RETAIL ENERGY CODE

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01	Proposal Plan
02	Impact Assessment
03	**Consultation**
04	Final Recommendation

CHANGE REPORT

R0241 – MHHS INCREMENTAL CHANGES FOR GO LIVE

DOCUMENT VERSION	1.0
PROPOSED IMPLEMENTATION DATE	Date determined by the Authority in line with MHHS Programme Milestone M8 'Code changes delivered'
IMPLEMENTATION APPROACH	BIG BANG

RESPONSIBLE COMMITTEE	CHANGE PANEL	**CHANGE PATH**	AUTHORITY DETERMINED
PRIORITY STATUS	CRITICAL	**URGENCY**	STANDARD
IMPACTED STAKEHOLDERS	ENERGY SUPPLIERS, DISTRIBUTION NETWORK OPERATORS, GAS TRANSPORTERS, METERING EQUIPMENT MANAGERS, SHIPPERS, DATA COLLECTORS, DATA AGGREGATORS, EES USERS, ALL REC SERVICE PROVIDERS		

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OVERVIEW

This change looks to deliver critical updates to the REC Market-wide Half Hourly Settlement (MHHS) Code Drafting, which was approved by the Authority through R0209 - Implementation of MHHS Arrangements, that are required for MHHS Go-Live at MHHS Programme Milestone 8 'Code changes delivered.'

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BACKGROUND

1 SUMMARY

Since the MHHS Code Drafting was baselined by the MHHS Programme in August 2024, a number of MHHS design changes have been identified and approved by the MHHS Programme to support the robustness of the design for implementation. Amendments to REC Consequential Change solutions have also been identified. Both types of incremental change were expected, due to further understanding being gained through preparation for implementation, including Systems Integration Testing (SIT). Further Code amendments could still be identified during SIT, however the majority of programme testing has been completed in SIT Cycle 3, which ended in March 2025. It was in this cycle when it was assumed most remaining design defects would be identified. Although SIT is still continuing, and will go through a regression phase, the risk of issues being identified that will require a change to industry codes is decreasing.

The REC MHHS Code Drafting was approved by the Authority, to meet MHHS Programme Milestone M7, through the Significant Code Review Change Proposal (SCR CP) R0209 - Implementation of MHHS Arrangements. Incremental changes to reflect the MHHS design that were not included under R0209, now need to be taken through REC change governance, as captured under R0209 Risk R001, Assumption A005 and Assumption A006.

REC Issue I0241 has now progressed to an Authority Change Proposal (CP), as part of the SCR. This SCR CP will ensure that the appropriate obligations, processes and provisions defined within the REC reflect the intention of the MHHS design, enabling a successful transition to enduring governance and operational arrangements.

Prior to progression to CP, I0241 looked to assess and confirm the scope to be taken forward into the CP that will deliver the critical updates to the REC MHHS Code Drafting. Where potential scope items may have had material impacts over and above the approved MHHS design, they would have been considered as having unacceptable risk to the Change Proposal and not been included in scope. No such scope items were raised.

Potential scope items that have been considered under I0241 included:

- Approved Programme Change Requests (Programme CRs) and/or Design Issue Notifications (DINs) not previously included – this includes anything with a REC impact that has been included since Design Interim Release (IR) 8.1
- Amendments identified to REC Consequential Changes identified since M6 and required for M8/M10 implementation – Consequential Changes have been defined under the same principles previously adopted by the Programme's Code workstream – includes amendments to Electricity Enquiry Service (EES) related code drafting identified through participant testing
- Correction of issues identified with the Code Drafting approved under R0209 to ensure alignment with the MHHS design
- Issues shared with the REC MHHS project team that required further consideration with stakeholders to understand their criticality and impact

Scope items were compiled and managed by the solution lead in the early stages of the Issue and then as they arose during the Definition window.

The impacted REC products have been developed and extensively consulted on as part of I0241 and endorsed by the MHHS Programme, as set out in Ofgem's letter to the Code Manager, dated 04 June 2025. Ofgem's letter also sets out the timetable for the progression of the CP, with a proposed implementation date in line with MHHS Programme Milestone M8 'Code changes delivered'.

