

ELEXON

RISK OPERATING PLAN 2024/25

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Kat Higby

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Introduction

The Balancing and Settlement Code (BSC), Section Z 5.6, requires the Performance Assurance Board (PAB) to determine on an annual basis which Performance Assurance Techniques (PATs) and other assurance activities it considers should be deployed for each Settlement Risk identified on the Risk Evaluation Register (RER). This planned assurance deployment is recorded in the Risk Operating Plan (ROP) and published on the [Elexon website](#).

This ROP and the ROP Ledger

The 2024/25 ROP (effective from **1 April 2024 to 31 March 2025**) has been created based on two ROP inputs:

1. Feedback provided by Market Participants and other interested parties on events that are likely to impact Settlement Risks within the upcoming Performance Assurance Operating Period (PAOP), as identified in the RER and the 2023/24 PAB strategy.
2. The most recent outputs of our key detective PATs, which signify the most significant Settlement Risks.

This ROP report contains the following:

- A review of the last PAOP;
- Analysis of the ROP inputs;
- Focus risks for 2024/25;
- The planned PAT deployment against each individual Settlement Risk that is in focus;
- Additional areas of focus for 2024/25

The final version of this document is accompanied by a ledger, a spreadsheet setting out the detail of the planned PAT deployment for all Settlement Risks, as well as the predicted impact of each Settlement Risk.

How the ROP is delivered

Throughout the PAOP, the PAB deploys the PATs as planned in this ROP against individual Performance Assurance Parties (PAPs) via Risk Management Determinations (RMDs).

The Elexon Assurance Product produces Quarterly Performance Assurance Reports (QPARs) throughout the PAOP to update and address points of progress against the ROP. The final QPAR of each PAOP provides commentary on what was actioned and achieved in the year as a whole and a comparison of operational costs against those forecasted in the ROP.

Elexon's Risk Team, led by the Risk Manager, leads the co-ordination and management of Settlement Risks across Elexon. The responsibility for each Settlement Risk recorded on the RER is split across team members within the Assurance team (Risk Owners). Each Risk Owner is tasked with assessing performance, liaising with Operational Support Managers (OSMs) of Parties and Party Agents, investigating performance issues and recommending additional assurance activities to the PAB via the Risk Report.

Next steps

A draft ROP is published for PAPs and other interested parties to comment on. Appropriate changes are made following consideration of any comments after which the PAB, delegated from the BSC Panel, is asked to approve and adopt the ROP.

Once the ROP has been approved and adopted, a 'within-period revision' may be applied to vary risk appetite or PAT deployment at any time in the year to refocus risk management if required. Within-period revisions are approved by the PAB and may be published for comment by PAPs and other interested parties if the PAB considers it a material change.

Executive Summary – Focus Risks for 2024/25

After consideration of the key inputs into this ROP (customer feedback, the PAB strategy, risk events identified in the RER and detective PAT results) the following Supplier Volume Allocation (SVA) and Central Volume Allocation (CVA) Settlement Risks have been selected for additional focus in 2023/24.

Exelon proposes to place higher focus and priority on the following Settlement Risks by deploying additional PATs (outside of the regular PAT deployment) and additional assurance activities.

High Focus Risks

Risk	Market	Risk Sub-Category
019	CVA	Registrations
020	CVA	Metering Equipment installation, programming, maintenance and Commissioning
021	CVA	Retrieval and processing of Metered Data
022	CVA	Notification of change to Metering Equipment
023	CVA	Fault resolution
003	SVA	Metering Equipment installation, programming, maintenance and Commissioning
007	SVA	Retrieval of Metered Data
005	SVA	Fault Resolution
017	SVA	Exception management

The full rationale and planned activities for these Settlement Risks can be found in the [Risk Operating Plan for 2024/25 Focus Risks](#) section of this ROP.

2023/24 in Review

For the 2023/24 PAOP, Elexon and the PAB placed a greater focus on the following Settlement Risks. The planned assurance activities for each Settlement Risk aimed to:

- Increase monitoring;
- Reduce the impact and volatility; and/or
- Improve the strength of the current controls.

