

Performance Assurance Monitoring during MHHS Migration

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1. Background

- 1.1 This document sets out the circumstances under which Elexon's Performance Assurance Product will advise the MHHS Programme that Migration of MSIDs to MHHS Trading arrangements be slowed or paused due to their adverse impact on, or risk to, the integrity of Settlement.
- 1.2 Parties are reminded that **these measures are in addition to and do not replace the Settlement Performance standards set out in the Code** or associated thresholds for the deployment of the Error and Failure Resolution (EFR) Performance Assurance Technique (PAT) agreed from time to time by the Performance Assurance Board (PAB).
- 1.3 In particular, **Suppliers whose Settlement Performance falls below the standards set out in the Code for either Legacy or MHHS arrangements are expected to have plans in place to improve this both during and after the migration of MSIDs onto the MHHS arrangements.**
- 1.4 Similarly, **any Party or Party Agent that Elexon believes may pose a risk to the integrity of Settlement in either Legacy or MHHS Arrangements will continue to be subject to appropriate Performance Assurance activities as set out in the Performance Assurance Framework.**

2. Settlement Performance Monitoring during the Migration Period

- 2.1 During the Migration Period, Elexon will monitor each MPID's Settlement Performance in both Legacy and MHHS Settlement.
- 2.2 As part of this monitoring, Elexon will have access to the number of Supplies returning Settlement data for each MPID in both Legacy and MHHS arrangements. Elexon will also have access to the volumes of energy Settled on actual and estimated data, and to the volumes of energy Settled on different estimation methods.
- 2.3 Where Migration from Legacy to MHHS arrangements is successful, Elexon expects to see:
 - A decrease in MSID counts and associated volumes in Legacy arrangements, matched by a consequent increase in MSID counts and associated volumes in MHHS arrangements;
 - Actual data starting to enter the MHHS arrangements at *at least* the same rate at which it had previously entered Legacy arrangements; and
 - An increase in Settlement Performance for NHH Consumption Component Class (CCC) IDs in Legacy arrangements as final reads (whether Actual or Deemed) are processed.
- 2.4 MSID counts, associated volumes, and Settlement Performance are known to fluctuate from day to day during the operation of Legacy Settlement arrangements.
- 2.5 Furthermore, the precise impacts of Migration activity cannot be quantified ahead of time as the Migration to MHHS, by definition, represents an unprecedented change to Settlement arrangements.
- 2.6 For these reasons, it is not appropriate for Elexon to set specific target values for any associated metrics during the Migration Period.
- 2.7 Instead, Elexon consider the following thresholds as *prima facie* evidence of a potential problem with the Migration processes, either in whole or as executed by a given MPID or MPIDs:

- A variation between the day-by-day decrease in MSID count in Legacy arrangements and corresponding increase in MSID count in MHHS arrangements of:
 - Greater than 1% and/or 5 MSIDs for Advanced Meters; and/or
 - Greater than 1% and/or 500 MSIDs for Smart and Traditional Meters; and/or
 - A variation of ~1.15% or greater in total reported week-on-week Settlement Volumes for MSIDs that have been migrated onto MHHS CCC IDs when compared to the broadly equivalent Legacy CCC IDs at the equivalent legacy Settlement Run; and/or
 - A week-on-week decline of ~2.0% or greater in Settlement Performance (expressed as the percentage of overall volume Settled on either actual HH data or (where a meter is not HH capable) a meter advance on a given Settlement Date and run) on MHHS CCC IDs when compared to the broadly equivalent Legacy CCC IDs at the equivalent Settlement Run; and/or
 - Evidence that final reads from migrated MSIDs have not been processed into Legacy Settlement, including but not limited to the absence of an associated improvement in Legacy Settlement Performance for NHH CCC IDs
- 2.8 The thresholds for MSID count have been set in line with the portfolio sizes used to determine eligibility for inclusion in the BSC Audit, revised downwards for Advanced Meters to account for the significantly smaller sample population.
- 2.9 The thresholds for changes in Settlement volumes have been set in line with the existing tolerances for the accuracy of Profiled volumes from meters Settled under the Legacy Non Half Hourly (NHH) arrangements.
- 2.10 The thresholds for changes in Settlement Performance have been set in line with temporary declines observed during large-scale Change of Agent activities associated with the twice-yearly commercial contract rounds.
- 2.11 Elexon acknowledges that these thresholds are, by necessity, based on imperfect comparisons. Elexon will continually assess their suitability throughout the Migration Period as more concrete data becomes available (see “Revisions to these Thresholds”, below).

3. Additional Performance Assurance Actions during the Migration Period

- 3.1 In cases where the above criteria are met, Elexon will contact the Party, the Migration Control Centre and (where this remains active) the Early Life Support team to establish a root cause and consider whether to recommend slowing or pausing Migration activities.
- 3.2 Elexon will also contact Parties, the Migration Control Centre and (where this remains active) the Early Life Support team if it becomes aware from any source of any other issues with Migration processes that may pose a risk to the integrity of Settlement, as it deems appropriate.
- 3.3 Where a Party or Party Agent is found to have introduced:
- a significant Settlement Error in either or both Legacy and MHHS arrangements; and/or
 - a significant Risk to the Migration Timetable set out by the MHHS Programme
- in any way, through action or inaction, relating to the Migration of MSIDs onto the MHHS arrangements, Elexon may recommend that PAB request the BSC Panel publish a Public Notification under the provisions of Modification P427¹.
- 3.4 Such a Notification will be in the form of an Elexon Circular and will provide full details of how the Party or Party Agent’s conduct has impacted Settlement and/or Migration.
- 3.5 Elexon, the PAB, and the BSC Panel will supplement these measures with any other PAT where this is necessary to protect the integrity of Settlement across the migration period.

4. Revisions to these Thresholds

- 4.1 Elexon may revise or add to these thresholds from time to time as the Migration Period progresses. Any such revisions will be communicated to Parties individually through their OSMs and collectively via Newscast. These communications will set out in full the decision process through which Elexon has decided to revise the thresholds.

¹ [P427 Publication of Performance Assurance Parties’ impact on Settlement Risk](#)