

Code Administrator Meeting Summary

Meeting Name – CMP324/325 Workgroup 2

CMP324 - Generation Zones - changes for RIIO-T2 and

CMP325 Re-Zoning - CMP324 expansion

Date: 19 December 2019

Contact Details

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Key areas of discussion

- The Workgroup discussed the Terms of Reference and agreed that references to SQSS need to be changed to ETYS. They also would like to add to the terms of reference to – “Consider impacts of distributional effects on generation”.
- The Workgroup then looked at modelling conducted by a workgroup member. The model looked at zoning by DNO zones and by ETYS zones.
- ESO presented how zoning is currently carried out. This covered how to convert nodal costs into zonal tariffs. There was also a short presentation on how ETYS zones are currently set up. ESO will provide a model for workgroup members so they can conduct their own further modelling.
- The Workgroup discussed potential alternatives to the original solution, these were based on:
 - ETYS zones
 - Amending the current £1 range to a different figure

- DNO zones with a scaling factor rather than the current sharing method
- Zones per node
- Other discussions were around whether to use dominant or economic background. However, there was a debate around whether the method in which zonal prices are calculated is within the remit of this Workgroup.
- A question was raised around whether there should be close alignment of generation and demand zones.

Action number	Date raised	Owner	Action	Date due
5	19 Dec 2019	JH	Code Administrator to bring updated TOR to next CUSC Panel	31/01/2020
6	19 Dec 2019	JZ	JZ to share the Model with the group (version for public)	27/12/2019
7	19 Dec 2019	GN	ESO to look at how sharing matrix would work under original CMP324 solution.	WG3
8	19 Dec 2019	JH	Code Administrator to circulate Cancellation Charge Statement and JZ's slides that were presented at Charging Futures Forum on 18 Dec (as well as webinar link).	19/12/2019
9	19 Dec 2019	GN	ESO to look at the expansion factor in 1992 vs 2019.	WG3
10	19 Dec 2019	GN	ESO to check how their £1.75 as an inflated £1 figure came from.	WG3
11	19 Dec 2019	GN	ESO to model what replacing the £1 with an inflated £1. PJ and JT to input on this.	WG3
12	19 Dec 2019	GN	ESO to look into combined Year-Round and Peak Background comparison / combination.	WG3

The next Workgroup will be on 21st January 2020.

For further information, please contact the Code Administrator.