2 PROBLEM STATEMENT

REC MHHS Code Drafting was approved by the Authority, to meet M7, through R0209, and incremental changes to support the MHHS design since M7 have not been included under that Change Proposal. To ensure that the REC MHHS Code Drafting, implemented at MHHS Programme Milestone M8, is aligned to the MHHS design, including updates not captured by R0209, the code now needs to be taken through REC change governance.

3 IMPACTS

The REC products that are confirmed as impacted by R0241 are provided in the table below.

CONSUMERS
All Electricity Consumers

REC SERVICE PROVIDERS
Electricity Enquiry Service
Electricity Retail Data Service

RECCO / REC CODE MANAGER
RECCo
All REC Code Managers

REC PARTIES AND SERVICE USERS
Energy Suppliers
Distribution Network Operators
Metering Equipment Managers
EES Users
Data Communications Company

REC DOCUMENTS / PRODUCTS	
Interpretations and Definitions Schedule	EES Service Definition
Qualification and Maintenance Schedule	ERDS Service Definition
Related Metering Points Schedule	Schedule XX - MHHS Migration
	Data Specification: Market Messages Data Items
	EES API Technical Specification

MHHS DESIGN	MHHS DATA SPECIFICATION	MHHS CODE DRAFTING
Changes that are confirmed to impact the MHHS design, and have not already been captured by a Programme CR or DIN will not be taken forward under this change	The purpose of this change is to progress necessary REC-owned changes to the MHHS Data Specification that are required at MHHS Go-Live	The purpose of this change is to progress necessary changes to the MHHS Code Drafting that are required at MHHS Go-Live

The MHHS Code Drafting approved under R0209 will be directly impacted by this change where amendments have been identified. The resulting updated drafting will need to be implemented at M8 and will be managed via the REC's MHHS M8 release planning activity.

4 CROSS-CODE IMPACTS

Equivalent changes will also be progressed under the Balancing and Settlement Code (BSC) and Distribution Connection and Use of System Agreement (DCUSA). The DIP Manager is also considering changes that need to be progress for MHHS go-live. Some scope items in R0241 will directly relate to scope under other code's changes.

The scope list considered under this CP is directly linked to the MHHS Programme's 'M8 Change Control Log' on the Pre-M8 Change page of the MHHS Collaboration Base. This is the central repository for all change being considered for inclusion in Change Proposals and Modifications for implementation at M8. Progression and alignment between the Code Bodies has been coordinated through the MHHS Programme Code Workstream.

This Change Proposal is a further SCR CP and has a directed, coordinated timetable from Ofgem.

5 PROPOSAL PLAN

Milestone	Activity	From	To
Definition		**06 Feb 25**	**31 May 25**
	Solution Development	February	May
	Impact Assessment	March	May
Change Proposal		**01 Jun 25**	**15 Jul 25**
	Consultation	17 Jun 25	01 Jul 25
	Final Determination	July	July
Voting		**15 Jul 25**	**15 Jul 25**
	Issued for Authority Determination	17 Jul 25	17 Jul 25

The initial Change Proposal Plan for I0241 was set up to the end of the Definition stage. As the CP was expected to have a timetable directed by Ofgem and coordinated under the MHHS Programme Codes Workstream, it was not possible to set out the specific dates beyond impact assessment. As intended the Code Manager has been able to confirm the proposed scope before the end of May 2025.

The Code Manager has now extended the Proposal Plan to capture the remaining milestones. The intention of this change is to ensure MHHS Code Drafting reflects the intent of the MHHS design and to do so within the timescales set out in the MHHS Implementation Plan. To meet these timescales, it is necessary to progress the process stages in a compressed, fixed timeframe. Similarly to R0209, rather than seeking to apply the Urgency criteria under 'business as usual' code change processes, Ofgem has used its SCR powers to direct the CP timeline as set out in its letter to the Code Manager on this CP, dated 04 June 2025.