Progress against the 2023/24 focus Settlement Risks

Detailed progress against each of the three focus risk areas has been documented in the [Q1 QPAR](#) and [Q2 QPAR](#). The Q3 QPAR and the final QPAR of the PAOP will be available on the Elexon website in January and April 2024.

The tables below identifies key highlights from our 2023/24 assurance deployment against each Settlement Risk that was in focus:

High Focus Risks

Risk	Market	Risk Sub-Category	Key Highlights
020	CVA	Metering Equipment installation, programming, maintenance and Commissioning	The TAA specific sample has been undertaken, which audited Metering Equipment installed or commissioned within the last 12 months. This has so far identified 654 Category 2 non-compliances, which will be rectified by CVA Market Participants. No Category 1 non-compliances have been identified.
021	CVA	Retrieval and processing of Metered Data	Elexon has continued to monitor GSP data change points, investigating potential issues and working with Registrants to explain changes in import or export at GSPs. This monitoring has identified a significant Settlement Error within GSP Group _G, which is in the process of being rectified in Settlement. Elexon has continued to progress a change which was raised following Issue Group 103 (Meter Registrants and Settlement Risk) . This change will clarify CVA Registrant obligations within BSCPs 03 (Data Estimation and Substitution for Central Volume Allocation), 06 (CVA Meter Operations for Metering Systems Registered in CMRS) and 038 (Authorisations).
022	CVA	Notification of change to Metering Equipment	
023	CVA	Fault resolution	
003	SVA	Metering Equipment installation, programming, maintenance and Commissioning	A Technical Assurance of Metering (TAM) Obligation Dashboard has been created, which will assist in providing root cause analysis of non-compliances identified by the TAA, mapping each non-compliance to Elexon's list of associated Settlement Risks and to the BSC Party obligations under the BSC.
007	SVA	Retrieval of Metered Data	Elexon has continued to review its Settlement performance threshold on a quarterly basis, ensuring that focus remains on improving the performance of Suppliers that are contributing the most significant estimated volumes to Settlement. Modification P427 has been utilised to make BSC Party performance data public in order to provide a further incentive for BSC Parties to improve their performance and to allow individual Suppliers to be held accountable for any serious Settlement Errors

Risk Operating Plan

			<p>resulting from their underperformance. Within the 2023/24 PAOP, Elexon has also begun to publish NHH Export performance data.</p> <p>Since publishing NHH export performance data, we have seen an average of ~5% increase in performance at RF each month. A full review of the effectiveness of publishing Performance data will be carried out within the 2024/25 PAOP.</p>
008	SVA	Processing of Metered Data	<p>Elexon has continued to monitor performance against Risk 008 using Large EAC/AA reporting and applying EFR to Parties that we not performing to the required standard.</p> <p>At the beginning of the 2023/24 PAOP, total market error stood at 191,477 MWh. With the roll out of EFR from April 2023, this has since improved by 40,7020 MWh / 21%.</p> <p>At an average Credit Assessment Price (CAP) cost of £111/MWh, this is a reduction in potential error of approximately £4.5m.</p>
017	SVA	Exception management	<p>Elexon has undertaken analysis of BSC Audit results and as a result recommend a TAPAP check is deployed against this risk in 2024/25. Further details on this can be found in the Focus Settlement Risks section of this ROP.</p>

Medium Focus Risks

Risk	Market	Risk Sub-Category	
005	SVA	Fault resolution	<p>Elexon has undertaken an AIR check on Risk 005 on Data Collector (DC) fault investigation processes in relation to raising fault flags. This AIR check highlighted inconsistencies in DC processes. An Issue Group will be set up in 2024/25 to review the inconsistencies and the process overall.</p>
016	SVA	Energisation status	<p>Internal discussions have been held around how this risk will be monitored post-MHHS implementation.</p>
018	SVA	Revenue protection	<p>Elexon participated in the Retail Energy Code's theft forums between May and November 2023 to increase collaborative efforts within the industry on addressing the energy theft. Given the increase of risk relating to revenue protection and the impact on Settlement, additional assurance was implemented through the BSC Audit.</p> <p>The 2023/24 BSC Audit includes additional work papers to monitor Half hourly and Non half hourly Data Collectors in order to detect inbound and outbound backlogs relating to revenue protection.</p> <p>The outcomes of the BSC Audit will serve as the basis for additional performance assurance measures aimed at managing any adverse effects on Settlement.</p>

