

Draft Final Modification Report

GC0175:

Removing references to "Fax" or "Facsimile" within the Grid Code

Overview: This modification seeks to remove references to "fax" and "facsimile" from the Grid Code in order to reflect both current and future methods of communication between relevant Users and the National Energy System Operator (NESO) due to the national decommissioning of the Public Switched Telephone Network (PSTN).

Modification process & timetable

Proposal Form 08 October 2024

> **Code Administrator Consultation** 29 October 2024 – 29 November

Draft Final Modification Report 22 January 2025

Final Modification Report 10 February 2025

Implementation
10 Business Days after Authority

Have 20 minutes? Read the full <u>Draft Final Modification Report</u> **Have 90 minutes?** Read the full Draft Final Modification Report and Annexes.

Status summary: The Draft Final Modification Report has been prepared for the recommendation vote at Panel.

Panel recommendation: The Panel will meet on 30 January 2025 to carry out their recommendation vote.

This modification is expected to have a: Medium impact on Generators, Demand Users, Interconnectors, Distribution Network Operators, NESO

Modification drivers: Efficiency, EU Compliance, GB Compliance, New Technologies, System Operability, System Security, Transparency

Governance Route	Standard Governance modification to proceed to Code Administrator Consultation			
Who can I talk to	Proposer:	Code Administrator Contact:		
about the change?	Stuart McLarnon	Lizzie Timmins		
	stuart.mclarnon@nationalenergys o.com	Elizabeth.timmins@nationalenergyso.com		



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What is the issue?

NESO currently use fax machines within the Electricity National Control Centre to send and receive data from Primary and some Secondary Balancing Mechanism Units (BMUs). A number of these data submissions from BMUs support critical functions such as System Restoration, by transmitting data such as Unit Availability. Fax machines are ageing technology, with hardware support contracts ending (or have ended) and replacement parts difficult to source. The management of paper output is also time-consuming for reporting and audit purposes.

Why change?

The Public Switched Telephone Network (PSTN) that fax machines use, is due to be switched off by the start of 2027¹ which will result in all non-voice services that use this network ceasing. In readiness for the PSTN switch off, an alternative method of communication between relevant Users and NESO will need to be established to ensure current interactions can continue. It should also maintain the stability and audit trail that the current fax solution provides.

What is the proposer's solution

While there is an option to upgrade existing faxes to utilise digital line technology (via a digital adapter), this still does not address the current issues with the use of faxes in terms of hardware support and paper management. With this in mind, we believe a more future proof digital solution is required that provides the same functionality of the current fax solution but improves efficiencies and costs for Users.

The solution, (to be defined under an "umbrella term" as the "Designated Information Exchange System"), will be an Azure based platform which will allow both Users and NESO to provide web form submissions and acknowledgements which are currently transmitted via fax through the use of paper forms.

The platform will be accessed through the Users Internet Service Provider (ISP) via a secure, encrypted login which will be maintained and administered by NESO.

The platform will require no software licence obligations from the User and will be designed to be extendable to ensure any future requirements can be incorporated, and scalable to accommodate both existing and future Users.

A phased approach will be introduced following the implementation of the proposal with Users being moved across to the new platform over a period of time that we will be agreed. The rationale for a phased approach is to ensure Users are fully comfortable with the use of the new platform prior to the phase out of fax machines.

The proposed new definition of the "Designated Information Exchange System", will also include "facsimile" in order for the solution to accommodate the phased roll out of the

¹ https://business.bt.com/why-choose-bt/insights/digital-transformation/uk-pstn-switch-off/



platform from the implementation of the proposed changes where both the use of faxes and the platform will be in use.

This proposal will also take the opportunity to update references to fax or facsimile within the Grid Code that relate to "non-Control Room" activities. For example, Connections Compliance to reflect the current methods of communication that now takes place for these interactions, such as email.

Legal text

See **Annex 5** which details the proposed changes across the Grid Code. The legal text consulted on at Code Administrator Consultation can be found in **Annex 2**.

What is the impact of this change?

Proposer's assessment against Grid Code Objectives					
Relevant Objective	Identified impact				
(a) To permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity	Positive The proposal should create efficiencies in relation to communication between Users and NESO and replace outdated technologies.				
(b) Facilitating effective competition in the generation and supply of electricity (and without limiting the foregoing, to facilitate the national electricity transmission system being made available to persons authorised to supply or generate electricity on terms which neither prevent nor restrict competition in the supply or generation of electricity);	Neutral				
(c) Subject to sub-paragraphs (i) and (ii), to promote the security and efficiency of the electricity generation, transmission and distribution systems in the national electricity transmission system operator area taken as a whole;	Positive The proposal should create efficiencies in relation to communication between Users and NESO and replace outdated technologies. This in turn should have a positive impact from a system security point of view as increased response times should be realised.				



(d) To efficiently discharge the obligations imposed upon the licensee by this license and to comply with the Electricity Regulation and any relevant legally binding decisions of the European Commission and/or the Agency; and	Neutral
(e) To promote efficiency in the implementation and administration of the Grid Code arrangements	Neutral

Code Administrator Consultation Summary

in **Annex 5** for the Panel to review.

The Code Administrator Consultation was issued on the 29 October 2024 closed on 29 November 2024 and received 5 non-confidential responses and 0 confidential responses. A summary of the responses can be found in the table below, and the full responses can be found in **Annex 3**.

