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| UNC Workgroup Report | At what stage is this document in the process? |
| UNC 0864S:  Update of UNC Code Communication Methods |  |
| **Purpose of Modification:**  This modification seeks to align obligated Code Communication methods with future communication network changes, attributable to national PSTN decommissioning, and the subsequent retirement of fax devices. | |
| **Next Steps:**  The Workgroup recommends that this Modification should be subject to Self-Governance.  The Workgroup asks Panel to agree that this Self-Governance Modification should proceed to consultation.  The Panel will consider this Workgroup Report on ~~16 May~~ 20 June 2024. The Panel will consider the recommendations and determine the appropriate next steps. | |
| **Impacted Parties:**  Low: All parties currently obligated by UNC Code Communication via facsimile | |
| **Impacted Codes (deletion (and where appropriate, replacement) of Facsimile):**   * UNC General: Introduction, Transition Document, Modification Rules and General Terms (Part IIC, Part IIE, Section B & D) * Transportation Principal Document (Sections B, J, Q, S, V & X) * Offtake Arrangements Document (Sections M & N) * Independent Gas Transporter Arrangements Document (Section F) * [Energy Balancing Credit Rules (Section 3)]   **Impacted Codes (standardisation of Electronic Mail):**   * UNC General: Sections B & D * Transportation Principal Document (Sections S & V) | |

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| Contents  1 Summary 3  2 Governance 4  3 Why Change? 4  4 Code Specific Matters 5  5 Solution 7  6 Impacts & Other Considerations 8  7 Relevant Objectives 11  8 Implementation 13  9 Legal Text 13  10 Recommendations 14  11 Appended Representations 14  Timetable   |  |  | | --- | --- | | **Modification timetable:** | | | Pre-Modification Discussed at Dx | 26 October 2023 | | Pre-Modification Discussed at Tx | 02 November 2023 | | Date Modification Raised | 02 November 2023 | | New Modification to be considered by Panel | 16 November 2023 | | First Workgroup Meeting | 04 December 2023 | | Workgroup Report to be presented to Panel | ~~16 May~~ 20 June 2024 | | Draft Modification Report issued for consultation | ~~17 May~~ 21 June 2024 | | Consultation Close-out for representations | 12 ~~June~~ July 2024 | | Final Modification Report available for Panel | 19 ~~June/~~ July 2024 | | Modification Panel decision | 15 ~~July~~ August 2024 | | **Any questions?** |
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Summary

#### What

This UNC Code Modification updates prescribed UNC Code Communication methods to align with future Ofcom-led physical network changes that will be implemented nationally. This will require the deletion of the Code Communication method ‘facsimile’ and ‘fax’ within UNC documents and where appropriate, replacement with an alternative Code Communication method. Additionally, this Modification will include housekeeping to standardise the spelling of electronic mails.

#### Why

Public Switched Telephone Networks (PSTN) provide residual power and data transmission capabilities for fax machine devices. In 2025, this aged infrastructure will be switched off nationally by individual telecoms companies to be replaced with an Internet Protocol (IP) digital network. This national switch-off will result in existing fax devices that are incompatible with new all-IP digital networks becoming obsolete. Consequently, UNC Parties may no longer be able to meet specific UNC obligations. The GB gas industry will need to switch to digital communication technology that is compatible with new replacement IP digital lines to ensure the continual transmission of information currently transmitted by facsimile. Failure to modify existing UNC Code Communication methods could result in non-compliance when Parties are left with no option but to physically switch to digital alternatives.

#### How

To ensure compliance for all UNC parties forced to move to digital communication alternatives, it is thus necessary to implement a UNC Modification at the earliest opportunity to ensure regulatory readiness for this physical communication change. To achieve this, all identified Code Communication references to ‘facsimile’ and ‘fax’ will be deleted and where appropriate replaced with an alternative Code Communication method. This Modification proposes ‘email’ to be the primary replacement Code Communication method, with alternative existing UNC methods of Code Communication to be added by exception. This UNC Modification will enable the GB gas industry to physically switch to new futureproofed digital technology whilst concurrently maintaining compliance with contractual Code Communication obligations.

