P329 'Changes to REMIT inside information reporting'

This Report Phase Consultation was issued on 12 February 2016, with responses invited by 26 February 2016.

Consultation Respondents

Respondent	No. of Parties/Non-Parties Represented	Role(s) Represented
Centrica	10/0	Generator, Supplier
National Grid Interconnectors limited	2/0	Int. Administrator, Int. Error Admin.
National Grid	1/0	Transmission Company
Everis obo ScottishPower	9/16	Generator, Supplier, Non Physical Trader, ECVNA, MVRNA, Supplier Agent
Drax Power Limited	1/0	Generator
E.ON	7/2	Generator, Supplier, Interconnector User, Non Physical Trader, ECVNA, MVRNA
EDF Energy	8/4	Generator, Supplier, ECVNA, MVRNA

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Question 1: Do you agree with the Panel's initial unanimous view that both P329 Proposed and Alternative are better than the baseline?

Summary

Yes	No	Neutral/No Comment	Other
7	0	0	0

Responses

Respondent	Response	Rationale
Centrica	Yes	P329 is justified under Applicable BSC Objective (e) so as to meet Article 10(1) of the EU REMIT Implementing Regulation.
National Grid Interconnectors limited	Yes	We believe that P329 better facilitates BSC objective (e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency for the Co-operation of Energy Regulators. The Modification delivers the ACER requirements with regards to REMIT common schemas and for inside information web feeds.
National Grid	Yes	We agree that both the P329 Proposed and Alternative Modification would better facilitate the achievement of Applicable BSC Objectives (b) and (c) compared with the current baseline in a similar fashion to P291 as it means that the BMRS can continue to remain the GB central point for REMIT Inside Information publication. We also agree that they better facilitate Applicable BSC Objective (e) now that the requirement for Web Feeds to ACER is explicitly set out in the Implementing Regulations. This is set out below: • Objective (b) - if market participants are able to make more informed decisions to increased transparency, this in turn may result in the more efficient, economic and co-ordinated operation of the national electricity transmission system. • Objective (c) - increased transparency may enable market participants to make more informed decisions, and the new platform could particularly benefit participants with fewer resources, which is likely to promote increased market participation and thus increase effective competition in the

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Respondent	Response	Rationale
		generation and supply of electricity as well as in its sale and purchase. • Objective (e) - as the BSC became the means for delivering the national platform (with approval of P291), any applicable regulations relating to REMIT are now relevant. As such there is a justification against Objective (e) so as to meet Article 10(1) of the EU REMIT Implementing Regulation.
Everis obo ScottishPower	Yes	Both Proposed and Alternative are better than the baseline. Objective b) Having access to a central reporting platform, participants are able to make more cost-effective trading decisions. Objective c) Improved information availability will directly impact and improve the competitive markets.
Drax Power Limited	Yes	Drax agrees that both P329 Proposed and Alternative better facilitate the Applicable BSC Objectives (ABOs) (c), (d) and (e). The Agency for the Co-operation of Energy Regulators (ACER) has updated its requirements for the Regulation on Wholesale Energy Markets Integrity and Transparency (REMIT) common schemas for inside information web feeds. Drax believes that by bringing the BMRS into alignment with these new requirements, P329 Proposed and Alternative better facilitate ABO (e) over the baseline. In addition, the changes introduced under P329 Proposed and Alternative will better facilitate ABO (c), as it will promote transparency in the market, therefore it better facilitates competition. Using a central platform for the publishing of inside information promotes efficiency by delivering information in a single place and in a standardised format. Greater efficiency is achieved for those users that require access to the data and those that must provide this information to ACER as set out under REMIT, thereby the modification better facilitates ABO (d). However, it is unfortunate that the solution cannot be implemented in the timescales prescribed by ACER. As such, the implementation timescales may