The timeline requires progression of the CP such that a recommendation from the REC Change Panel will be sent to the Authority by 17 July 2025. Meeting this deadline will facilitate an Authority decision on the CP by 04 September 2025, providing confirmation for the final approved drafting to be implemented at MHHS Milestone M8.

The plan set out above ensures that the REC Code Manager can meet that timeline.

6 STAKEHOLDER ENGAGEMENT

The Change Issues Group has been the primary industry engagement forum for this change. The REC MHHS Stakeholder Advisory Group (MSAG) was the governance forum through which the REC Consequential Change solutions that fed into the Code Drafting were agreed. MSAG stakeholders were made aware and encouraged to join the Change Issues Group meetings.

MHHS Subject Matter Experts (SMEs) from RECCo and the Code Manager have directly engaged in the development of this change. Representatives from other Code Bodies and the MHHS Programme have also been engaged throughout this change's progression.

An iterative approach to impact assessments was available, allowing for scope items that could be confirmed easily and early, to not have to wait until later additions or more complex scope items to be ready. However, only one impact assessment phase was required for a subset of scope items.

Where a scope item is cross-code, the Code Manager has worked with the relevant Code Body/ies to ensure communications or assessments can be aligned.

Depending on scope items included, updates to other relevant Responsible Committees have been considered. This has been managed appropriately throughout the Definition stage.

The proposed scope for the final Change Proposal has been taken to the Code Drafting Working Group (13 May 2025) and Cross Code Advisory Group (28 May 2025) for review and endorsement, alongside equivalent drafting updates from other Code Bodies.

7 PRIORITY STATUS AND URGENCY

Category	Significance / Resource impacts / Urgency	Further selection / breakdown	Score (0-3)	Weighting	Weighted Score
Impacts	Consumer Impact	Direct	2	25	50
	Retail Markets Impact	Innovation and Market Arrangements	3	15	45
	RECCo / REC Party / REC Service Provider Impact	Operational Effectiveness and Efficiencies	1	5	5
		Legal and Regulatory Compliance	3	13	38
Resource	Complexity / Effort / Duration		2	8	15
Strategic Alignment	Contribution to/ Alignment with the objectives of the REC		3	15	23
	Contribution to/ Alignment with RECCo's Forward Work Plan		2		15
Urgency *(The need to progress a change to meet a targeted date)*		Significant Code Reviews	3	20	60
				Overall Priority Score (rounded)	250

Priority Status	CRITICAL
Change Proposal Type	STANDARD

SOLUTION

8 SUMMARY OF ANALYSIS UNDERTAKEN

Existing design and Code Drafting documentation has been collated and reviewed for each scope item identified. These were shared and discussed with stakeholders through the Change Issues Group ahead of the proposed drafting being developed.

Each scope item has been considered individually and confirmed in scope for the Change Proposal in consultation with Change Issues Group attendees. A scope tracker, available on the R0241 REC Portal page, has been used throughout the Issue to collate and track progress.

9 PROPOSED SOLUTION

Scope items being progressed under the Change Proposal fall into three areas:

1. **Design updates:** Programme CRs and/or DINs not previously included – this will be anything with a REC impact that has been included since Design Interim Release (IR) 8.1
2. **REC Consequential Change:** Amendments identified to REC Consequential Changes identified since M6 and required for M8/M10 implementation - Consequential Changes will be defined under the same principles previously adopted by the Programme's Code workstream
3. **Drafting updates:** Correction of issues identified with the MHHS Code Drafting to ensure alignment with the MHHS design

Amendments identified through issues shared with the REC MHHS project team, and that required further consideration with stakeholders to understand their criticality and impact fall into the above three categories.