#### Standardisation of Electronic Mail

In addition to the deletion of facsimile/fax references and replacement with alternative Code Communications where appropriate, this Modification will standardise electronic mail Code Communication references within the UNC General and TPD documents. Currently, both ‘email’ and ‘e-mail’ are used interchangeably within UNC, which may result in particular conditions being omitted from document searches. This Modification therefore proposes housekeeping to update 10 identified cases of ‘e-mail’ with ‘email’ in line with all other electronic mail references throughout UNC.

Governance

#### Justification for Self-Governance

This Modification meets the requirements for Self-Governance and there are no identified material impacts. It is believed that compliance with UNC obligations will be unaffected by the update to Code Communications.

#### Requested Next Steps

This Modification should be considered a non-material change and subject to Self-Governance.

A key external driver for this Modification is the imminent decommissioning of PSTN which forces the requirement for change. It is therefore vital that the proposed timetable on page 2 is adhered to, ensuring advance preparedness to prevent undue disruption.

#### Workgroup’s Assessment

*Workgroup’s Assessment of Governance and whether the Modification meets/continues to meet the Self-Governance criteria.*

Workgroup participants agree that this Modification should be managed under Self-Governance procedures as it simply removes references to facsimile and fax within the UNC documents and where appropriate introduces an alternative Code communication method. It further addresses the inconsistency of spelling of electronic mails in the code. Evidence following engagement with [relevant / all] code signatories demonstrated that facsimile (fax) is no longer widely used by organisations and as a result, the impact is anticipated to be minimal. A factor that the workgroup participants believe further supports the progression of this proposal under Self-Governance procedures.

Why Change?

Agreed methods for obligated Code Communication between UNC parties are clearly outlined within UNC documents. Notwithstanding that facsimile has largely become superseded by email in line with technological advancements, its usage will likely cease in 2025. This end date, first publicised in 2017, is attributable to the planned decommissioning of PSTN analogue networks on which facsimile hardware operate and the replacement with Internet Protocol (IP) digital networks. This has implications for all telecom customers who run devices including fax machines which operate on PSTN networks, as such devices will likely become obsolete.

The Government have published preparatory guidance which includes migrating to IP-supported technology in advance of the planned decommissioning. Critical National Infrastructure (CNI) (“*assets, facilities, systems, networks or processes and the essential workers that operate and facilitate them*”) which is subdivided into 13 sectors including Energy, are advised to consider how they move to digital alternatives smoothly to avoid unnecessary interruption following the PSTN switch-off. Consequently, this modification updates the prescribed UNC Code Communication methods to align with this future physical communication change. This will require the deletion of ‘facsimile’ and ‘fax’ references and where appropriate the replacement with ‘email’ or by exception an alternative method of Code Communication.

Email has been suggested as a suitable robust alternative to facsimile because it offers an established cheap, fast, reliable, and efficient means of sending data and information which can then be saved or transposed easily. Email is not a like-for-like facsimile replacement, however guidance on sending/receiving Notices (defined as “*any communication or other notice or communication to be given by one Party to another under the Code*”) by email is detailed in **UNC General Terms, Section B, 5.2**. This section outlines the requirements of parties to provide correspondence details and defines how Notices shall be deemed to have been received.

With pending physical communication changes, it is thus prudent to implement this Code Modification at the earliest opportunity to ensure regulatory preparedness within the UNC. This will enable the GB gas industry to physically migrate to new futureproofed digital technology whilst maintaining compliance with contractual obligations and licenses. All UNC parties currently obliged to adhere to facsimile Code Communication would be impacted following the 2025 switch-off without this UNC Modification being implemented. This Code Modification will align the GB gas industry with wider national changes resulting from the PSTN switch-off and is thus on behalf of the entire GB gas industry.

