March 2023 Risk update

V1

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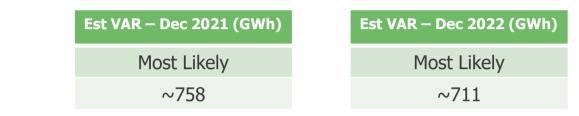


MARCH OBSERVATIONS

• 3 risks to review this month

LINE IN THE SAND

• 6% decrease in Value at Risk across 2021-22.



- This difference is primarily impacted by a 0.02% decrease in the volume of no reads submitted by 4 years across PC3 and PC4 markets in the past 12 months.
- The count of MPRNs in PC3 and PC4 with reads not submitted by year 4 has remained relatively static which is reflected in the decrease in energy impact of the risk.

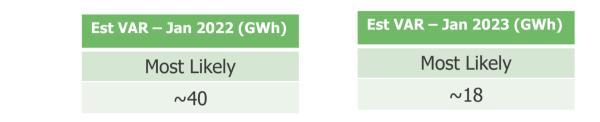


- Risk rating in register remains 5 (Highest priority).
- **PAFA Recommendation**; PAFA is monitoring Line In the Sand performance on an ongoing basis. Performance Improvement Plans (PIPs) for 2 Shippers are currently being monitored against milestones provided by these parties



TRANSFER READS

• 56% decrease in Value at Risk across 2022-23.



- This difference is primarily impacted by the decrease in transfers occurring across the past 12 months by 47% and an increase in transfer reads submitted by 33%.
- This combined net effect is reflected in the decrease in energy impact of the risk.



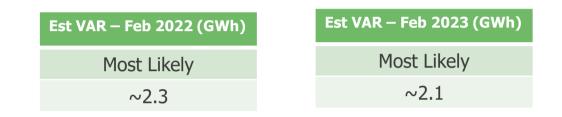
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- Risk rating in register remains 2 (Lower priority).
- **PAFA Recommendation**; No immediate actions required due to substantial reduction in Value at Risk (VAR) level. Review at next refresh point (June 2023)

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REPLACED READS

• **11% decrease** in Value at Risk across 2022-23.



 The average use of replacement readings has decreased by 4% from February 2022 to February 2023 which is reflected in the decrease in energy impact of the risk.



- Risk rating in register remains 1 (Lowest priority).
- **PAFA Recommendation**; No immediate actions required at this juncture due to the decrease in respect of the Value at Risk (VAR). Review at next refresh point (June 2023)



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