## February 2024 Risk update

V0.1

Rachel Clarke PAFA

# Gemserv

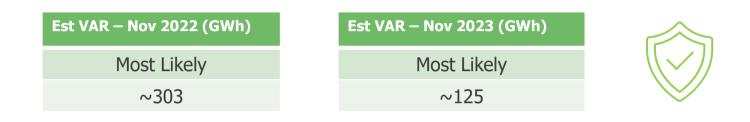


#### **FEBRUARY OBSERVATIONS**

• 7 scheduled risks to cover this month all of which are focused on meter reading performance related risks.

#### **PC3 READS**

• **59% decrease** in Value at Risk over period Nov '22 – Nov '23.



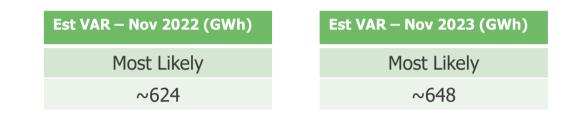
- Read performance across the year has increased by circa 10% (79% to 89%) and the average number of sites has decreased (4.8m to 4.3m) whilst the associated average AQ has reduced from 96TWh to 75TWh. The combination of these factors is reflected in the large decrease in energy impact of the risk
- There has also been a visible reduction post May 2023 in the volume of PC3 SPs since the implementation of UNC Modification 664VVS



↔ Gemserv  PAFA Recommendation; PAFA will continue to closely monitor read performance in respect of PC3 Supply Points. Review at next refresh point (May 2024)

#### PC4 MONTHLY READS

• 4% increase in Value at Risk over period Nov '22 – Nov '23.



• Read performance across the year has increased by 1% (74% to 75%), the average number of sites has increased (6.1m to 8.5m) due to the implementation of UNC MOD 692S & 664VVS and the associated average AQ has also increased (158TWh to 165TWh). The net effect in read performance and portfolio size is the primary factor for the slight increase in energy impact of the risk.



• **PAFA Recommendation**; PAFA will continue to closely monitor read performance in respect of PC4 (M) Supply Points. Review at next refresh point (May 2024)



#### PC4 ANNUAL READS

• **15% decrease** in Value at Risk over period Nov '22 – Nov '23.



 Read performance across the year has decreased by 1% (89% to 88%), as well as the number of sites (13.9m to 12.2m) (due to the implementation of UNC MOD 692S) and the associated average AQ (187TWh to 146TWh) has decreased significantly which is reflected in the decrease in energy impact of the risk.



• **PAFA Recommendation**; PAFA will continue to closely monitor read performance in respect of PC4 (A) Supply Points. Review at next refresh point (May 2024)



#### AMR MONTHLY READS

Gemserv

• 8% decrease in Value at Risk over period Nov '22 – Nov '23.



 Read performance across the period stayed the same (89%) and the associated average AQ has decreased (51TWh to 49TWh). The combination of which is the reason for the decrease in energy impact of the risk.

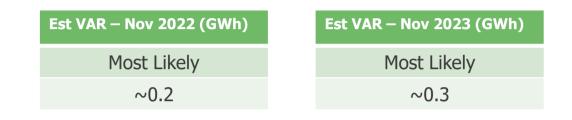


• **PAFA Recommendation**; No immediate actions required at this juncture due to the decrease in respect of the Value at Risk (VAR). Review at next refresh point (May 2024)

6

#### AMR ANNUAL READS

• 74% increase in Value at Risk over period Nov '22 – Nov '23.

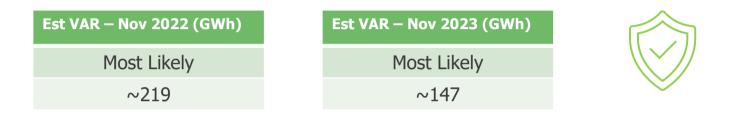


- Read performance across the year has dropped by 1% (93% to 92%), however the associated average AQ has increased substantially (68GWh to 104GWh). The combination of which is the reason for the increase in energy impact of the risk of which is of marginal value.
- $\longrightarrow$   $^{\circ}$  Risk rating in register is 2 (Lower Priority). Joint AMR Risk with AMR Monthly Reads
  - **PAFA Recommendation**; No immediate actions required at this juncture due to the marginal Value at Risk (VAR). Review at next refresh point (May 2024)



#### **REJECTED PC4 ANNUAL READS**

• **33% decrease** in Value at Risk over period Nov '22 – Nov '23.



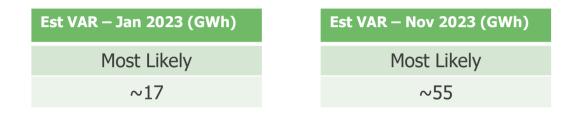
- Rejected read volumes have decreased (249k to 160k) as have associated rejection percentage values (2.40% to 2.07%).
- The number of PC4A SPs has decreased markedly (13.9m to 12.2m) due to the implementation of UNC MOD 692S.
- The associated average AQ has also decreased substantially (187TWh to 146TWh).
- The combination of the above factors is the reason for the decrease in energy impact of the risk.
- $\leftarrow$
- Risk rating in register is 3 (Medium priority). Joint risk with PC4M

**↔** Gemserv • **PAFA Recommendation**; No immediate action required due to substantial reduction in Value at Risk (VAR) level. Review at next refresh point (May 2024).

8

#### **REJECTED PC4 MONTHLY READS**

• **219% increase** in Value at Risk over period Jan '23 – Nov '23.



- Rejected read volumes have increased (88k to 208k) as have associated rejection percentage values (0.73% to 2.06%).
- The number of PC4M SPs has increased markedly (6.1m to 8.5m) due to the implementation of UNC MOD 692S & 664VVS.
- The associated average AQ has also increased (143TWh to 169TWh).
- The combination of the above factors is the reason for the substantial increase in energy impact of the risk.



• Risk rating in register is 3 (Medium priority). Joint risk with PC4A.



• **PAFA Recommendation**; As this is the second period of increased risk in this area, the PAFA propose to liaise with the CDSP to further understand the impact of UNC MOD 692S & 664VVS and present back findings to the March PAC meeting.

### PAFA@Gemserv.com



INVESTORS IN PEOPLE® We invest in people Gold







