

# PAB216/10 - RISK EVALUATION REGISTER (RER) 2019/20 CONSULTATION RESPONSES

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<b>MEETING NAME</b>	Performance Assurance Board
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<b>Date of meeting</b>	31 January 2019
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<b>Paper number</b>	PAB216/10
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<b>Owner/author</b>	George Player
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<b>Purpose of paper</b>	Decision
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<b>Classification</b>	Public
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<b>Summary</b>	We invite the Performance Assurance Board (PAB) to approve the Risk Evaluation Register (RER) for 2019/20.
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## 1. Overview

- 1.1 The PAB endorsed the Risk Evaluation Register (RER) 2019/20 for industry consultation on 29 November 2018. As required by Section Z 5.5.3 of the Balancing and Settlement Code (BSC), we published the RER on the ELEXON website, inviting parties to provide comments and feedback, during a three-week consultation period.
- 1.2 The RER has been substantially revised under the current PAF review. Full details are available in the [November PAB214](#) PAB Papers 214/05 and 214/05c.
- 1.3 The RER was published for consultation on the ELEXON website on 03 December 2018. In support of the Consultation, the proposed changes were communicated to Parties in the follow way:-
  - Through the Operational Support Managers and Newscast.
  - ELEXON hosted a webinar on the 11 December 2018 with eight attendees, representing two Parties and an Industry Association.
  - The ELEXON Compliance Manager and Risk Analyst visited and presented the RER to seven Parties including Suppliers, Data Aggregators (DA), Data Collectors (DC), and Meter Operator Agent (MOA).
  - ELEXON was invited to present the RER to the Commercial Working Group of the Energy Networks Association, post consultation, on the 09 January 2019.
- 1.4 ELEXON received 6 responses to the consultation from Parties representing:
  - Suppliers (Half Hourly (HH)/Non Half Hourly (NHH));
  - Data Collectors (HH/NHH);
  - Data Aggregators (HH/NHH);
  - Meter Operator Agents (HH/NHH);
  - Independent Distribution Network Provider (IDNO); and
  - An Industry Association.
- 1.5 Respondents agreed with the proposed changes, with many responses including positive feedback supporting the Changes which have been made:
  - 'The changes are a significant improvement i.e. more accessible & user-friendly. This [RER] document is structured, layered with some flexibility for changes & improvements.'

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- '...a more refined risk evaluation register that is more clearly aligned with risk to settlement. The individual Risk Descriptions in particular will enable greater understanding of the factors, impacts, rationale, controls and responsibilities...'
- 'These [RESI] sheets are very useful & another welcome addition. They are comprehensive in terms of capturing the details of the risk plus provide scope for review'
- 'Analysis to date supports the RER reviewed and acknowledge that there are processes in place to make suggestions in the future'

There were some considerations raised to ELEXON which we will address, specific comments included:

- 'I am not sure what the basis for the "risk" has been determined? Is it the perceived error in energy volume in settlement? If it is then it is unclear why unmetered is perceived to be such a high risk when it only accounts for 1.2% of SVA settlement volume.'

### *ELEXON Response*

*The Risk Factors indicate which causes are contributing to the Impact, and are used to identify the 'at risk Population' and 'Failure rate'.*

*As risk impact is calculated using Population x Failure Rate x Error Per Day = Impact Volume, therefore whilst the population of UMS is a minor segment of the Market, the Failure Rate and Error Per Day are significant enough to result in the assessed impact, as outlined in the RER.*

- 'The supplementary sheets or the Risk Register should show the underlying calculation of the risk.'

### *ELEXON Response*

*ELEXON have supplied the level of detail required to understand the assessment of the risk, the data sources, and the assumptions made in forecasting. ELEXON believe this level of information to be sufficient, although will provide further detail on request.*

## 2. Conclusions

- 2.1 ELEXON has acknowledged the comments received in addition to amendments highlighted internally and has created a 'Log of Changes'. ELEXON will complete these adjustments prior to publication on 01 April 2019. A copy of the 'Log of Changes' is contained within the Collated Consultation Responses in Attachment B for your information.
- 2.2 ELEXON invites the PAB to approve the RER, given the positive responses received through the consultation, and the completion of the 'Log of Changes'.
- 2.3 We will consider any further changes made throughout the Performance Assurance Operating Period as they occur, to be dealt with as within period revisions to the RER 2019/20.

## 3. Recommendations

- 3.1 We invite you to:
  - a) **APPROVE** the Risk Evaluation Register for 2019/20.

## Attachments

Attachment A – RER 2019/20.

Attachment B – Collated Consultation Responses.

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