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Respondent	Response	Rationale
		be detrimental to efficiency, due to the duplication in effort across the industry to meet the January 2017 (previously July 2016) deadline.
E.ON	Yes	We support the reasons given in the consultation.
EDF Energy	Yes	Compliance in the long term of BMRS with ACER requirements for REMIT reporting of electricity generation and demand availability seems unavoidable, given ACER and industry aspiration for central reporting, use of BMRS by many market participants for this purpose, and the absence of another GB central reporting platforms for electricity. Modification of BMRS will reduce the risk of BSCCo being considered in breach of EU REMIT Implementing Regulation (Regulation (EU) 1348/2014), and provide compliance with ACER REMIT Manual of Procedures on data reporting v3.0, and thus better meet BSC Ojective (e) concerning EU regulations. Continued use of BMRS as a (voluntary) central platform for publishing GB REMIT data should better meet BSC Objectives (b) and (c) relating to efficient system operation and competition respectively, compared with cessation of reporting via BMRS due to non-compliance with EU requirements.

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Question 2: Do you agree with the Panel's view that the Alternative solution is better than the Proposed solution, and therefore its initial unanimous recommendation that P329 Alternative should be approved and P329 Proposed should be rejected?

Summary

Yes	No	Neutral/No Comment	Other
6	0	0	1

Responses

Respondent	Response	Rationale
Centrica	Yes	MODIS needs to remain an option for Participants to submit REMIT information in to BMRS. Removing MODIS would expose us to significant systems impacts and costs.
National Grid Interconnectors limited	Yes	We are impartial to which solution should be approved as we do not use MODIS. We note the differing costs of the Proposed solution (£72K – TBC) and the Alternative (up to £1.1m). We would like the most cost effective proposal to be implemented, so that it would better objective (d) Promoting efficiency in the implementation and administration of the balancing and settlement arrangements.
National Grid	Other	We believe that the Proposed Modification is better than the Alternative as there would be less risk associated with MODIS. However, we appreciate the need to ensure that this can be introduced without significant risk (and cost) to market participants who currently utilise MODIS for this purpose being demonstrated. Therefore, subject to the Implementation Date being put back to June 2017, we are willing to support the Alternative solution (with this regard it is also worth noting the fact that the ACER's deadline for updated insider information reporting implementation has been pushed back to 1 January 2017).
Everis obo ScottishPower	Yes	The Alternative solution is better on Objectives c and d than the Proposed. Taking into account our significant investment in adopting MODIS for REMIT purposes, to have to discontinue its use and seek an alternative solution, especially considering the short timescales between approval and go live of the Proposed, would be hugely inefficient. We have

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Respondent	Response	Rationale
		seen no evidence to suggest it is practical to run a testing project on the scale of the one preceding MODIS adoption, to allow all Parties to submit direct to the BMRS. No assessment has been provided by ELEXON as to their (or their 3rd Party providers) readiness to, or the cost of, providing testing environments, and without that it is not possible to state whether it is even practical to implement the Proposed in the stated timescales. The Alternative, which sticks with a tried and trusted delivery route, reduces risk (and therefore risk premium) in delivering the intended aims of the Modification.
Drax Power Limited	Yes	Drax, along with other market participants, have invested resource into reporting data to the BMRS via MODIS. At the time of taking our decision to invest, it was believed that MODIS would be a long-term solution. It is highly disappointing that consideration is now being given to removing this route to data delivery. The removal of MODIS would not promote efficiency. MODIS is used for both REMIT and European Transparency Regulation (ETR) reporting, providing a single delivery point for data relating to unit availability. Removing MODIS would require market participants to invest in two interfaces for reporting transparency data. Furthermore, MODIS provides functionality that is not available via the Elexon Portal. MODIS provides communication in both directions, including confirmations of receipt which helps with data error handling. This was a key driver in Drax opting to use the MODIS solution. Whilst Drax supports updating IT systems over time to adapt to changes in the market, we do not support the development and scrapping of data interfaces over such short periods of time. This only serves to reduce confidence in the BMRS being the preferred choice for the national REMIT Inside Information platform. Drax's view is that the P329 Alternative better facilitates ABO (d).
E.ON	Yes	We submit all data via MODIS as a single route for information provision. Removing the submission to BMRS via MODIS would mean that we would have to use one of the submissions methods supported