Code Specific Matters

#### Linked Modifications

Modification Request 0590 is a historical Modificaiton raised by EON and presented to Panel on 21 July 2016) which argued facsimile was no longer a principal communication method within the GB gas industry and sought to explore alternatives along with any rationale for maintaining facsimile as a Code Communication method. This modification was withdrawn by the Proposer on 16 August 2016 after Panel voted unanimously to defer, following concerns regarding the scope of the Request and potential safety impacts owing to the (then) use of facsimile as a default communication method for network emergencies.

The landscape has since changed, and external drivers (PSTN switch-off and subsequent facsimile retirement) now forces the adoption of digital solutions. For the past 5 years, Fact24 has been successfully utilised in the deployment of emergency communications to industry during the annual Network Emergency Coordinator (NEC) Industry Exercise. Following the successful 2023 NEC Industry Exercise, the largest of its kind to date involving 400+ participants, it is understood that facsimile was not required to transmit any emergency communications. This evidence addresses earlier Panel concern that was raised on 21 July 2016 and satisfies that the removal of facsimile will have no material impact on safety during a network emergency.

UNC Modification 0479 was raised in 2015 and introduced email into UNC alongside post and facsimile. This Modification was driven by the widespread use and efficiency of email and advocated its numerous advantages. 0479 references the positive feedback of adopting email within the energy industry provided by Ofgem in decision letters from historical UNC and Electricity Market code modifications.

Within the Retail Energy Code arena, REC 0157 has been raised to address the same problem attributable to the retirement of facsimile. REC 0157 deletes references to facsimile, however owing to email being a listed method of communication in all instances where facsimile exists, no replacement with alternative communication methods was needed. REC 0157 has been approved for implementation prior to the PSTN decommissioning deadline of December 2025.

#### Reference Documents

* UNC (General, Transportation Principal Document, Offtake Arrangements Document, and Independent Gas Transporter Arrangements Document): <https://www.gasgovernance.co.uk/UNC>
* Energy Balancing Credit Rules: [EBC Rules V3.31 Approved 09.03.2023 (002).pdf (gasgovernance.co.uk)](https://www.gasgovernance.co.uk/sites/default/files/ggf/page/2023-03/EBC%20Rules%20V3.31%20Approved%2009.03.2023%20%28002%29.pdf)
* Request 0590 <https://www.gasgovernance.co.uk/0590>

#### Useful Webpages

* Government guidance on the UK transition from analogue to digital landlines:

<https://www.gov.uk/guidance/uk-transition-from-analogue-to-digital-landlines>

* BT guidance on PSTN and ISDN switch-off:

[The PSTN and ISDN switch-off: what it means for you | BT Business](https://help.business.bt.com/app/answers/detail/a_id/55133/~/the-pstn-and-isdn-switch-off%3A-what-it-means-for-you)

* REC 0157 <https://recportal.co.uk/group/guest/-/removal-of-facsimile-as-a-method-of-code-communication>
* UNC 0479: https://www.gasgovernance.co.uk/index.php/0479

Solution

All references of facsimile and fax have been identified and will be deleted from UNC text, alongside additional text pertaining to the use of facsimile. Where appropriate, facsimile references will be substituted with email as the primary replacement method or by exception an alternative method of communication. A summary of the proposed solution is outlined below:

|  |  |
| --- | --- |
| **Existing UNC Text** | **Solution** |
| Facsimile/fax is referenced with/without alternative listed methods of communication excluding email | Replace facsimile/fax with email, or alternative method of communication by exception |
| Facsimile/fax is referenced with email as an alternative listed method of communication | Delete facsimile/fax |
| Additional text pertaining to facsimile, such as ‘facsimile number’ and facsimile deemed receipt | Delete additional text |

All updates to ‘facsimile’/’fax’ Code Communications are clearly marked in the legal text overview provided in **Appendix 1**. A summary of identified references has been provided in **Appendix 2**. Where an identified reference is within a Transitional Document and has expired, the processes and obligations will no longer be live and thus such facsimile/fax references will not need to be modified as part of this Modification. It should be noted that a Modification currently in development by NGT and DNOs seeks to remove expired Transitional Rules in their entirety, and as such it is likely any remaining Transitional Document IIC references to facsimile/fax that have expired will be later removed by that Modification.