Recorded Settlement Risks

The Risks recorded in the RER for 2023/24 along with the Risk Owners that are responsible for managing each Risk are listed below:

Risk	Description (The risk that...)	Risk Owner
4	Changes to SVA Metering Equipment are not notified, such that all members of the Supplier Hub do not use the current Meter Technical Details	Alasdair Jenkins
13	Manual adjustments to Metered Data are not completed correctly, or at all	
18	Revenue protection processes are not managed sufficiently, such that unrecorded energy volumes are excluded from Settlement	
28	NETSO does not submit or submits incorrect Settlement data	
31	The FAA does not accurately process Trading Charges or calculate ad-hoc charges correctly, such that Advice Notes are incorrect	
8	SVA metered data is not processed or transferred correctly, or at all	Andrew Spurr
10	On change of Data Collector, meter read history is incorrect or not transferred such that sufficient history is not available for validating and estimating energy volumes	
14	Agents are not appointed or de-appointed correctly, such that SMRS is not complete or up to date, members of the Supplier Hub do not hold the correct MPID of other Hub members or the appropriate agents are not appointed	
30	The ECVA does not carry out processes correctly, such that output files are inaccurate	
34	The SVAA does not process or transfer the correct data or does not use approved default data.	
3	SVA Metering Equipment is installed, programmed or maintained incorrectly including where Commissioning is performed incorrectly or not at all	Ardin Klimenti
15	SVA reference data is not created or transferred correctly, or at all	
25	Balancing Services provided by Virtual Lead Parties allow error to enter Settlement, such that the energy volumes required for Settlement are incorrect or missing	
2	SVA Metering System attributes held in the Supplier Meter Registration Service (SMRS) or by any party in the Supplier Hub are incorrect	Diana Utubor
9	The Data Aggregator does not process metered data correctly or at all, including transfer to SVAA, such that the energy volumes required for Settlement are incorrect or missing	
1	SVA Metering Point is registered incorrectly or not at all, such that metered data is not collected or aggregated	
19	A Volume Allocation Unit is registered incorrectly or not at all, such that the CDCA does not collect any or the relevant data	Jessica Davis
20	CVA Metering Equipment is installed, programmed or maintained incorrectly including where Commissioning is performed incorrectly or not at all	
26	Aggregation Rules in CDCA are incorrect such that CVA Metered Data is not correctly aggregated and the energy volumes required for Settlement are incorrect or missing	
27	Trading Parties do not or are unable to pay Trading Charges fully or at all, such that it triggers an Event of Default	
11	Unmetered Supplies volumes are calculated incorrectly or not at all	Sean Dryden-Woods
16	The energisation status held in SMRS or by any party in the Supplier Hub does not match the physical energisation status of the SVA Metering System	
33	An Interconnector Administrator does not submit, or submits inaccurate BM Unit Metered Volume data	
5	A fault with SVA Metering Equipment is not resolved, such that metered data is recorded incorrectly or cannot be retrieved	Segun Kehinde
24	CVA reference data is not created or transferred correctly, or at all	
7	SVA Metered data is not retrieved, such that the proportion of estimated data being used in Settlement contributes to performance standards not being met	Simon Waltho
21	CVA Metered Data is not retrieved, or processed correctly, or at all, by the CDCA	
22	Changes to CVA Metering Equipment are not notified to CDCA	
23	A fault with CVA Metering Equipment is not resolved, such that Metered Data is recorded incorrectly or cannot be retrieved	
32	Manual adjustments to CVA Metered Data are not completed correctly, or at all	
6	On a change of agent, Meter Technical Details are not transferred or processed correctly or at all, such that parties do not use the latest Meter Technical Details	Sukh Berk
12	SVA Metering System technical details are created incorrectly	
17	Exception reports are not sufficiently managed, such that material exceptions are not addressed at all or in a timely manner	

Available Risk Management Tools

Performance Assurance Techniques

There are 17 active PATs available to the PAB to manage Settlement Risks. A summary of the PATs and full details are available on the Elexon [website](#).