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Respondent	Response	Rationale
		by Elexon (API or User Interface). We would have to develop and support this and continue to submit via MODIS for the other European Transparency Regulation data, therefore supporting two submission mechanisms and handling the response back from two sources. We therefore agree that the Alternative is better as it requires fewer changes to comply with the future requirements and lower ongoing costs.
EDF Energy	Yes	We prefer the alternative solution because it maintains the NGET MODIS user interface for REMIT data submission. MODIS is required anyway for submission of mandatory Data Transparency data, and is also used by many participants for submitting closely related REMIT data. Many participants including EDF Energy use it as the interface for central reporting of REMIT data, and would incur costs in moving to a different interface if MODIS functionality were removed as under the main proposal. If MODIS capability were to be removed, a legitimate option avoiding cost would be to cease central reporting. Any participants without their own website reporting would have no choice but to incur cost in moving the interface. Ideally, the closely-related data requirements of Data Transparency and REMIT would be aligned, but we recognize this would require more co-ordination at EU level. Reporting for REMIT and Data Transparency is also closely related to other mandatory GB Grid Code operational data reporting requirements, and better alignment with these would simplify submission in the long term, but we recognize that changes affecting operational processes require careful planning. MODIS seems the most appropriate platform to achieve these long term efficiencies, and we think it is sensible to maintain its functionality for compliant REMIT reporting in the meantime. We have some concerns about the time required (well over a year) and the costs described for NGET to make what seem relatively minor changes to the MODIS interfaces for the alternative proposal (£600k – £1.1m), and worry this might include other unrelated developments to MODIS. It is surprising there could be NGET costs up to £200k under the proposal simply to remove the existing functionality.

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Respondent	Response	Rationale
		We hope these are pessimistic estimate and actual costs will be much less.

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Question 3: Do you agree with the Panel's recommended Implementation Dates? Proposed Modification - 23 February 2017; and Alternative Modification -29 June 2017

Summary

Yes	No	Neutral/No Comment	Other
6	0	0	1

Responses

Respondent	Response	Rationale
Centrica	Yes	ELEXON is best placed to decide on Implementation Dates, but we would like to stress the need to allow sufficient time for robust end-to-end testing.
National Grid Interconnectors limited	Yes	As stated in our response to the assessment procedure consultation, it would be ideal to be able to implement P329 at the same time as the new REMIT Reporting start date but we accept this would be very difficult to achieve in the timescales available. It is reassuring that both ACER and Ofgem have not raised any major concerns to date about the recommended Implementation Dates.
National Grid	Yes	If Proposed Modification is selected, National Grid will be responsible for decommissioning of REMIT from MODIS and updating its impacted system interfaces. National Grid will have to ensure the continuity of MODIS stability and security for other active functionalities which are already in production. Based on the current assessment of scope of work, National Grid will be able to deliver its scope of Proposed Modification by 23 February 2017, which is aligned with ELEXON's release cycle in February. If Alternative Modification is selected, National Grid will be responsible for updating REMIT functionality and User Interface in MODIS along with outage profile reporting, and align these to REMIT changes in ELEXON BMRS. This will require National Grid to update the impacted channels which are open to Market Participants to send REMIT data to MODIS and then from MODIS to ELEXON BMRS. The REMIT changes could also necessitate modification in REMIT validation rules within MODIS. National Grid foresees a need for robust integration, resilience and security testing to mitigate any risk of further issues similar to those experienced around the P305 implementation. Based on the current assessment

