

Power through data

Understanding MHHS

Author: Tom Hayton, Head of Product Strategy at TMA

Discover how Market-Wide Half-Hourly Settlement (MHHS) is set to transform the energy market. This briefing is your guide to the key timelines, impacts, and how TMA acts as your trusted partner, ensuring you're ready to navigate this industry shift with confidence as well as compliance. TMA.CO.UK

What is MHHS?

Market-Wide Half-Hourly Settlement (MHHS) is a **transformative change** in the UK energy market, designed to **improve accuracy** in energy settlements by switching to half-hourly consumption data for all meters. This change enables a **smarter, more flexible** energy market.

Read on to understand how it will affect you, and how you can prepare >>>



Why is MHHS happening?

Improved accuracy

Settling energy based on half-hourly data ensures more precise billing, better reflects actual consumption, and aligns generation with usage.

Facilitating flexibility

MHHS supports the integration of renewable energy sources and encourages demand-side flexibility, enabling customers to adjust their usage based on price signals.

Regulatory compliance

MHHS is mandated by Ofgem to modernise the energy settlement process, ensuring the UK meets its sustainability targets and market efficiency goals.

"MHHS will be one of the biggest overhauls of electricity systems and processes since privatisation and the introduction of the competitive market in 1998." ELEXON

When is MHHS happening?

Transition period

The MHHS programme is already in progress, with testing and early implementation stages underway.

Full implementation

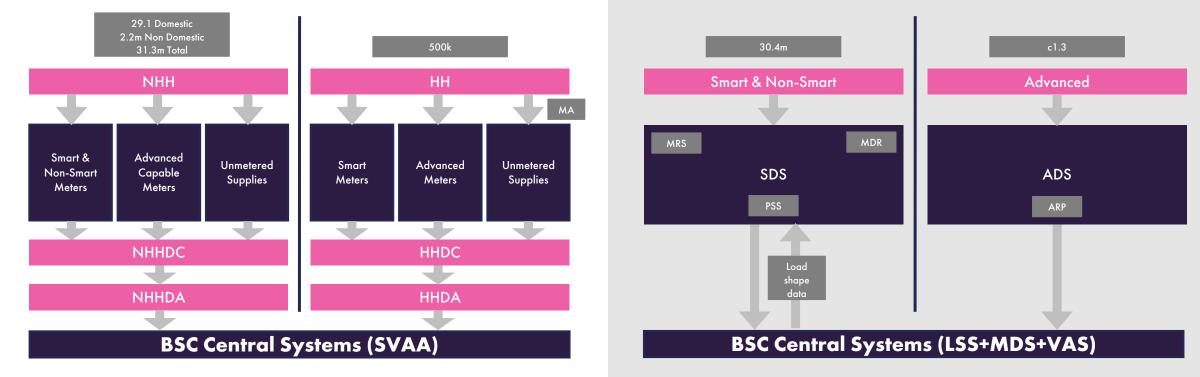
Beginning in 2025 and scheduled for completion in 2027, MHHS will be fully rolled out across the UK, affecting suppliers, consumers, and the broader energy ecosystem.



How will it change the industry?

The number of meters will grow in the UK, with more data collection intervals. It will drive change in the metering market

and automation will increase, requiring better connectivity. Older meters must be refreshed for more accurate settlements, changing the metering landscape significantly. These enriched data sources provide new opportunities for digitisation, improved visibility around carbon impact, and new services from energy suppliers.



Current

Be ready for change with TMA



Future – Market-wide HH Settlement

How will MHHS affect energy suppliers?



"Ofgem consider the MHHS Programme as a first in defining the 'blueprint' for future large change programmes within the energy industry." Helen Adey, MHHS Programme SRO MHHS will present major changes and opportunities for energy suppliers.



New regulations

Suppliers need to comply with stricter regulatory standards set by Ofgem and Elexon under MHHS, including enhanced data and reporting accuracy.



New service opportunities

The data from half-hourly settlements means suppliers can offer new services, pricing strategies, and data-driven solutions to gain a market advantage.

System overhauls

Suppliers will be required to upgrade their data and billing systems to handle the increased volume of half-hourly data.



How will MHHS affect TPIs?

MHHS presents TPIs with a fresh set of requirements, demands, and opportunities for those willing to move quickly.



System upgrades

TPIs need to handle the surge of half-hourly data with new systems that maintain accuracy and reliability.