A summary of the proposed amendments, with their associated M8 Change Control Log references, and links to the relevant solution documentation are provided in the table below:

Scope grouping	M8 Control log references	Solution documentation
Design updates	**M8-008:** DIN1114 - DI-030 Domestic Premise Indicator - Boolean update **M8-013:** DIN1128 - IF008 Correlation id clarification not required where SMRS auto de-energises **M8-030:** CR056/DIN1138 - Single CSS00200 Market Message per Metering Point for agent appointments **M8-271:** DIN1140 - New Connections	I0241 Programme Design Updates 06.05.2025
REC Consequential Change updates	**M8-031,032,243,244,247**: Electricity Enquiry Service API specification updates **M8-248**: D0386 validation – J2240 New enumeration **M8-273**: D0300 Meter Register Id note **M8-274**: Missing D0383 and D0384 Scenario Variants	I0241 Consequential Change - EES API 06.05.2025 I0241 Consequential Change - DTN Market Messages 06.05.2025
Drafting updates	**M8-249**: Related Metering Points during Migration **M8-250**: EES service levels **M8-251**: EES updates Annual Consumption **M8-272**: MHHS Activation **M8-286**: Remove erroneous references to the MHHS Transition Schedule **M8-287**: Missing process step references **M8-various**: EMDS Corrections (35 updates)	I0241 Drafting Updates – Related Metering Points 06.05.2025 I0241 Drafting Updates - EES Service Requirements 06.05.2025 I0241 Drafting Updates – MHHS Activation 06.05.2025 I0241 Drafting Updates – Drafting Alignments 06.05.2025 I0241 Drafting Updates – EMDS Corrections Summary 06.05.2025

10 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to R0241 can be found here.

This legal text is unchanged since being reviewed and endorsed by the MHHS Programme, via the Code Drafting Working Group and Cross Code Advisory Group. The below table provides a summary of the impacted REC artefacts and which scope items have impacted them:

REC Artefact	Scope items
Energy Market Data Specification	• I0241-001/M8-008 (DI-030 DPI) • I0241-002/M8-013 (IF-008) • I0241-009/M8-248 (J2240) • I0241-013/M8-various (EMDS Corrections) • I0241-017/M8-273 (D0300 note) • I0241-018/M8-274 (D0383 & D0384)
Schedule 1 – Interpretations & Definitions	• I0241-011/M8-271 (New Connections) • I0241-010/M8-272 (MHHS Activation vs Qual)
Schedule 9 – Qualification & Maintenance	• I0241-010/M8-272 (MHHS Activation vs Qual)
Schedule 28 – Related Metering Points	• I0241-008/M8-249 (Related in Migration)
Schedule XX – MHHS Migration	• I0241-011/M8-271 (New Connections) • I0241-010/M8-272 (MHHS Activation vs Qual) • I0241-019/M8-286 (Transition Schedule reference) • I0241-020/M8-287 (Missing cross-references)
EES API Technical Specification	• I0241-004, 005, 006, 007, 012/M8-031, 032, 243, 244, 247 (Alignments to technical build)
EES Service Definition	• I0241-014/M8-250 (EES SLAs) • I0241-015/M8-251 (EES Annual Consumption)
ERDS Service Definition	• I0241-003/M8-030 (Single CSS00200)

PRELIMINARY ASSESSMENT

11 SUMMARY OF IMPACT ASSESSMENT ACTIVITY

11.1 REC PARTY IMPACT ASSESSMENTS

A 10 Working Day Party impact assessment was issued on 13 March 2025 requesting assessments on the following scope items:

- Related Metering Points during Migration (M8 Control log reference M8-249)
- EES API technical specification updates (M8 Control log reference M8-031, 032, 243, 244 and 247)

Two responses were received, one of which was confidential. The non-confidential response was from a DNO.

DISTRIBUTION NETWORK OPERATORS	Related Metering Points during Migration • Supported inclusion in the proposed drafting amendments to be taken forward for all scope items. • Identified that implementation of this scope item should be at M8 and don't foresee any negative impacts to MHHS implementation plans • No costs identified for any of the scope items and benefit identified in the clarity that will be provided EES API Technical Specification updates • Supported inclusion in the proposed drafting amendments to be taken forward for all scope items. • No costs identified for any of the scope items • No constraints identified on when the changes should be implemented • No benefits identified due to not being users of the EES API