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Respondent	Response	Rationale
		of work and other changes planned in MODIS due to on-going projects, the lead time for National Grid to deliver its scope of Alternative Modification is 14 months from the date of the Authority's final decision. Considering that the decision from the Authority is expected by April 2016, National Grid would be able to deliver its scope aligned with ELEXON's release cycle in June 2017.
Everis obo ScottishPower	Yes	Whilst disappointed by the extension to the Alternative implementation date, we recognise that it is the quickest date, and to realise full benefits there should be as little a delay as possible between implementation of the new reporting formats and the updated platform.
Drax Power Limited	Yes	It is unfortunate that a solution is being implemented after the ACER obligation comes into force. It would be preferable to find a solution that would meet the ACER recommendations in a timely manner in order to protect industry participants. The further four month delay to P329 Alternative is disappointing as the reasons given in the Report are vague. That being said however, industry will have to provide their own reporting solution under both the P329 Proposed and Alternative to meet the January 2017 (previously July 2016) requirements regardless so further delays will likely have minimal implications. Drax recommends that both P329 Proposed and Alternative implementation dates be 29 June 2017. This would allow industry participants currently using MODIS to properly prepare for its removal in the event that Ofgem approves the P329 Proposed solution.
E.ON	Yes	For the reasons given in the consultation.
EDF Energy	Other	EDF Energy would be able to meet these dates, provided a firm decision is made in a timely manner allowing at least 6 months notice of implementation. It is disappointing that an earlier date could not be achieved, fully compliant with ACER's recently revised expectation of 1 January 2017. This would allow internal work on EDF Energy's own website reporting to meet ACER's target to be better aligned with changes to BMRS.

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Question 4: Do you agree with the Panel that the redlined changes to the BSC deliver the intention of P329?

Summary

Yes	No	Neutral/No Comment	Other
5	1	1	0

Responses

Respondent	Response	Rationale
Centrica	Yes	We agree that the redlined changes deliver the intention of P329
National Grid Interconnectors limited	No comment	-
National Grid	Yes	We agree that the draft legal text delivers the intention of P329 (both Proposed and Alternative) and support the move to keep detail such as data format out of the code itself. We also believe that the approach to remove much of the detail of the obligations from the BSC and include them in the relevant Code Subsidiary Documents (CSDs) will enable future changes to be made in a more straightforward manner.
Everis obo ScottishPower	Yes	-
Drax Power Limited	Yes	The legal text appears sensible.
E.ON	Yes	We have no additional comments.
EDF Energy	No	The proposed legal text appears to work, but removes from the BSC itself any description, even at high level, of the items of data which make up Inside Information Data, referring instead to the CVA Data File Catalogue. Although this removes the need to change the BSC itself if the high level content of Inside Information Data changes in future, it reduces the readability of the BSC, and masks the inevitable relationship with EU Regulations. Given that the content of Inside Information Data is specified in EU level regulations (as in the BSC definition of Inside Information itself) backed by regulatory "guidance", and should apply to submissions made via NGET or via BSCCo, we think retention of high level description of the relevant data items, or at least direct reference to

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Respondent	Response	Rationale
		relevant EU regulations, would be preferable. Reference to Code Subsidiary Documents such as specific Data [File] Catalogues or Communication Requirements Documents and the Reporting Catalogue are useful too, but this is implicit in any communication in accordance with BSC Section 0.

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Question 5: Do you agree with the Panel's initial view that P329 should not be treated as a Self-Governance Modification?

Summary

Yes	No	Neutral/No Comment	Other
6	0	0	1

Responses

Respondent	Response	Rationale
Centrica	Yes	In light of the recommended Implementation Dates, we agree that P329 should proceed under the normal process.
National Grid Interconnectors limited	Yes	-
National Grid	Yes	We agree that P329 does not meet the Self-Governance criteria as it was initially proposed as the Proposed and Alternative Modifications have different impacts on different classes of Parties. Therefore we believe that P329 should proceed under the normal process with the Authority taking the final decision.
Everis obo ScottishPower	Yes	The Proposed and Alternative have now deviated too much from each other for them to both be considered self-governance
Drax Power Limited	Yes	The Self-Governance criteria has not been clearly met.
E.ON	Yes	Due to the interaction with ACER's requirements and the fact that the proposed implementation dates do not align with ACER's implementation date.
EDF Energy	Other	Given that BMRS may become non-compliant with ACER expectation until implementation of the proposal; collective participant implementation costs for the proposal itself could be significant; and implementation costs for NGET of the preferred alternative proposal are apparently significant, a decision by the Authority may be appropriate.

