



Avanade MHHS

Supercharge your compliance and customer experiences

The upcoming energy industry reform
isn't an issue – it's an opportunity!

[avanade.com](https://www.avanade.com)

Market-wide Half-Hourly Settlements (MHHS)



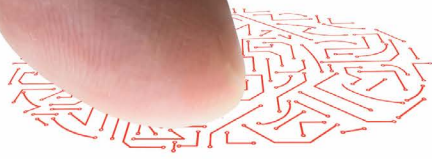
The UK has set a target of being net zero by 2050, and now it must deliver on this promise. As part of the carbon reduction activity, the government created the 'Powering our Net Zero Future' energy white paper which sets out a motivated programme to build a fairer greener energy system.

Despite the growth in smart meters and the ability of these devices to record the amount of energy consumed or exported within every half hour of the day, most customers are still billed using estimates - based on a profile of the average consumer usage and their own meter reads.



MHHS will bring net benefits for consumers of between **£1.6bn and £4.5bn** over the period

2021-2045.



This dissociation in data and insights means there's now an opportunity to make the settlement process more accurate and timely, whilst also delivering...



Positive outcomes for consumers through lower bills



Reduced environmental impacts



Enhanced security of supply



A better quality of service

This industry reform - known as **Market-wide Half-Hourly Settlement (MHHS)** - is a key enabler of the move to a smarter, more flexible energy system and has a fundamental role in delivering smart systems and flexibility.

Through a greater understanding of customer consumption and a more accurate settlement process, decarbonisation can be achieved at a lower cost to the customer, without the need for significant network improvements and increase in generational capacity.

Of course, there will be some investment required. For example, new billing systems

capable of settling time-of-use tariffs, new demand forecasting processes and enhanced data analytics to develop strategies like targeted marketing campaigns.

Perhaps you are thinking, 'I'll just sit back and see how this goes'. Well, doing nothing is unlikely to be an advantage. If customers with cheaper half hourly profiles leave their SVTs for tariffs that better suit their specific load profile (for example, EV drivers and customers with rooftop solar panels), your margin could take a hit as it might become more expensive to settle half hourly tariffs than it was using average settlement profiles under non-half hourly. Either way, it's worth keeping your finger on the pulse of MHHS.

The Data Integration Platform (DIP)



As part of the MHHS reform, industry participants must now submit their data to Ofgem via a Data Integration Platform (DIP). The DIP is a message oriented/ event driven middleware that supports the flow of messages or events between industry participants as per the Event Driven Architecture (EDA) by validating the schema, managing the message routing and supporting any error handling.

Now, while **Avanade was tasked with creating the DIP architecture for the energy industry**, it's not possible to create bespoke or flexible solutions for each business. Instead, this industry reform should be seen as an opportunity to review and improve your data capture, management and related internal processes. **And this is where we can help.**



Why is the Event Driven Architecture (EDA) useful?

Event Driven Architecture enables real time processing of large volumes of messages, allowing better use of cloud native capabilities. It's a scalable and flexible solution that can deal with complex message routing across the whole market of participants processing millions of messages in real time.

Avanade's 3-step DIP process

1

Discovery

During our Discovery phase, we will look to understand your IT estate and your current systems. Our experts will identify what channels you need to implement, what volume of messages you are expecting to send, and how this number is likely to change in future. We'll then work with you to understand the insight and advantages you can gain from the data. From here, we'll design a solution that enables you to interface with the DIP layer. Collaboration is key, and we'll communicate with your team to understand the insight and advantages of your data, and how your applications can evolve to harness cloud native capabilities to reduce your total cost of ownership.

2

Build

After design and planning are complete, the Avanade team will work with you on your integration and data platform, this may be new or extending your current tooling to take advantage of the new DIP interfaces.

3

Run

As part of the Run stage, our experts will support you and your business with a managed service. This includes, monitoring, enhancements, and any further integration requirements. We will also introduce SLAs for our activity to ensure you can rest easy knowing that we are by your side.

Why you should act now

When it comes to industry changes and regulatory updates, you could be forgiven for thinking 'this won't be implemented on time'. But let us reassure you, the deadline for all market participants to use the DIP is October 2025, and this target will be met! There's no delays or allowances in place which means you need to be ready and compliant. What's more, given that the underlying goal of this development is carbon reduction and achieving a Net Zero UK, it would seem that anyone who cares about the planet should be looking to achieve compliance as soon as possible.