12 RISKS, ASSUMPTIONS, ISSUES AND DEPENDENCIES

12.1 RISKS AND ISSUES

No risks or issues have been identified

12.2 ASSUMPTIONS AND DEPENDENCIES

NO.	ASSUMPTION	NOTES	HOW/WHEN TO VALIDATE
I0241.A001	The Change Proposal which is progressed from this Issue is expected to be an SCR CP with a directed, coordinated timetable from Ofgem		Validated – Ofgem direction received on June 2025
I0241.A002	Definition will determine the scope of the Change Proposal to be taken forward for implementation at M8		Validated – Definition completed and scope endorsed by CCAG on 28 May 2025.
R0241.A003	No technical changes will be required in MPRS to support the clarification on Related Metering Points during Migration	MPRS has been built to reject relationship creation where the relevant Metering Points are not all MHHS or all non-MHHS	Verified by the MPRS Provider during solution development
R0241.A004	EMDS MHHS V1.4 has no additional changes for the REC drafting compared to V1.3	V1.3 was provided for the purposes of CDWG review and CCAG endorsement and Ofgem direction. Additional Data Specification changes have been captured in v1.4 for DCUSA Code Drafting only	

NO.	DEPENDENCY	NOTES	STATUS
I0241.D001	Successful progression of this Issue during Definition is dependent on engagement with industry Parties, other Code Bodies and the MHHS Programme to appropriately understand and document the scope to be taken forward	Change Issues Group and CCAG will be the primary the forums for this engagement.	Ongoing

13 BUSINESS CASE ASSESSMENT

Similarly to R0209, the business case for this change is linked to the delivery of the MHHS Target Operating Model. As noted above, Ofgem's Final IA estimated quantified net benefits to GB Energy Consumers of £1.6bn to £4.5bn over the period 2021-45. The Final IA also noted that implementing MHHS (including third party access to HH consumption data) should deliver significant additional benefits that could not be quantified in advance arising from increased competition, innovation and Consumer choice. As part of the Final IA, Ofgem sought to estimate the costs of implementing and operating under the new MHHS arrangements. Ofgem's central cost estimate was £541.3m over the period 2021-2045.

COSTS	COSTS
PARTIES	No additional costs for REC Parties to implement MHHS have been identified as a result of the proposed amendments included in R0241.
SERVICE PROVIDERS	No additional costs for REC Service Providers to implement MHHS have been identified as a result of the proposed amendments included in R0241.
CODE MANAGERS	No additional costs for the REC Code Managers to implement MHHS have been identified as a result of the proposed amendments included in R0241.

BENEFITS	BENEFITS DESCRIPTION
MHHS PROGRAMME	Definition of the obligations, processes and provisions within the REC is a key component to the delivery of the MHHS Target Operating Model and will enable positive Consumer impacts to billing accuracy, trust and confidence, security of supply and ability to pay. The proposed amendments to the MHHS Code Drafting in R0241 further support this benefit.

14 CASE FOR CHANGE

AUTHORITY DETERMINATION

In support of and as an incremental update to R0209, the Code Manager believes that R0241, similarly to that CP, better facilitates the following REC Objectives:

OBJECTIVE	IMPACT TYPE	DESCRIPTION AND JUSTIFICATION
To ensure the REC operates and evolves in a manner that facilitates the achievement of its mission statement[1]	Positive	This CP will better facilitate this objective as it will further ensure that the REC will have evolved and can operate during the transition to and under the enduring governance and operational arrangements for MHHS.
To ensure customers interests and data is protected in the operation of the REC	Positive	Ofgem has estimated that the MHHS programme will deliver significant benefits to Consumers (net consumer benefits of between £1.6bn and £4.5bn over the period 2021-2045). The updated REC legal text provides the appropriate obligations, processes and provisions for the new MHHS arrangements, through the translation of the MHHS design into the REC. The changes to be implemented through R0209 and R0241 update Consumer impacting processes to ensure that they remain fit for purpose; that Consumers' best interest remain protected under the new arrangements; and that MHHS required data and data sharing under the REC is governed to at least the same, secure standards as under current arrangements. This extends to setting out Party obligations during Transition as well as in the new arrangements.
To drive continuous improvements and efficiencies in the operation of the REC and the central systems and communication infrastructures it governs	Positive	Building on R0209, R0241 has facilitated the consideration of additional updates for MHHS across the REC under one proposal. This has ensured that the breadth of the changes have been considered as a whole, and holistically with the other codes. This means a reduced risk of introducing inefficiencies and misalignment changes to central systems, obligations and the communication of data. R0241 further ensures that the improvements driven by implementation of a faster and more efficient Settlement system – the introduction of the DIP and the associated faster data sharing – also provide positive impacts to Consumer impacting processes.