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Question 6: Will P329 impact your organisation?

Summary

Yes	No	Neutral/No Comment	Other
6	1	0	0

Responses

Respondent	Response	Rationale
Centrica	Yes	We are currently making changes to support the new schema for our own website reporting. Once these changes are in place, they will considerably reduce the additional work to support the new data flows for P329. We would still need to switch the National Grid message to the new ACER schema definition. This would involve new mapping rules in our scheduling systems. In addition we will need to allocate resources to complete the end-to-end testing with National Grid and Elexon. The above is based on the assumption that the P329 Alternative Modification is taken forward.
National Grid Interconnectors limited	Yes	We will need to make some changes to be able to report in line with the ACER REMIT common schema via the Elexon portal and to provide outage profile reporting. We do not submit REMIT submissions via MODIS, so do not need to make changes related to MODIS. Therefore the impacts on our organisation are the same under the P329 and the Alternative.
National Grid	Yes	The information below is a slightly updated version of what was provided as part of the TCA during the Assessment Phase. Impact on NATIONAL GRID if Proposed Modification is selected: System changes • Disable P291 REMIT message data flow from MODIS (New) • Decommissioning of REMIT functionality from MODIS (New) • Changes to service support for REMIT functionality in MODIS (New) • Assessment of hardware and software impact, along with changes in system and service documents (New)

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Respondent	Response	Rationale
		• Unit testing, System and Regression testing (New) • Security compliance assessment (New) Business changes • Associated business process changes • Notification to market participants Impact on NATIONAL GRID if Alternative Modification is selected: System changes • P291 REMIT message data-flow will be impacted based on new XSD (Amend) • MODIS REMIT system functionality in all environments, including those in production and non-production (Amend) • MODIS online web-form User Interface (UI) for REMIT (Amend) • MODIS web-service (Portal Upload) functionality, including system interfaces (Amend) • XSD validation and creation of XML (Amend) FTP content from MODIS to ELEXON BMRS (Amend) • Acknowledgement to market participants (Amend) • Acknowledgement validation from ELEXON BMRS (Amend) • Multiple outage profiling will have impacts associated to those mentioned above and will be based on ELEXON's new XSD/schema (Amend) • Unit testing, System and Integration testing, Regression testing (New) • Security compliance assessment (New)

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Respondent	Response	Rationale
		Business changes • Associated business process changes • Notification to market participants In addition to the above highlighted changes, the cost and time impact to implement these changes will also include the project lifecycle activities, which will also have to be agreed with National Grid service partners and will have to be based on a firm set of requirements agreed with ELEXON. Note: This impact assessment is subjected to changes based on detailed requirements and a formal sign-off on the Business Requirement Document (BRD) agreed with ELEXON.
Everis obo ScottishPower	No	We will self-publish our own REMIT data until the platform returns to use
Drax Power Limited	Yes	Under the original P321 proposal, Drax will have to alter its data submissions to MODIS in order to meet the new requirements of the system. We consider these costs necessary to comply with ACER's requirements. There will also be a cost of developing a direct web feed to cover the gap between the new obligations coming into force and the implementation of P329. It is unfortunate that industry must duplicate the effort to provide web feeds due to the inability of the central system to keep pace with changing ACER requirements. We have already outlined above in question 2 that there will be an unnecessary duplication in the expenditure associated with the removal of MODIS (if the P329 Proposed solution were to be accepted) as a method of data submission to the BRMS for Drax and other companies who chose this method of reporting.
E.ON	Yes	We will have to amend our systems to provide the required additional data items, but will also have to provide a separate feed of the different data items required by ACER prior to implementation of P329 Original or Alternative, even with the postponed start date to ACER's requirements of 1 January 2017. If the Original is approved the impact will be greater in that we will have to develop and maintain a new system to replace MODIS for those data items that would no longer be supported through MODIS.