Performance Assurance Technique	Technique Category	Technique Type
Qualification	Preventative	Non-standard - Triggered by applicant; no flexibility in deployment
Re-Qualification		Non-standard - Triggered by the PAB or PAP
Bulk Change of Agent (BCoA)		Non-standard - Triggered by Supplier
Education		Non-standard - Fully flexible – triggered by the PAB
Performance Monitoring & Reporting	Detective	Mandatory - Applicable to all relevant parties as per the BSC
Material Error Monitoring (MEM)		Standard - Fully flexible – triggered by the PAB
Technical Assurance of Metering Systems (TAM)		Standard - Partly flexible – the PAB manages scope
BSC Audit (BSCA)		Standard - Partly flexible – the PAB manages scope
Technical Assurance of PAPs (TAPAP)		Non-standard - Fully flexible – triggered by the PAB
Assurance Information Request (AIR)		Non-standard - Fully flexible – triggered by the PAB
Peer Comparison	Incentive	Standard - Partly flexible – the PAB decides Serials
Removal of Qualification		Non-standard - Fully flexible – triggered by the PAB
Breach and Default		Non-standard - Fully flexible – triggered by the PAB
Supplier Charges	Remedial	Mandatory - Applicable to all relevant parties as per the BSC
Error and Failure Resolution (EFR)		Non-standard - Fully flexible – triggered by the PAB
Trading Disputes		Non-standard - Partly flexible – deployed for errors meeting BSC criteria
Change Mechanisms		Non-standard - Fully flexible, triggered by the PAB

Mandatory PATs - PATs which the PAB is required to deploy to PAPs because they are mandated by the BSC.

Standard PATs - Default techniques, assigned to the relevant Settlement Risk which the PAB will usually deploy uniformly across PAPs (e.g. Material Error Monitoring); any exceptions will be described in the ROP.

Non-Standard PATs - PATs that are deployed on an ad-hoc basis.

Additional Assurance Activities

In order for Elexon to better understand a Settlement Risk, we carry out analysis and reporting to provide greater insight into the impact of a Settlement Risk. In addition, we may require further information from BSC Parties; these will be requested via an informal request, a formal RFI (Request for Information) or using the AIR technique as appropriate.

The 2024/25 ROP Inputs

In order to create this ROP, the Risk Manager has considered four inputs in order to ascertain the most appropriate focus for 2023/24. The selected focus areas that are proposed in this ROP are based on:

- The Settlement Risk assessments provided in the RER;
- Feedback received from BSC Parties and other interested parties about areas of the market that are of concern;
- The PAB Strategy and discussions held with the PAB during meetings throughout the year; and
- The results of the TAM and BSC Audits.