#### Alternative Solutions Considered

The following alternative solutions have been considered:

* **Continue Business as Usual**

Not updating communication methods may result in devices becoming incompatible with new digital IP networks following the switch-off. Not updating UNC Code Communication text may result in parties being in breach of UNC obligations should alternative methods to facsimile be employed.

* **Substitute Facsimile with Alternative Primary Method to Email**

Email is now a widely used method of communication within the GB gas industry and beyond. No alternative methods were identified by industry during Pre-Modification industry discussions.

#### Standardisation of Electronic Mail References

A ‘find and replace’ exercise has been undertaken to update all references of ‘e-mail’ as can be seen in the below table:

|  |  |
| --- | --- |
| Existing UNC text | Updated UNC text |
| ‘E-mail’ | ‘Email’ |
| ‘Email’ | - |

10 references of ‘e-mail’ have been replaced with ‘email. All updates are clearly marked in the legal text provided in **Appendix 1 and summarised in Appendix 2.**

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Impacts & Other Considerations

#### Does this Modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

None.

#### Consumer Impacts

None. This Modification only aligns UNC Code Communication with physical communication changes associated with the retirement of fax, whilst housekeeping will simultaneously standardise electronic mail references to ‘email’. As such there are no foreseen consumer impacts

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#### What is the current consumer experience and what would the new consumer experience be?

N/A

|  |  |
| --- | --- |
| Impact of the change on Consumer Benefit Areas: | |
| Area | Identified impact |
| Improved safety and reliability | None |
| Lower bills than would otherwise be the case | None |
| Reduced environmental damage  Emails eliminate paper and plastic waste from printing and cartridges respectively. The environmental benefits gained from switching to email as an approved UNC Code Communication method aligns with the UK’s 2050 Net Zero ambitions. | Positive |
| Improved quality of service | None |
| Benefits for society as a whole  This modification aligns the GB gas industry with changes being implemented across wider society nationally, resulting from the PSTN switch-off. This will enable sustained industry data flows that underpin the continual safe operation of the gas network, keeping homes warm and lights turned on. Additionally, environmental gains outlined above are not geographically constrained and thus benefit whole-society. | Positive |

**Performance Assurance Considerations**

None*.*

#### Cross-Code Impacts

A ‘mirror-modification’ within the IGT Code may be raised separately to support with a standardised one-off Code Communication change across the whole GB gas industry network.

#### EU Code Impacts

None.

#### Central Systems Impacts

A Rough Order of Magnitude (ROM) has been raised with Xoserve who operates as the CDSP. They are exploring the potential for any Central Systems impacts. Due to the industry-wide impacts associated with the 2025 PSTN switch-off, Xoserve has also raised a Change Proposal.

**Initial Representations** *(Joint Office to complete)*

#### The Workgroup must provide an assessment against any Initial Representations. The Representations must also be appended to the PDF version of this report.

None Received or Insert text here**.**

#### Panel Questions (Joint Office to complete)

#### The Workgroup must provide an assessment against each of the Panel Questions

Insert text here N/A

#### Workgroup Impact Assessment (Joint Office to complete)

Workgroup concur with the proposer’s assessment of the modification being a maintenance / housekeeping exercise and acknowledge the need to make changes as a result of the PSTN decommissioning in 2025 and ensuring a standardised description / reference to electronic mail as a Code Communication.

Workgroup acknowledge that the proposer has consulted with industry colleagues to identify the incidence of use of fax.