Code Administrator Consultation Summary	
Question	
Do you believe that the GC0175 Original Proposal better facilitates the Grid Code Objectives?	4 respondents believed the proposal better facilitates objective (a), 5 respondents believed the proposal better facilitates objective (c) and one respondent believed the proposal better facilitates objective (e).
Do you support the proposed implementation approach?	All 5 respondents supported the implementation approach.
Do you have any other comments?	Respondents were generally supportive of the proposal, as it will improve efficiencies in communication by replacing outdated technology.
	One respondent queried if the new platform was intended to be captured in the definition of Critical Tools and Facilities. NESO subsequently advised that this was not the intention, however noted that the platform is intended to be as resilient as possible.
Legal text issues raised in the consultation	

Two respondents highlighted typographical legal text issues in the Code Administrator Consultation. A summary of the legal text queries and proposed changes can be found in **Annex 4**, and the provisional typographical amendments made to the legal text can be found





EBR issues raised in the consultation

All 5 respondents believed the proposal impacts the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Grid Code. 2 respondents noted that this was a minimal impact.

NESO response to EBR issues raised in the Code Administrator Consultation

NESO agrees there is a minimal EBR interaction as a result of GC0175, however, the minimum EBR consultation requirement has been met, and the modification delivers benefits as set out in the Proposer's assessment against Grid Code Objectives.

Panel Recommendation Vote

The Panel will meet on the 30 January 2025 to carry out their recommendation vote.

They will assess whether a change should be made to the Grid Code by assessing the proposed change against the Applicable Objectives.

Panel comments on Legal text

Ahead of the vote taking place, the Panel will consider the legal text amendments proposed as part of the Code Administrator Consultation and agree next steps.

Panel comments on EBR impacts

The Panel will discuss when they meet on the 30 January 2025 to carry out their recommendation vote.

Vote 1: Does the Original facilitate the Applicable Objectives better than the Baseline?

Panel Member: Alan Creighton, Network Operator Representative

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Better facilitates AO (e)?	Overall (Y/N)
Original						
Voting Stat	tement					

Panel Member: Andrew Allan, Generator Representative

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Better facilitates AO (e)?	Overall (Y/N)		
Original								
Voting State	Voting Statement							





Panel Member: Claire Newton, National Energy System Operator Representative

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Better facilitates AO (e)?	Overall (Y/N)
Original						
Voting Sta	tement					

Panel Member: Darshak Shah, Generator Representative

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Better facilitates AO (e)?	Overall (Y/N)
Original						
Voting Stat	ement		1	1		

Panel Member: David Monkhouse, Offshore Transmission Licensee

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Better facilitates AO (e)?	Overall (Y/N)
Original						
Voting State	ement				1	

Panel Member: John Harrower, Generator Representative

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Better facilitates AO (e)?	Overall (Y/N)
Original						
Voting State	ement					





Panel Member: Lewis Morgan, Onshore Transmission Licensee

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Better facilitates AO (e)?	Overall (Y/N)
Original						
Voting State	ement	_	<u>'</u>	<u>'</u>		

Panel Member: Matthew White, Network Operator Representative

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Better facilitates AO (e)?	Overall (Y/N)
Original						
Voting State	ement		1		1	

Panel Member: Robert Longden, Supplier Representative

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Better facilitates AO (e)?	Overall (Y/N)
Original						
Voting Stat	tement					

Panel Member: Sigrid Bolik, Generator Representative

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Better facilitates AO (e)?	Overall (Y/N)
Original						
Voting Stat	ement					





Vote 2 – Which option best meets the Applicable Objectives?

Panel Member	Best Option	Which objectives does this option better facilitate? (If baseline not applicable).
Alan Creighton		
Andrew Allan		
Claire Newton		
Darshak Shah		
David Monkhouse		
John Harrower		
Lewis Morgan		
Matthew White		
Robert Longden		
Sigrid Bolik		

Panel conclusion

Panel will meet on 30 January 2025 to carry out their recommendation vote.

When will this change take place?

Implementation date

10 working days after authority decision date.

Date decision required by

As soon as possible

Implementation approach

It is proposed that a phased approach will be introduced following the implementation of the proposal with Users being moved across to the new platform over a period of time that we will be agreed. The rationale for a phased approach is to ensure Users are fully comfortable with the use of the new platform prior to the phase out of fax machines.

Interactions			
⊠CUSC □European Network Codes	□BSC ⊠ EBR Article 18 T&Cs2	⊠STC □Other modifications	□SQSS □Other

² If your modification amends any of the clauses mapped out in Annex GR.B of the Governance Rules section of the Grid Code, it will change the Terms & Conditions relating to Balancing Service Providers. The modification will need to follow the process set out in Article 18 of the Electricity Balancing Regulation (EBR –





Whilst EBR interactions do exist, these have been identified as minimal interactions.

Changes will also be required to the CUSC (<u>CMP443</u>) and STC (<u>CM099</u>) to reflect the changes that are being proposed to the Grid Code in respect of the removal of references to Fax and Facsimile.

Acronyms, key terms and reference material

Acronym / key term	Meaning
BMU	Balancing Mechanism Unit
BSC	Balancing and Settlement Code
CUSC	Connection and Use of System Code
EBR	Electricity Balancing Regulation
GC	Grid Code
GCDF	Grid Code Development Forum
ISP	Internet Service Provider
PSTN	Public Switched Telephone Network
STC	System Operator Transmission Owner Code
SQSS	Security and Quality of Supply Standards
T&Cs	Terms and Conditions

Annexes

Annex	Information
Annex 1	Proposal form
Annex 2	Legal Text consulted on at Code Administrator Consultation
Annex 3	Code Administrator Consultation Responses and Summary
Annex 4	Summary of Code Administrator Consultation legal text queries
Annex 5	Legal text updated with typographical changes

EU Regulation 2017/2195). All Grid Code modifications must be consulted on for 1 month in the Code Administrator Consultation phase, unless they are Urgent modifications which have no impact on EBR Article 18 T&Cs. N.B. This will also satisfy the requirements of the NCER process.