Events identified in the RER

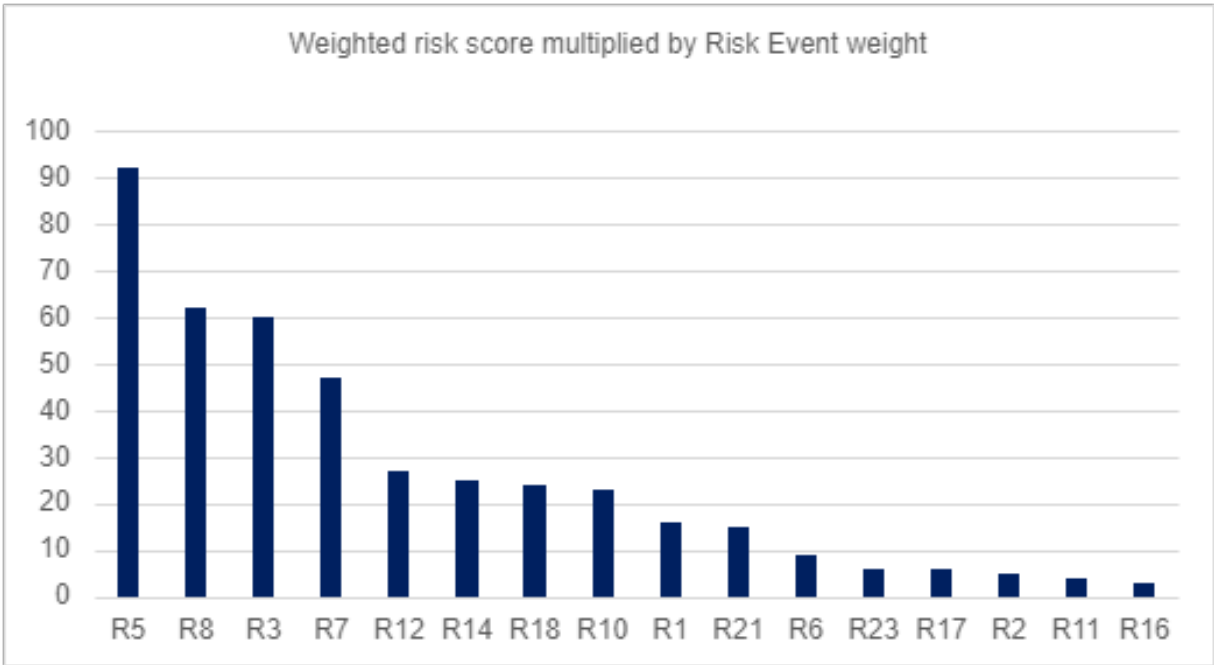
The 2024/25 RER focuses on events that may happen during the 2024/25 PAOP, and the Settlement Risks that would be impacted if such events were to occur. There were three risk events that were identified:

- A potential shortage of natural gas affecting energy supply;
- A shortage of Meter operator engineers to attend site; and
- Future changes to policy

Customer Feedback

SVA and CVA Market Participants and other interested parties have been asked to complete an assurance survey in order to suggest which events (as identified in the RER) and Settlement Risks affected by each event will have the most impact on their operations, and therefore their ability to meet BSC obligations in 2024/25.

The weighted score¹ for each Settlement Risk calculated based on this assurance survey is as follows:



¹ In order to obtain a weighted score for each Settlement Risk, risk events and risks were scored based on how impactful they were rated by participants that completed the survey. The score of each risk was multiplied by the score of the event that it was associated with.

Risk Operating Plan

The 2023/24 Performance Assurance Board (PAB) Strategy and Risk appetite

The PAB Strategy is reviewed annually, taking into consideration developments and activities across the market, to ensure the PAB's functions, actions and priorities are reflective of the market and effective in assuring performance amongst BSC Parties.

The PAB Strategy informs the PAB's consideration of risk appetite: the type and amount of Settlement Risk that can be tolerated in the coming year, when availability and cost of appropriate mitigation is factored in.

The PAB will consider the extent to which each Settlement Risk should be controlled, what is feasible with the PATs available, and what is a reasonable amount to invest in those PATs.

The areas of priority of the PAB for 2024/25 are proposed based on discussions and concerns raised at PAB meetings throughout 2023/24 and at the PAB Strategy Day, which was held in September 2023. PAB priorities will evolve over the year depending on market conditions, industry focus and feedback from BSC Parties.

