you there is no action required by Ofgem to amend any licence to ensure the successful implementation of MHHS.

As part of this review, we identified a number of areas where we consider Ofgem may wish to make changes where the move to MHHS will cause the licences to be out of date, or could better facilitate, in an MHHS world, the delivery of the MHHS full business case benefits.

These advisory points were also sent out to Industry for consultation and we received a number of comments, some supportive of change and some disagreeing with our conclusions. Attached is a spreadsheet of the Programme’s comments and responses from Industry.

One particular point of concern is the lack of clarity on the recommendation of the CCDG, endorsed by Ofgem, to require export sites to be settled in the new arrangements ([Recommendation 5](#)). This centres around the use of deemed export by FIT suppliers to pay FIT generators or the lack of a requirement to settle (i.e. Register an export MPAN) FIT export even if measured with an export meter in the supply licence. We estimate there are currently 850,000 such sites compared to 250,000 export sites that are currently settled.


On further research and discussion with Industry we believe it would be beneficial for Ofgem to hold

a workshop to discuss potential solutions to this, which may require licence change, and possibly even legislative change (In the sense the licence reflects the legislation).

I have attached a short briefing note on this issue for you to consider as an attachment to this letter.

I hope you find this information helpful. Should you wish to discuss further, please let me know.

Kind regards,



Chris Welby
MHHS Strategic Industry Advisor.
On behalf of the MHHS Senior Responsible Office