The pie chart below represents the responses received from all industry parties, and shows that less than 20% of parties have used  fax and of those that advised that they have retained fax  they have done so for Business Continuity purposes.

Workgroup acknowledge that despite further exploration no alternative methods of communication were identified additional to those already referenced in the code.

Workgroup agree that wider impacts of the proposed change have been discussed/explored assessing similar changes raised to REC (change 0157) and acknowledge that premod discussions took place in both distribution and transmission workstreams. ~~the workgroup further acknowledge that due to a number of references to Fax in the Offtake communication arrangements document that the proposer also discussed at the offtakes arrangements meeting.~~

Workgroup acknowledge that a line-by-line assessment of all references to fax in the prevailing code has been completed and a suitable alternative considered, further workgroup agrees that appendices 1 & 2 clearly detail the changes required. ~~and clearly catergorises by grouping together references with similar characteristics~~. During this review a number of references were identified with in transitional rules TDIIC ~~para 4,5,6, &7,~~ it should be noted that~~however~~ the proposer has not made changes to transitional rules that have clearly documented expiry dates that have passed.

Workgroup agree that this modification should not amend any such expired references and acknowledges ~~that~~ it is anticipated that these will be addressed as part of a wider review of transitional arrangements within the code.

Work group recommended that implementation did not follow a phased approach however a suitable implementation period should be provided to allow impacted parties to make relevant change to systems and operational processes.

Workgroup note that this proposal is now planned to be discussed at 20th June Panel meeting following the request of one month’s extension.

Add in para re the change of version to version 2 of the mod.

#### Reference Documents (Joint Office to complete)

*Workgroup to consider if changes will be required to any Code Related Documents or Guidance Documents and whether such proposed modifications shall be submitted to the Uniform Network Code Committee and considered by the Uniform Network Committee or any relevant sub-committee where the Uniform Network Code Committee so decide by majority vote in accordance with the requirements set out in paragraph 12 of Section V of the UNC Transportation Principal Document*

Insert text here. EBC Rules: Section 2 (calculation of outstanding energy balancing indebtedness) has been identified by the proposer,

Relevant Objectives

|  |  |
| --- | --- |
| Impact of the Modification on the Transporters’ Relevant Objectives: | |
| Relevant Objective | Identified impact |
| a) Efficient and economic operation of the pipe-line system. | None |
| b) Coordinated, efficient and economic operation of  (i) the combined pipe-line system, and/ or  (ii) the pipe-line system of one or more other relevant gas transporters. | None |
| c) Efficient discharge of the licensee's obligations. | None |
| d) Securing of effective competition:  (i) between relevant shippers;  (ii) between relevant suppliers; and/or  (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers. | None |
| e) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards… are satisfied as respects the availability of gas to their domestic customers. | None |
| f) Promotion of efficiency in the implementation and administration of the Code. | Positive |
| g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators. | None |

#### Proposer Assessment of Relevant Objectives

Text

#### Workgroup Assessment of Relevant Objectives

#### The Workgroup must provide an assessment of how the Relevant Objectives are furthered and respond to what the proposer has provided