The following five areas have been identified as current priorities of the PAB:

Priority area	Summary
CVA Market Assurance	Following the identification and correction of significant CVA Metering errors, which have financially impacted many BSC Parties, the PAB wishes to prioritise assurance in the CVA Market, both in order to assist in locating further existing errors and to ensure that future faults and errors are reduced.
Market performance recovery	Market performance, which remains below standard across the market following the COVID-19 pandemic, should be improved as a priority in line with the required performance standards.
Market-Wide Half Hourly Settlement (MHHS)	The PAB wishes to focus on understanding and shaping the assurance that should be in place for the MHHS transition phase to ensure that Settlement Risks are managed effectively.
Cross-code engagement with the Retail Energy Code	The PAB would like Elexon to further engage with the Retail Energy Code with regards to performance and of Meter Operator Agents (MOAs). Assurance of MOAs remains a priority due to the impact that this role can have on Settlement performance.
Performance Assurance Technique (PAT) alignment	PATs should be linked in order to manage issues that are identified. For example, identifying an issue using a detective technique, and recommending an additional technique to find out more information on the issue. This would allow Elexon and the PAB to determine the next course of action to improve performance, or whether no further action is required.

Audit Results

We have analysed the results of the TAM and BSC audits in order to ensure we place sufficient focus on Settlement Risks that the most significant non-compliances have been reported against.

BSC Audit:

Risks have been allocated a priority for the purposes of this ROP, based on their weighted score under the BSC Audit technique, which is as follows:

Risk Operating Plan

Risk	Risk Title (the risk that...)	Priority
017	Exception reports are not sufficiently managed, such that material exceptions are not addressed at all or in a timely manner	1
005	SVA Metering Equipment is not resolved, such that metered data is recorded incorrectly or cannot be retrieved resulting in Erroneous or estimated data in Settlement	2
008	SVA metered data is not processed or transferred correctly, or at all	3
011	Unmetered Supplies volumes are calculated incorrectly or not at all.	4

Risk	Risk Title (the risk that...)	Priority
019	Volume Allocation Unit (VAU) is registered incorrectly or not at all such that the Central Data Collection Agent (CDCA) does not collect any or the relevant data	1
020	CVA Metering Equipment is installed, programmed or maintained incorrectly including where Commissioning is performed incorrectly, or not at all.	2
021	CVA Metered Data is not retrieved, processed correctly or at all, by the CDCA.	3
023	A fault with CVA Metering Equipment is not resolved, such that metered data is recorded incorrectly or cannot be retrieved.	4

TAM Audit

In order to assess the significance of the findings of the TAA, we have compared year-on-year audit results for the last five years:

Audit Year	Number of Inspection Visits	Category 1 non-compliances recorded per Inspection Visit				Category 2 non-compliances recorded per Inspection Visit			
		Risk 012	Risk 003	Risk 004	Risk 005	Risk 012	Risk 003	Risk 004	Risk 005
2018/19	1054	0.00	0.03	0.00	0.00	7.21	2.64	0.00	0.03
2019/20	997	0.01	0.03	0.00	0.00	0.11	3.20	0.00	0.03
2020/21									
2021/22	242	0.00	0.02	0.00	0.00	0.11	2.70	0.00	0.01
2022/23	311	0.00	0.05	0.00	0.00	0.05	2.57	0.00	0.00
2023/24	370	0.01	0.04	0.00	0.00	0.14	2.88	0.00	0.04

Audit Year	Number of Inspection Visits	Category 1 non-compliances				Category 2 non-compliances			
		Risk 020	Risk 022	Risk 023	Risk 026	Risk 020	Risk 022	Risk 023	Risk 026
2018/19	45	0.11	0.00	0.00	0.00	11.46	0.98	0.00	0.07
2019/20	40	0.05	0.05	0.00	0.00	8.37	0.75	0.00	0.00
2020/21	18	0.06	0.06	0.00	0.00	0.83	0.00	0.00	0.00
2021/22	79	0.03	0.00	0.00	0.00	6.72	0.16	0.00	0.10
2022/23	280	0.04	0.01	0.00	0.00	8.15	0.30	0.00	0.09
2023/24	71	0.00	0.00	0.00	0.00	7.50	1.40	0.00	0.15

Risk Operating Plan for 2024/25 Focus Risks

After consideration of the all ROP inputs listed in the previous section, we are proposing three Settlement Risk focus types for 2023/24, these are:-

1. **CVA high focus risks (high focus and priority)**
2. **SVA high focus risks (high focus and priority)**
3. **SVA medium focus risks (medium focus and priority)**

The impact and rationale for each Settlement Risk selected for focus is set out in the following sections. For each Settlement Risk, we have noted additional PATs and assurance activities that will be considered for deployment in 2024/25.

