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Second Draft Final Modification Report

CMP443: Removing references to “Fax” or “Facsimile” within the CUSC

Overview: This modification seeks to remove references to “fax” and “facsimile” from the CUSC 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



Have 20 minutes? Read the full [Second Draft Final Modification Report](#)

Have 40 minutes? Read the full Second Draft Final Modification Report and Annexes.

Status summary: The Second Draft Final Modification Report has been prepared for the recommendation vote at the CUSC Panel on 31 January 2025.

Panel recommendation: The Panel will meet on 31 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

Governance Route Standard Governance modification to proceed to Code Administrator Consultation

Who can I talk to about the change?

Proposer:
Stuart McLarnon
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Code Administrator Chair:
Jess Rivalland
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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 proposed 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.

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

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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.

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 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 CUSC 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 2 which details the proposed changes across the CUSC.

What is the impact of this change?

Proposer’s assessment against CUSC Non-Charging Objectives	
Relevant Objective	Identified impact
(a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and by this licence*;	Positive Key communications relating to processes such as system restoration should be more efficient in relation to data transfer and response times
(b) Facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity;	Neutral
(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency **; and	Neutral
(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.	Positive The proposal should create efficiencies in relation to communication between

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	Users and NESO and replace outdated technologies.
<p>* See Electricity System Operator Licence</p> <p>**The Electricity Regulation referred to in objective (c) is Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) as it has effect immediately before IP completion day as read with the modifications set out in the SI 2020/1006.</p>	

First Code Administrator Consultation Summary

The first Code Administrator Consultation was issued on the 29 October 2024 closed on 29 November 2024 and received 1 response. A summary of the response can be found in the table below, and the full response can be found in Annex 3.

Code Administrator Consultation Summary	
Question	
Please provide your assessment for the proposed solution against the Applicable Objectives?	The respondent stated that the change would better facilitate objective (a) and (d). The respondent believe that the proposed solution will improve efficiencies in relation to the communication between Users and the NESO Control Centre and that key communications relating to processes such as system restoration should be more efficient.
Do you support the proposed implementation approach?	Yes. The respondent believes the approach will ensure the new solution can be rolled out to Users using a phased approach.
Do you have any other comments?	No
Do you agree with the Proposer's assessment that CMP443 does impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC?	Yes

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Do you have any comments on the impact of CMP443 on the EBR Objectives?	The respondent stated that while the proposed solution does impact the EBR Article 18 terms and conditions held within the CUSC, he believes that these interactions are minimal.
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Second Code Administrator Consultation

Prior to the CMP443 Draft Final Modification Report being presented to the CUSC Panel on 13 December 2024, it was highlighted that the following sections of Legal text were not included in the first Code Administrator Consultation:

- Section 11: Interpretation and Definitions
- Section 15: User Commitment Methodology

The Panel recommended that a Second Code Administrator Consultation should be issued for CMP443. The full legal text can be found in Annex 2.

Second Code Administrator Consultation Summary

The second Code Administrator Consultation was issued on 16 December 2024 closed on 17 January 2025 and received 1 response. A summary of the response can be found in the table below, and the full response can be found in Annex 4.

Second Code Administrator Consultation Summary	
Question	
Please provide your assessment for the proposed solution against the Applicable Objectives?	<p>The respondent believes that CMP443 better facilitates applicable objectives a), b) and d).</p> <p>The respondent stated that the proposed solution will improve efficiencies in communication between Users and NESO Control Centre by replacing outdated technology with future proofed electronic solution.</p>
Do you support the proposed implementation approach?	The respondent supports the proposed implementation approach.
Do you have any other comments?	No

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Do you agree with the Proposer’s assessment that CMP443 does impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC?	The respondent agrees with Proposers assessment that CMP443 impacts the EBR Article 18 terms and conditions.
Do you have any comments on the impact of CMP443 on the EBR Objectives?	The respondent believes that the proposed solution has minimal interactions with the EBR Article 18 terms and conditions.

NESO response to EBR issues raised in the Code Administrator Consultation

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

Panel Recommendation Vote

The Panel will meet on 31 January 2025 to carry out their recommendation vote.

They will assess whether a change should be made to the CUSC by assessing the proposed change and any alternatives against the Applicable Objectives.

Panel comments on EBR impacts

The Panel will discuss when they meet on 31 January 2025 to carry out their recommendation vote.

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

Panel Member: **Andrew Enzor, User Panel Member**

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

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Panel Member: **Andy Pace, Consumers' Panel Member**

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

Panel Member: **Binoy Dharsi, User Panel Member**

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

Panel Member: **Daniel Arrowsmith, NESO Panel Member**

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

Panel Member: **Garth Graham, User Panel Member**

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

Panel Member: **Joe Colebrook, User Panel Member**

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

Panel Member: **Joseph Dunn, User Panel Member**

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

Panel Member: **Kyran Hanks, User Panel Member**

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

Panel Member: **Paul Jones, User Panel Member**

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

Vote 2 – Which option best meets the Applicable Objectives?

Panel Member	Best Option	Which objectives does this option better facilitate? (If baseline not applicable).
Andrew Enzor		
Andy Pace		
Binoy Dharsi		
Daniel Arrowsmith		
Garth Graham		
Joe Colebrook		
Joseph Dunn		

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Kyran Hanks		
Paul Jones		

Panel conclusion

Panel will meet on 31 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

Grid Code
 BSC
 STC
 SQSS
 European Network
 EBR Article 18 T&Cs²
 Other modifications
 Other
 Codes

Whilst EBR interactions do exist, these have been identified as minimal interactions. Changes will also be required to the Grid Code and STC Procedures to reflect the changes that are being proposed to the CUSC in respect of the removal of references to Fax and Facsimile.

Acronyms, key terms and reference material

Acronym / key term Meaning

² If your modification amends any of the clauses mapped out in Exhibit Y to the CUSC, 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 Guideline (EBR – EU Regulation 2017/2195) – the main aspect of this is that the modification will need to be consulted on for 1 month in the Code Administrator Consultation phase. N.B. This will also satisfy the requirements of the NCER process.

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API	Application Programming Interface
BMU	Balancing Mechanism Unit
BSC	Balancing and Settlement Code
CMP	CUSC Modification Proposal
CUSC	Connection and Use of System Code
EBR	Electricity Balancing Regulation
ISP	Internet Service Provider

Annexes

Annex	Information
Annex 1	CMP443 Proposal form
Annex 2	CMP443 Legal text
Annex 3	First Code Administrator Consultation Responses
Annex 4	Second Code Administrator Consultation Responses