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Action:	For Information

Performance Assurance Acronyms

1. Purpose

The purpose of this document is to provide the reader with definitions that will be commonly used at the Performance Assurance Board (PAB) and in the Performance Assurance Framework (PAF).

2. Definitions

<u>Title</u>	<u>Description</u>
General SEC Objectives	The General SEC Objectives are the objectives that the Smart Energy Code operate under, and are defined in the SEC in Sections A 'Definitions and Interpretations' . There are eight objectives in total (a-h) and can be found in Section C 'Governance' (C1) or on the SEC Website .
SEC Risk	A SEC Risk is defined in SEC Section A and Appendix AW as “a risk that a failure to adhere to, or errors in delivering an obligation or mandated process under the SEC (including a risk which has materialised as an actual failure or error) could significantly and measurably affect the achievement of General SEC Objectives.”.
Risk Evaluation Methodology (REM)	The REM is defined in SEC Section A as the methodology developed and maintained by the PAB under the PAF found in SEC Appendix AW, Performance Assurance . The REM details a methodology that is used by the PAB to identify, evaluate and assess SEC Risks to the fulfilment of the General SEC Objectives which may arise from breaches of the Code. The REM will be publicly available on the Website and reviewed at least annually.
Performance Assurance Risk Register (PARR)	The PARR is defined in SEC Section A as the risk register developed and maintained by the PAB in Appendix AW. The PARR outlines SEC Risks and identifies, evaluates and assesses the risk impact. The PATs will be publicly available on the Website and reviewed at least annually.

Performance Assurance Techniques (PATs)	The PATs are defined in SEC Section A as the set of techniques (processes) developed and maintained by the PAB in Appendix AW. The PATs are described as doing the following: a) Preventative: proactively promote compliance and minimise potential SEC Risk impacts before they occur; b) Detective: identify evidence of areas of potential or actual non-compliance, and SEC Risk impacts that have occurred; c) Remedial: remedy non-compliance and rectify or reduce SEC Risk impacts that have already occurred; and d) Incentive: encourage compliance to Code obligations and SEC Risk mitigation. The PATs will be publicly available on the Website and reviewed at least annually.
Performance Assurance Operating Plan (PAOP)	The PAOP is a core planning artefact that lays out the PATs which will be applied against the PARR and which SEC Parties will be engaged with for each SEC Risk. The PAOP will provide an operational view of performance assurance activity over the coming years, including but not limited to scope, risks, prioritisation, forecast costs and Data requests. The PAOP will be publicly available on the Website and reviewed at least annually.
Risk Management Determination (RMD)	The RMD is the term given for the notification provided to an individual SEC Party that a SEC Risk is relevant to that Party, which PAT will be applied to them and any relevant Data requests. The RMDs are designed to create clear actions and requirements for SEC Parties to adhere to, informed by the REM, PARR and PAOP. The RMDs will also explain the risks considered for each party providing the evidence for how these conclusions were reached.
SEC Risk Data	SEC Risk Data refers to Data or information relating to a Party's contribution to a non-compliance with a SEC requirement which has led or contributed to a SEC Risk (e.g. performance tables, PATs deployment results and outputs).
Annual Performance Assurance Report (APAR)	The APAR is a document presented each year to the SEC Panel that will contain the following: • The outcomes of the PAB over the past year; • The costs to SECCo and industry in comparison to the forecasted costs laid out in the PAOP, with any differences explained; • Recommendations to adjust current PATs or create new PATs; and • The benefits to any of these changes, and any SEC Modifications explicitly amending the PAF. The APAR will be publicly available on the Website following Panel approval.

3. Recommendations

The PAB is requested to:

- **NOTE** the contents of this paper.

Harry Jones

SECCo

11 Feb 2026