On an ongoing basis, the PAB will determine which of the listed additional PATs will be deployed in 2024/25 based on Elexon's Settlement Risk monitoring and recommendations.

The additional PATs and assurance activities that will be deployed against Settlement Risks will aim to:

- Improve industry performance;
- Reduce the impact and volatility of Focus Risks;
- Enhance monitoring in order to allow the risk to be assessed more effectively; and / or
- Improve the existing controls with the deployment of additional assurance activities and PATs, aiming to reduce the impact of the risks.

CVA Focus Risks

Both Elexon and the PAB consider that CVA assurance and controls should remain a priority in 2024/25 due to the significant material impact of recent errors on Settlement and BSC Parties. Elexon proposes that high focus is placed on the following CVA risks:

Risk	Risk Sub-Category	Potential Impact	Focus Risk Rationale
019	Registration	High	<ul style="list-style-type: none"> The results of the BSC audit suggest that these CVA risks should be in focus for 2024/25. Providing increased assurance on the CVA market remains a priority for the PAB in the 2024/25 PAOP Significant Settlement Errors may occur as a result of failure of any these CVA risks. A high focus is required in order to identify and resolve existing errors and to prevent further errors from occurring. The resolution of significant errors in Settlement can financially impact multiple Market Participants
020	Metering Equipment installation, programming, maintenance and Commissioning	High	
021	Retrieval and processing of Metered Data	High	
022	Notification of change to Metering Equipment	High	
023	Fault resolution	High	

Risk Operating Plan

			through the rectification of historic under- or over-payment of imbalance changes that have been based on incorrect data.
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Risk Operating Plan for CVA Focus Risks

Risk	Ongoing PAT deployment (to be continued in 2024/25)	Additional PAT deployment to be considered for 2024/25	Additional assurance activities for 2024/25
019	BSC Audit, EFR (following BSC Audit), Trading Disputes	<ul style="list-style-type: none"> No additional PATs to be applied 	<ul style="list-style-type: none"> Consider initiating a working group to discuss a central registrations system for CVA, which would include a mechanism for storing certificates in whichever format is deemed most appropriate.
020	Trading Disputes, TAM, BSC Audit, EFR (applied following the BSC Audit)	<ul style="list-style-type: none"> An increase in the number of CVA Inspection Visits in the TAM technique audit scope 	
021	Trading Disputes, BSC Audit, EFR (applied following the BSC Audit)	<ul style="list-style-type: none"> Change - to clarify CVA Registrant obligations within BSCPs 03 (Data Estimation and Substitution for Central Volume Allocation), 06 (CVA Meter Operations for Metering Systems Registered in CMRS) and 038 (Authorisations). Educator – Elexon will hold a CVA education day to explain Registrant obligations 	<ul style="list-style-type: none"> Continue to review GSP change points identified by our automated monitoring, investigating potential issues and working with Registrants to explain changes in import or export at GSPs Continue to develop monitoring and reporting to provide greater insight into CVA performance and with a view to identifying potential errors earlier
022	Trading Disputes, TAM, BSC Audit, EFR (applied following the BSC Audit)		
023	Trading Disputes, BSC Audit, EFR (applied following the BSC Audit)		

SVA Focus Risks

The following SVA risks have been selected for a high focus in 2023/24:

