

## Faulty metering risks high costs for facilities managers under MHHS rollout

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As Ofgem's Market-wide Half Hourly Settlement (MHHS) migration begins, new analysis from energy data specialist, <u>Stark</u>, warns that poor data quality across Britain's metering infrastructure could derail the £4.5 billion in benefits expected from this transformational energy reform.

For facilities managers responsible for commercial and public sector estates, MHHS is not just an energy market update, it is a fundamental shift affecting how energy consumption is recorded, billed, and managed across building portfolios. By mandating half-hourly settlement based on smart meter data, MHHS promises more accurate billing, improved energy efficiency, and better tools to meet ambitious sustainability targets.

However, Stark's comprehensive report, Bad Data, Broken Energy System, reveals that around 11.6 million electricity meters, which is roughly a third of the installed base, are not providing reliable half-hourly data. While many meters are technologically capable, they remain poorly maintained or incorrectly configured, forcing suppliers and ultimately facilities managers to rely on estimates and manual reads which could inflate costs and reduce the trustworthiness of data.

Currently, only a third of energy suppliers meet half-hourly settlement standards, with even fewer achieving benchmarks in the non-half-hourly market segments that cover a large proportion of commercial estates. This data deficit risks inaccurate billing, operational inefficiencies, and loss of confidence at a time when real-time energy insight is vital for facilities management.

Stark's modelling highlights that under the new MHHS charging model, suppliers' financial exposure to data accuracy can swing by up to ±£21 million annually. For facilities managers, unless swift action is



taken, this could mean poor metering performance across their estate, translating into inflated energy costs, regulatory risks, and setbacks against net zero commitments

Alex Warren, Stark's Chief Executive, explains: "Half Hourly Settlement is a game changer for facilities management, unlocking the potential for real-time consumption profiling, smarter energy procurement, and proactive system optimisation. But this will only be realised if buildings are equipped with well-managed smart metering systems capable of delivering accurate, timely data. The current reliance on manual reads and outdated technology will act as a brake on sector progress unless accompanied by investment in monitoring and maintenance."

Since MHHS migration began in late October, early waves must complete by July 2026, with full cut-over by July 2027. Facilities managers are urged to evaluate metering assets, engage with energy suppliers and agents capable of advanced data services, and prioritise upgrades to ensure compliance and to maximise operational and sustainability benefits.

The full report, <u>Bad Data, Broken Energy System</u>, is available for download at <a href="https://www.stark.co.uk/register-interest-mhhs/">https://www.stark.co.uk/register-interest-mhhs/</a>