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Respondent	Response	Rationale
EDF Energy	Yes	EDF Energy hopes to continue using BMRS as a central reporting platform for REMIT elecricity messages, but will have to consider the practicality and cost for: (a) operating separate message formats for its own website reporting (compliant with ACER expectation) and for BMRS website reporting, until P329 is implemented. (b) moving from the NGET MODIS interface to the Elexon interface if the proposal, which would remove the MODIS interface for REMIT data, is approved.

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Question 7: Will your organisation incur any costs in implementing P329?

Summary

Yes	No	Neutral/No Comment	Other
7	0	0	0

Responses

Respondent	Response	Rationale
Centrica	Yes	The one off cost to support P329 (Alternative Modification) is estimated to be in the order of £30,000. This cost covers analysis, development and testing.
National Grid Interconnectors limited	Yes	We have no cost estimate at this stage but expect the costs should be minimal.
National Grid	Yes	Estimated cost incurred by NATIONAL GRID if **Proposed Modification** is selected: The estimated development and capital cost to implement the changes which will be in the scope of National Grid would lie in the range of £100k to £200k (high level estimate). Nil decrease in the operating cost of MODIS is expected due to implementation of Proposed Modification. Project Management, Analysis and Design £28k-£49k Development £50k-£100k Testing and Environments £15k - £35k Risk Margin £10k - £14k Other project costs £2k - £4k **Total £105k - £207k** Estimated cost incurred by NATIONAL GRID if **Alternative Modification** is selected: The estimated development and capital cost to implement the changes which will be in the scope of National Grid would lie in the range of £600k to £1.1m (high level estimate). No increase in the operating cost of MODIS is assumed based on the

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Respondent	Response	Rationale
		current scope of REMIT changes. Project Management, Analysis and Design £210k-£280k Development £200k-£350k Testing and Environments £115k - £240k Risk Margin £60k - £120k Other project costs £20k - £92k **Total £605k - £1,082k** Note: The above mentioned costs are indicative, which will be firmed once detail requirements are finalised and agreed/signed-off, based on which the project will be able to secure confirmed quotes from its service partners.
Everis obo ScottishPower	Yes	There have been one off costs to implement and test the changes.
Drax Power Limited	Yes	Please see answer to question 6 above.
E.ON	Yes	In updating our systems to provide the required additional data under the Alternative. We would incur greater costs with the Original in that we will have to develop and maintain a new system to replace MODIS for those data items that would no longer be supported through MODIS.
EDF Energy	Yes	See response to question 6. A low cost option would be to cease REMIT reporting on BMRS, or to have reporting through our own website and through MODIS/BMRS aligned. Costs for running separate interface formats internally and for BMRS, or moving to reporting via Elexon would probably incur additional costs running to tens of thousands of pounds.

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Question 8: Do you have any further comments on P329?

Summary

Yes	No
3	4

Responses

Respondent	Response	Rationale
Centrica	Yes	We would like to reiterate the importance of giving market participants access to a full end-to-end testing environment (including co-ordination across both National Grid's MODIS and Elexon's test systems) well before P329 goes live.
National Grid Interconnectors limited	No	-
National Grid	No	-
Everis obo ScottishPower	No	-
Drax Power Limited	Yes	While Drax understands the difficulties imposed by the new obligations it is necessary for the BMRS to react to the changes in ACER's requirements in order to remain effective as a national platform. However, we have concerns that if the BMRS is not flexible enough to adapt to ACER's timescales then the industry may lose faith in the BMRS as a central reporting platform for the purposes of REMIT. This is unfortunate as we support the use of the BMRS as a central reporting platform.
E.ON	No	-
EDF Energy	Yes	Ideally, the closely-related data requirements of Data Transparency and REMIT would be aligned, but we recognize this would require more co-ordination at EU level. Reporting for REMIT and Data Transparency is also closely related to other mandatory GB Grid Code operational data reporting requirements, and better alignment with these would simplify submission in the long term, but we recognize that changes affecting operational processes require careful planning. Page 23 of the draft modification report describes

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Respondent	Response	Rationale
		questions raised with ACER (for which answers are awaited). The answer to the question of how it will identify or distinguish identical messages published on different websites may require communication by ACER with individual participants to establish individual publishing methods.

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