

Connection and Use of System Code (CUSC) CMP443: Removing references to "fax" or "facsimile" within the CUSC	
Decision:	The Authority ¹ directs ² that the proposed modification to the CUSC be made
Target audience:	The National Energy System Operator (NESO), the CUSC Review Panel, CUSC users and other interested parties
Date of publication:	14 March 2025
Implementation date:	10 working days after the Authority decision

Background

The NESO currently use fax machines within the 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.

The Public Switched Telephone Network (PSTN) that fax machines use, is due to be switched off by the start of 2027³ 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 via an Azure-based Designated Information Exchange System between relevant Users and the NESO has been established to ensure current interactions can continue. It should also maintain the stability and audit trail that the current fax solution provides.

¹ References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day to day work. This decision is made by or on behalf of GEMA.

² This document is notice of the reasons for this decision as required by section 49A of the Electricity Act 1989.

³ The UK's PSTN network will switch off in 2027 | BT Business

The Modification Proposal

This modification seeks to remove references to "fax" and "facsimile" from the CUSC to reflect both current and future methods of communication between relevant Users and the NESO due to the national decommissioning of the Public Switched Telephone Network (PSTN).

CMP443⁴ ('the Proposal') was raised by the NESO on 8 October 2024 and seeks to implement changes in the following areas of the CUSC.

- CUSC Exhibit B Connection Application
- CUSC Exhibit F Use of System Application
- CUSC Exhibit I The Connection and Use of System Code Modification Application
- CUSC Exhibit O Interface Agreements Part IB Relevant Transmission Licensee
 Assets on User Land
- CUSC Exhibit O Part 1 C Relevant Transmission Licensee Assets on Offshore Platform
- CUSC Exhibit O Interface Agreements Part II B User Assets on Relevant Transmission Licensee Land
- CUSC Exhibit O Interface Agreements Part II C User Assets On RTL Offshore Platform
- CUSC Exhibit P STTEC Request Form
- CUSC Exhibit S LDTEC Request Form
- CUSC Exhibit V Statement of Works
- CUSC Exhibit W Temporary TEC Exchange Rate Request Form
- CUSC Exhibit X Temporary TEC Exchange Notification of Interest Form
- CUSC Schedule 2 Exhibit 3A The Connection and Use of System Code Offshore Construction Agreement
- CUSC Schedule 2 Exhibit 3 The Connection and Use of System Code Construction Agreement
- CUSC Schedule 2 Exhibit 4 Mandatory Services Agreement
- CUSC Section 2 Connection
- CUSC Section 4 Balancing Services

⁴ The full legal text for this change can be found here: <u>CMP443 - Removing references to "Fax" or "Facsimile"</u> <u>within the CUSC | National Energy System Operator</u>

- CUSC Section 6 General Provisions
- CUSC Section 9 Interconnectors

The Proposer considers the Proposal positively impacts Applicable CUSC Objectives (i)⁵ and (iv)⁶ and has a neutral impact on the remaining Applicable CUSC Objectives.

The first Code Administrator Consultation (CAC) ran from 29 October 2024 to 29 November 2024. This received one non-confidential response where the respondent said that the Proposal better facilitated Objective (i) and Objective (iv). The respondent believes that the proposed solution will improve efficiencies in relation to the communication between Users and the Control Centre and that key communications relating to processes such as System Restoration should be more efficient.

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 CAC:

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

The Panel recommended that a second CAC should be issued for CMP443 to allow for further discussion of the additional legal text sections highlighted.

The second CAC ran from 16 December 2024 to 17 January 2025. This received one non-confidential response where the respondent believed that the Proposal better facilitated Objective (i), Objective (iii) and Objective (iv).

CUSC Review Panel Recommendation

On 31 January 2025, the Panel recommended unanimously that the Proposer's solution be implemented.

⁵ Applicable CUSC Objective (i): The efficient discharge by the licensee of the obligations imposed upon it under the Electricity Act 1989 and by this licence.

 $^{^{6}}$ Applicable CUSC Objective (iv): Promoting efficiency in the implementation and administration of the CUSC arrangements.

Our decision

We have considered the issues raised by the Proposal and in the Final Modification Report (FMR) dated 11 February 2025. We have considered and taken account of the responses to the CAC which are included in the FMR.⁷ We have concluded that:

- implementation of the Proposal will better facilitate the achievement of the Applicable CUSC Objectives (i) and (iv)⁸
- approving the modification is consistent with our principal objective and statutory duties⁹

Reasons for our decision

We consider this Proposal will better facilitate Applicable CUSC Objectives (i) and (iv) with a neutral impact on the other Applicable CUSC Objectives.

(i) the efficient discharge by the licensee of the obligations imposed upon it under the Electricity Act 1989 and by this licence

We agree with the Proposer that the Proposal positively impacts this Applicable CUSC Objective. By removing the usage of outdated technologies, this Proposal ensures efficient operation and compliance of the NESO licensed activities under the ESO Licence.

(iv) promoting efficiency in the implementation and administration of the CUSC arrangements

We agree with the Proposer that the Proposal positively impacts this Applicable CUSC Objective. By removing reference to outdated technologies, this Proposal removes any ambiguity in the use and referencing in the CUSC relating to obsolete communications technology.

⁹ The Authority's statutory duties are wider than matters which the CUSC Panel Review must take into consideration and are detailed mainly in the Electricity Act 1989 as amended.

⁷ CMP443 Final Modification Report can be viewed on NESO's website at: <u>CMP443 - Removing references to "Fax" or "Facsimile" within the CUSC | National Energy System Operator</u>

⁸ As set out in Standard Condition E2 of the Electricity System Operator Licence.

For the avoidance of doubt, we have made our assessment on this Proposal in reference to the Applicable CUSC Objectives which came into effect upon the establishment of the NESO on 1 October 2024.

Decision notice

In accordance with Standard Condition E2 of the Electricity System Operator Licence, the Authority hereby directs that CUSC modification proposal CMP443: Removing references to "fax" or "facsimile" within the CUSC be made.

Gurpal Singh,

Head of Engineering and Profession Lead

Signed on behalf of the Authority and authorised for that purpose