There is a wealth of operational and financial benefits.

With the half hourly settlement, you can see a clear correlation between energy consumption and energy purchase at each half hour interval, enabling you to differentiate between different types of customer load profiles so you can offer smart tariffs and bespoke pricing.

If you're looking for more reasons to promote MHHS and DIP to the top of your agenda, then just know that there is a wealth of operational and financial benefits for your business too...



Financial certainty

By enabling the settlement process to complete in 4 months rather than 14, you are able to create more cashflow certainty between forecasted and actual energy consumptions for your customers, and reduce credit cover.



Enhanced customer offerings

Provide your customers with data-driven tariffs and offerings (like bespoke pricing) that support energy flexibility services and drive consumption away from peak periods or towards periods of higher renewable generation.



Shifting customer demand

If the enhanced offerings can successfully reduce shaping and imbalance exposure, and shift customer demand away from peak periods and towards times of excess renewable generation, then electrification (i.e., electric cars) can be supported with less cost than reinforcement activities.

Implementing a DIP strategy at your business can seem like an overwhelming prospect and one that will require great levels of time and resources. But that is why we've created this service at Avanade. Our experts will work with you to engineer the best solutions for your business and ensure streamlined compliance. This means you can focus less on the technical requirements, and more on giving your customers the latest products, more accurate bills and better customer experiences.



10 great reasons to choose Avanade...

Avanade is the leading provider of innovative digital and cloud services, business solutions and design-led experiences delivered through the power of people and the Microsoft ecosystem. Our professionals combine technology, business and industry expertise to build and deploy solutions to realise results for our clients and their customers. Avanade has 30,000 digitally connected people across 24 countries, bringing clients the best thinking through a collaborative culture that honours diversity and reflects the communities in which we operate.

Nobody knows MHHS and DIP architecture like us



80 locations
across 24 countries



17-time
winner of Microsoft
Partner of the Year
(including 2022)



Winning bid
to create the MHHS'
DIP architecture

Microsoft
CERTIFIED

60,000+
certifications in
Microsoft technology



Expert
Managed Service
Provider



100+
Microsoft
partner awards

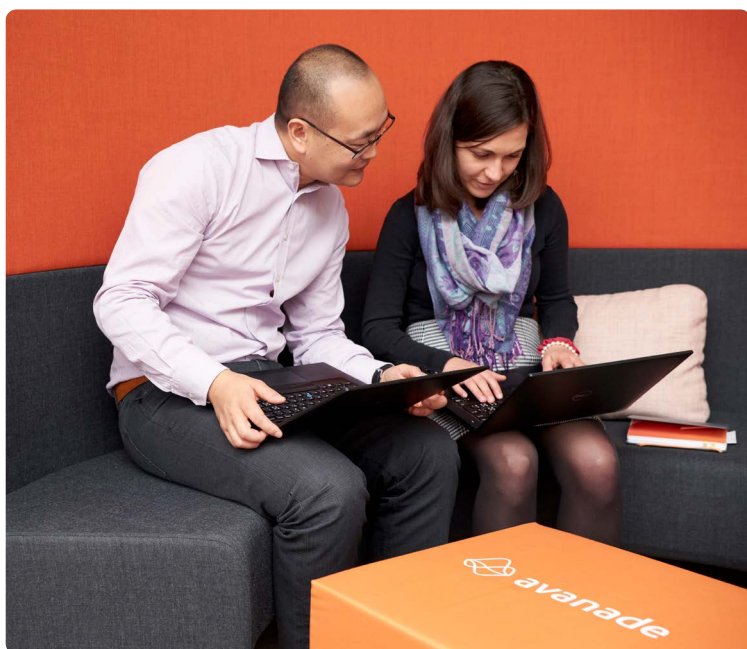


18 Gold
Competencies

IDC research shows
Avanade managed
services delivering an
ROI of 433%,
and paying for themselves
in just 10 months

15
Centres of Excellence
specialising in cloud,
Dynamics AX, CRM,
digital marketing
and more

23
delivery centres
around the world
and more than
50,000
skilled professionals



We help you do what matters

If you want to do your bit to help the UK reach Net Zero, whilst also supercharging your data and potential customer experiences...

Speak to our experts today

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