[1] REC Mission Statement

15 APPENDIX

CHANGE PROPOSAL	Link
SOLUTION DOCUMENTATION AND LEGAL TEXT	R0241 Legal text for Consultation EMDS MHHS v1.4 - updated for DCUSA only Single file for all solution and legal text documents
CONSOLIDATED PARTY IMPACT ASSESSMENT RESPONSES	Link
RELATED CHANGES	R0209 - Implementation of MHHS Arrangements BSC Modification P478 Implementation of MHHS Arrangements DCP 445: Implementation of Market-wide Half Hourly Settlement (MHHS) Arrangements
OTHER DOCUMENTS / LINKS	Ofgem's letter to the Code Manager MHHS Programme Finalisation of Code Artefacts - MHHS Programme Consequential Change Solution Documents – REC MSAG

16 GLOSSARY

TERM	DEFINITION
Balancing and Settlement Code (BSC)	means the Balancing and Settlement Code, as defined in the Electricity Supply Licences
Central Switching Service (CSS)	means the Systems and processes provided or procured by the CSS Provider for the purpose of providing the Address Management Service and the Registration Service.
Consumer	means any person supplied (or seeking a supply) of Energy at an RMP (whether or not that person also exports or is seeking to export electricity at an RMP).

CSS Provider	means the DCC when performing functions under or in relation to this Code (but always excluding its functions under the Smart Energy Code and its roles as CSS Systems Integrator, SI Provider and Switching Operator), including in respect of the Central Switching Service and including in effecting the design, build and testing of any System that will allow it to perform functions under this Code after the CSS Go-Live Date. This role is the CSS Procurer and Manager function as described in the E2E Data Migration Plan, E2E Integration Plan, E2E Post Implementation Plan, E2E Testing Plan, E2E Transition Plan: Implementation Approach and E2E Transition Plan: In-Flight Switches Approach.
Data Communications Company (DCC)	means the person holding the DCC Licence.
Data Integration Platform (DIP)	means the data integration platform made available pursuant to the BSC.
DIP Manager	means BSCCo or such other entity as is responsible under the BSC for managing the Data Integration Platform.
DIP Rules	has the meaning given to that term under the BSC.
Distribution Network Operator (DNO)	means a person holding an Electricity Distribution Licence.
Electricity Retail Data Service (ERDS)	means the electricity registration services provided under this Code to support the provision of electricity retail data to the CSS and other services.
Electricity Enquiry Service (EES)	means the service described as such in the EES Service Definition.
Market-wide Half Hourly Settlement (MHHS)	Market Wide Half-Hourly Settlement will utilise the ability of smart meters to record a customer's usage during each half hour period to move domestic and small non-domestic customers to half-hourly settlement. Medium and larger non-domestic consumers have been settled half-hourly since BSC modification P272.
MHHS Milestone M8 'Code changes delivered'	This is the milestone at which the consequential changes, required to the industry codes to enact the MHHS design, will be implemented. The date will be determined and governed by the MHHS Programme.
MHHS Target Operating Model (TOM)	The Target Operating Model is the settlement arrangements designed by the Design Working Group (DWG) and further developed by the Code Change and Development Group (CCDG) and the Architecture Working Group (AWG) that will facilitate Market-wide Half Hourly Settlement.

Significant Code Review (SCR)	means a review of one or more matters by the Authority which the Authority considers is: related to this Code (whether on its own or together with other Energy Code(s); and likely to be of significance in relation to the Authority's principal objective and/or general duties (as set out in section 3A of the Electricity Act and section 4AA of the Gas Act), statutory functions and/or relevant obligations arising under Law, and concerning which the Authority has issued a notice that the review will constitute a significant code review.