Insert text here

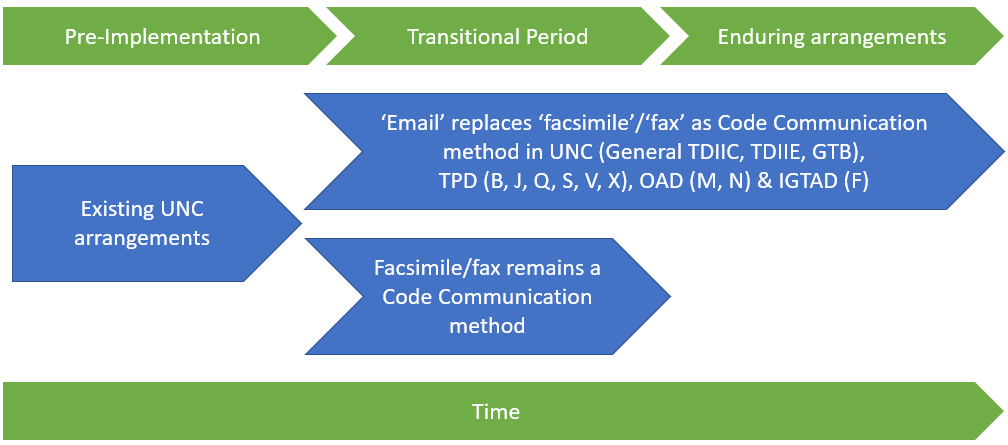
The modification furthers Relevant Objective (f), as follows.

Assessing this consequential change to the prevailing rules ahead of the enforced decommissioning of the PSTN allows parties to act proactively providing adequate time for consideration of the changes that will ensue. Removing what will become obsolete references in the code to fax and ensuring appropriate alternative means of communication have been assessed and are in place ahead of 2025 deadline, the proactive raising of this modification also allows affected parties to ensure consequential changes to their systems / operational procedures can be assessed and implemented with minimal disruption ensuring the ongoing efficient administration of the code. Finally, the proposed alignment of all references to electronic mail removes ambiguity and facilitates improved searching capability across relevant documentation allowing for the ongoing efficient administration of code.

Implementation

As Self-Governance procedures are proposed, implementation could be sixteen business days after a Modification Panel decision to implement, subject to no Appeal being raised. Parties that require a longer lead time may submit representation which can be considered to determine a suitable implementation date. Implementation however will be no later than the PSTN decommissioning deadline of December 2025.

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Legal Text

#### Text Commentary: Facsimile/Fax Replacement

The following documents have had legal text modified to reflect the Code Communication update from facsimile references, as outlined within this Proposal:

* General – 10 TDIIC (Transitional Rules)
* General – 12 TDIIE (Re-allocation of NTS Entry Capacity at Bacton ASEP
* General – 22 GTB (Section B: General Terms)
* General – 24 GTD (Section D: CDSP and UK Link)
* TPD – 4 Section B (System Use and Capacity)
* TPD – 12 Section J (Exit Requirements)
* TPD – 18 Section Q (Emergencies)
* TPD – 20 Section S (Invoicing and Payment)
* TPD – 22 Section V (General)
* TPD – 23 Section X (Energy Balancing Credit)
* OAD – 15 Section M (Information Flows)
* OAD – 16 Section N (General)
* IGTAD – 8 Section F (General)
* (EBC Rules: Section 3 (Calculation of Outstanding Energy Balancing Indebtedness))

Owing to the scope of changes to be demonstrated within this section, the documents containing the marked legal text changes are provided separately. An overview can be seen in **Appendix 1**.

It is observed that 38 references to facsimile are within the Transition Document. Whilst some TD sections may have now expired, it nonetheless seems prudent to update these references, through implementation of this Modification, whilst this issue is explored. This will ensure the readiness of any live sections ahead of PSTN decommissioning.

#### Text Commentary: Electronic Mail Reference Standardisation

The following documents have had legal text modified to reflect the Code Communication update to standardise all references to email (from e-mail), as outlined within this Proposal:

* General – 22 GTB (Section B: General Terms)
* General - 24 GTD (Section D: CDSP and UK Link)
* TPD – 20 Section S (Invoicing and Payment)
* TPD – 22 Section V (General)

#### Workgroup Assessment

*Workgroup’s Assessment of the proposed changes and how these meet the intent of the Solution.*

The Workgroup has considered the Legal Text and is satisfied that it meets the intent of the Solution.

Recommendations

#### Workgroup’s Recommendation to Panel

The Workgroup asks Panel to agree that this Self-Governance Modification should proceed to consultation.

Appended Representations

Initial Representations – None