

AIRR Model

V0.1

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Gemserv

INTRODUCTION

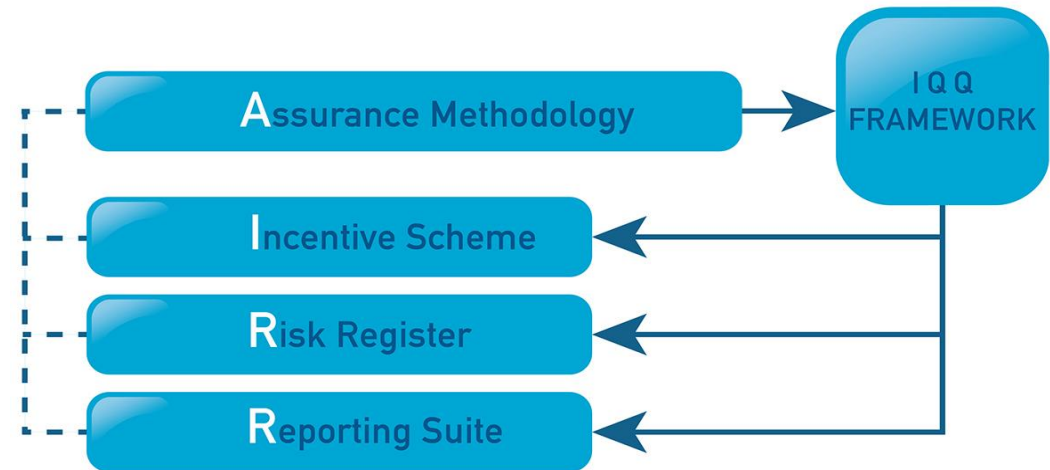
- This presentation will give you an insight into the core methodologies the Performance Assurance Framework Administrator uses to input into the Performance Assurance Committee.
- The presentation details the rationale behind the methodology and aims to give transparency to the process.

CONTENT

- AIRR Digital Platform
 - Assurance Methodology
 - Incentive Scheme
 - Risk Register
 - Reporting Suite
- IQQ Framework
 - Identify
 - Quantify
 - Qualify

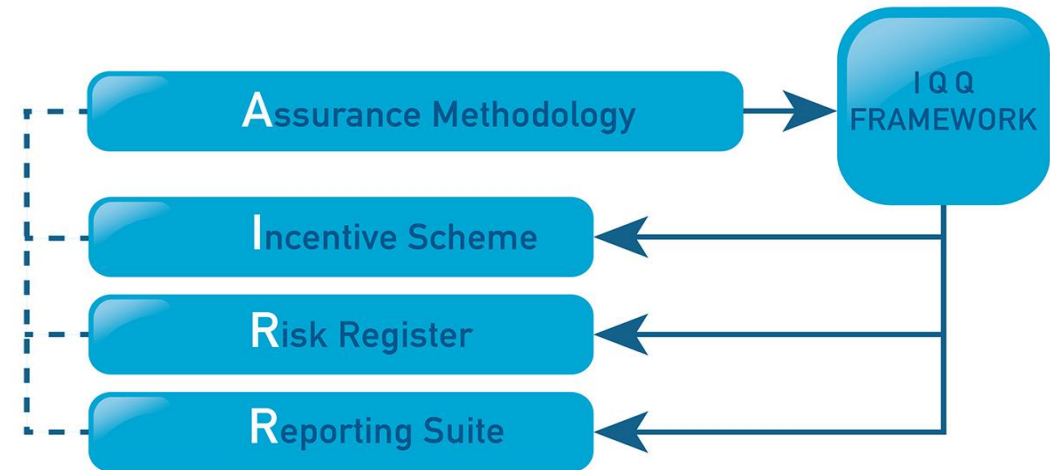
AIRR DIGITAL PLATFORM

- Assurance Methodology – First and overarching element of the AIRR Digital Platform. It consists of the PAF, the PARR report methodology, PARR data and associated reporting and the PAC’s performance assurance improvement processes.
- Incentive Scheme – considers the ways in which the PAC can encourage improvements in Shipper performance. This can include the current processes relating to the established Shipper communication process and, the future financial incentives and the application of formally recognised PATs.



AIRR DIGITAL PLATFORM CONT.

- Risk Register – This is a register of potential risks to settlement and are scored in order of priority dependent on the estimated value of energy at risk (GWh). The risk register is complemented by a Risk Evaluation Tool (RET) which takes data from various sources and monitors the change in energy at risk. Risks are presented to the PAC monthly, and these updates help steer the PAC efforts into mitigation projects in order to ensure that the risks on the register and coming down.
- Reporting Suite – The reporting suite is comprised of the monthly PARR reports (both anonymised for industry and non-anon for PAC members). The suite also includes monthly dashboards and a 'Shipper Pack' which is presented to PAC monthly and brings progress on PATs or PAFA concerns seen through the data.



IQQ FRAMEWORK



- The IQQ Framework sits within the AIRR Digital Platform and is the 'engine' that drives and forms the process. The IQQ Framework houses the tools and analytical methodologies we will use to identify, quantify, manage and monitor settlement risks.
- It produces the reporting and evidence that feeds and drives the rest of the process, and creates the outputs needed by PAC to make decisions on the appropriate performance levels and potential performance improvement activities.
- Identify - Monitor the UNC change, data input into reports and patterns of industry performance.
- Quantify - Evaluate the impact of the identified risks and areas of concern on settlement and the wider industry.
- Qualify – Risk reports; Additional reporting; Provision of expert advice; proposals for industry change; Interaction with industry.