Transparency

Using real-time data, TPIs must ensure fair and transparent advice, meeting regulatory expectations.

Sustainability services

With access to real-time data, TPIs can overlay the carbon impact of energy usage onto existing metrics, helping clients align energy usage with sustainability goals.

Customised energy solutions

With detailed consumption data, TPIs can offer tailored energy strategies to clients, providing personalised advice on tariff options and consumption patterns.



"Market-wide Half-Hourly Settlement is a key enabler of the flexibility to support the transition to Net Zero"

MHHS Programme

How will MHHS affect end-users?



Ofgem's draft MHHS Impact Assessment identifies total net benefits of MHHS for GB consumers of

£1.6bn to £4.6bn

MHHS is set to transform the way I&C companies measure and consume their energy.



Accurate billing

Bills will reflect actual usage, improving fairness and reducing reliance on estimates.



Energy efficiency

Time-of-use tariffs will encourage energy-saving habits by offering cost incentives for using electricity during cheaper, off-peak hours.



Flexibility and choice

MHHS will allow end-users to adjust usage and select suppliers based on real-time pricing, helping them optimise costs.



Increased transparency

Greater access to real-time data will provide end-users with more visibility into their energy usage, helping them make more informed decisions.

Elective half-hourly shows the way

What is Elective Half-Hourly Settlement?

Elective Half-Hourly Settlement (EHHS) was introduced in 2017 to encourage suppliers and consumers to voluntarily adopt half-hourly metering, allowing for more accurate billing and better energy management.

Designed as a phased approach, EHHS enabled those ready for advanced metering technology to benefit from real-time data without imposing immediate infrastructure changes across the market.

This gradual adoption of EHHS allows the industry to prepare for the shift to MHHS, and TMA are at the heart of it.

"

There's a real opportunity for this programme to **learn from the innovators** and those that are early adopters of smart tariffs about how you actually do this in a way that is not cumbersome and overly complicated.

> **Rachel Fletcher** Former Ofwat Chief Executive



TMA are leading the way with MHHS

Completed

- CIT for Advanced Data Service (ADS) and Smart Data Service (SDS)
- ✓ PIT for SIT Functional and progressing with SIT as part of 2 cohorts
- ✓ SREPT and UEPT for the new MDR User Role
- All internal testing milestones
- Achieved positive feedback on all programme documentation submissions

TMA has been invited to join the Minimum Viable Cohort (MVC) as the frontrunners of SIT Functional Testing including:

- **Qualification Working Group** participant responsible for market understanding and planning for qualifications.
- Working on ISO 27001 in preparation for MHHS Go-Live
- Similar to the current HH and NHH, TMA will ensure compliance with the required BSCPs - BSCP701 (SDS) and BSCP702 (ADS)

How can TMA help with MHHS?



Fully operated smart data and advanced data service

- Fully hosting, operating and managing SDS and ADS alongside our NHHDC/DA Services.
- Full reporting including exceptions needing Supplier intervention plus regular reviews with our expert team
- TMA undertake all obligations under the new BSCP701 for the Smart Data Service and BSCP702 for the Advanced Data Service, including qualification and the annual Elexon audit.



Pre-migration

- Where TMA are the current NHHDC/DA and HHDC/DA, TMA will provide full migration support including an audit of the health and readiness of each MPAN within the Supplier's portfolios to prioritise exceptions and avoid a bumpy road within MHHS.
- TMA will handle any triaging that we could resolve with full reporting. Each type of exception would have an assigned owner responsible for addressing the issue, ensuring it is resolved and ready for migration.



Migration and Beyond

- As portfolios transfer from HH to ADS, full migration and post-migration support will be provided with SLAs to meet the reduced settlement timescales.
- Work with your dedicated TMA team for seamless support before, during, and after migration.
- Regular reporting reveals any exceptions with planned resolution paths.



Ready for MHHS?

Book a consultation with one of TMA's experts today and ensure your systems are prepared for the future of energy settlements.

Find out more at TMA.co.uk

About the author

Tom Hayton, Head of Product Strategy at TMA

With over a decade of experience in the commercial energy market, Tom leads the development and execution of TMA's product vision, focusing on innovative solutions for energy suppliers.

E: tom.hayton@tma.co.uk T: +44 (0)20 8549 1060

© 2024 TMA



