ATTACHMENT A: MHHS TIMETABLE CONSIDERATIONS

Run name	Current timing	DWG's proposed timing	Purpose of run	Pre-requisites for run under MHHS	Benefits of shortening	Risks of shortening
Interim Information (II) Run	4 WDs	4 WDs	To detect CVA errors so that these can be corrected before the first financial run.	CVA Meter readings need to be collected.	Could enable quicker SF Run (see below).	Could reduce ability to identify/ correct CVA errors before SF Run.
Initial Settlement (SF) Run	16 WDs	5-7 WDs	First financial run. Up to this point, BSC Parties must lodge Credit Cover for their estimated energy indebtedness.	SVA Meter readings need to be collected (dependent on DCC capability), and load shapes calculated to apply to Meters where readings aren't available.	Reduces the amount of Credit Cover that Parties need to lodge.	Overly shortening the run could: • Result in significant DCC costs; • Impact the ability to undertake the II Run; • Create volatility between runs, if it means the SF Run is less accurate – thereby increasing the risk of bad debt; and/or • Negate the benefit of the reduced timing if it means the run is less accurate and results in excess Credit Cover.
1st Reconciliation (R1) Run	39 WDs (~2 months)	33 WDs (renamed as Interim Reconciliation Run)	Reconciliation against previous run as more SVA Meter readings become available and errors are identified/ corrected.	Readings from 'dumb' SVA Meters and any other SVA Meters where errors prevented data collection at SF.	See RF Run below.	N/A

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2nd Reconciliation (R2) Run	78 WDs (~5 months)	N/A – would not exist	Reconciliation against previous run as more SVA Meter readings become available and errors are identified/ corrected.	Not required under MHHS, on assumption that smart Meters will be read at least monthly and 'dumb' Meters quarterly.	See RF Run below.	Less runs may create more volatility between runs?
3rd Reconciliation (R3) Run	148 WDs (~7 months)	N/A – would not exist	Reconciliation against previous run as more SVA Meter readings become available and errors are identified / corrected.	Not required under MHHS, on assumption that smart Meters will be read at least monthly and 'dumb' Meters quarterly.	See RF Run below.	Less runs may create more volatility between runs?
Final Reconciliation (RF) Run	14 months	4 months	Final financial run. Reconciliation against previous run based on final SVA Meter readings and corrected errors. After this point, Trading Charges can only change as a result of a Trading Dispute.	Readings from 'dumb' SVA Meters and any other SVA Meters where errors prevented data collection at the Interim Reconciliation Run.	Quicker settlement of liabilities: • Gives earlier certainty of charges. • Enables quicker market exit. Current R2 performance in HH market shows vast majority of Meters read by this point.	Overly shortening could lead to more Trading Disputes, if timescale insufficient to detect / resolve Settlement Errors. While Parties could invest more resources in error detection / resolution, the costs of this could outweigh the benefits of a shorter timetable.

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Run name	Current timing	DWG's proposed timing	Purpose of run	Pre-requisites for run under MHHS	Benefits of shortening	Risks of shortening
Post-Final Settlement (DF) Run Also known as 'Disputes Final' Run	28 months	12 months or longer	To correct Settlement Errors that could not be detected and/or resolved before the RF Run, and which meet specified BSC criteria.	Existence of Settlement Error that meets the criteria (including materiality threshold) for a Trading Dispute.	Gives incentives to Parties for timely detection and resolution of errors. Less uncertainty for Parties of their final liabilities.	Overly shortening could: • Result in significant uncorrected Settlement Errors (particularly in CVA market) that negatively impact Parties who did not cause them; and/or • Create an asymmetry between the cut-offs for billing and Settlement adjustments (as Suppliers can back-bill by up to 12 months). Parties causing errors that financially benefit them are not incentivised to correct them. A shorter cut-off may give less time for negatively-impacted Parties to raise Disputes.

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