Risk	Risk Sub-Category	Potential impact	Focus Risk Rationale
003	Metering Equipment installation, programming, maintenance and Commissioning	High	<ul style="list-style-type: none"> The results of the TAM audit suggest this risk should be in focus Risk 003 is considered to be the third most impactful on BSC Party operations based on feedback from our assurance survey.
007	Retrieval of Metered Data	High	<ul style="list-style-type: none"> Industry performance remains low. Elexon and the PAB consider the recovery of market performance to be a top priority in 2024/25. Risk 007 is considered to be the fourth most impactful on BSC Party operations based on feedback from our assurance survey.
005	Fault resolution	High	<ul style="list-style-type: none"> The results of the BSC audit suggest this risk should be in focus Risk 005 is considered to be the most impactful on BSC Party operations based on feedback from our assurance survey.

Risk Operating Plan

017	Exception management	Medium	<ul style="list-style-type: none"> The results of the BSC audit suggest this risk should be in focus. It is ranked top priority based on its weighted score.
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Risk Operating Plan for SVA High Focus Risks

Risk	Ongoing PAT deployment (to be continued in 2024/25)	Additional PAT deployment to be considered for 2024/25	Additional assurance activities for 2024/25
003	BSC Audit (LDSO), EFR (applied following the BSC Audit), Trading Disputes, Technical Assurance of Metering (TAM)	<p>Consider adding BSC audit checks on whether Suppliers have a process in place to check Commissioning has been carried out.</p> <p>Education (general) – provide education including example Commissioning records to Suppliers</p> <p>Educaton (targeted) – on Commissioning processes for identified poor performers against Risk 003 (using disputes and TAM data)</p>	<ul style="list-style-type: none"> Undertake an exercise on certificates – we will agree a process of proving overall accuracy in the absence of certificates and close outstanding non-compliances where this can be completed.. Cross-code engagement with the Retail Energy Code in order to ensure that Meter Operators are performing as they should be in relation to Risk 003.
007	PARMS, EFR (applied for performance), Peer Comparison	No additional PATs to be deployed	<ul style="list-style-type: none"> Quarterly performance threshold reviews Analysis of site access flows to see if there is a consistent reason for failed access Analysis of which risk factors are failing (change of read strategy etc)
005	BSC Audit, EFR, Trading Disputes, TAM	<p>Change – Issue group on the fault investigation process (commencing at the end of 2023/24)</p> <p>Education for Suppliers – Suppliers must ensure that Agents have the functionality to report and correct faults, and report to REC and / or Elexon if not</p>	<ul style="list-style-type: none"> Cross-code engagement with REC (sharing PAT results) Attending a REC initiated Issue Group looking at the performance of Meter Operators
017	BSC Audit, , EFR (applied for following the BSC Audit)	<p>TAPAP to check why exceptions are not being cleared (five Suppliers are contributing most of the identified issues)</p> <p>EFR and / or Education to be deployed following the TAPAP</p>	<ul style="list-style-type: none"> Monitor EFR plans to see if exceptions are being worked Risk dashboard monitoring

Additional areas of focus

Market-Wide Half Hourly Settlement (MHHS)

Elxon will undertake an AIR check on all Market Participants that are not Qualifying under the new MHHS arrangements. This is to check that they have provisions in place to support MSID migration and reverse migration ahead of the 2025/26 PAOP. Elxon will provide further information and recommendations to the PAB on this ahead of the AIR check being carried out.

Elxon is also aware that risk to Settlement within the 2024/25 PAOP could be significantly increased by the focus of Market Participants being on preparing for new arrangements. Elxon will review and edit this ROP on an ongoing basis as required throughout the PAOP.

Risk-based PAT improvement

Elxon plans to create a log of how different party types are affected by each risk recorded on the RER. This will help to better target our Education technique. During education we will be able to provide further insight to BSC Parties on how risks can affect their operations as well as Settlement.

Risk 008 (Processing of Metered Data):

Elxon will undertake cost / benefit analysis of continuing to run Large EAC/AA reports now that the amount of potential error has reduced. We will consider other options of how Large EAC/AAs can be monitored in the short term until Settlement arrangements are changed for MHHS.