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Code Administrator Meeting

Summary

Workgroup Meeting 6: CMP419 Generation Zoning Methodology Review

Date: 19/02/2025 **Time:** 13:30-16:30

Contact Details

Chair: Lizzie Timmins, elizabeth.timmins@nationalenergyso.com

Proposer: Martin Cahill, martin.cahill@nationalenergyso.com

Key areas of discussion

The aim of Workgroup 6 was to review the timeline, review Terms of Reference, and for the Proposer to provide an update on the modification and the analysis available.

Timeline

The Chair provided an update on the current status and future steps for CMP419, which has been deprioritised to medium due to the focus on urgent modifications. The Panel plans to reassess priorities on a rolling monthly basis. The Chair advised that fortnightly check-ins with the Proposer will ensure progress continues in the background.

Actions

Action 14 was left open as it is still ongoing, with the Proposer advising challenges with data security sharing. Action 17 was closed as the T&T model had been shared with everyone who had requested access and signed the NDA. Action 24 was closed, with the Proposer confirming the NDA was still required. Actions 25, 26, and 27 were closed as the feedback and analysis requested was included in the Workgroup Papers. Action 30 was closed as it was agreed it was not in scope. The Proposer confirmed the scope of work of the modification, so Action 29 was also closed.

Modification Update

The Proposer provided a high-level update on the current status of the modification. The proposal is to align Onshore zones with ETYS zones with a yet to be determined methodology for creating Offshore zones (as there are currently no Offshore ETYS zones). The aim is to create a stable set of zones to reduce volatility in charges from year to year. The discussion highlighted the complexity of interactions between CMP419 and other modifications, such as [CMP444](#) and [CMP426](#), and the need for a comprehensive understanding of these interactions.

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Analysis

The Proposer went over the analysis of the proposed 18 zone model compared to the current 27 zone model. The initial analysis shows that the 18 zone model offers a similar cost reflectivity to the 27 zone model, with some zones showing a wider range of nodal prices, particularly zones 1 and 2. The Workgroup members considered whether to split zones 1 and 2 further to improve cost reflectivity but acknowledged the potential for increased complexity and volatility. The importance of aligning Onshore and Offshore zones and the potential impact of future modifications, such as the expansion constant, were also discussed.

Stakeholder feedback indicated a preference for aligning Onshore and Offshore zones whilst not ruling out alternative options like pro-rata charging. The Proposer plans to conduct nodal Offshore analysis using refreshed data from HND to inform the initial design of Offshore zones and assess the combined impact of Onshore and Offshore zoning. The analysis will consider the spread of nodal prices across regions and be used to inform the creation of a set of zones which are logical from a cost-reflectivity and operational point of view. The Proposer will continue to work on this analysis and share updates with the Workgroup as and when depending on prioritisation.

Terms of Reference

The Chair reviewed the Terms of Reference (ToR), acknowledging the need to consider interactions with other modifications and the evolving nature of the proposal. The Workgroup agreed to revisit the ToR when the modification is reprioritised and to consider the impact of battery storage and other technological changes. The Workgroup also discussed the need for a diagram to illustrate the interactions between different modifications and the Chair agreed to explore this further with the NESO commercial team.

Next Steps

The Chair advised that fortnightly check-ins with the Proposer will ensure progress continues in the background, and analysis will be circulated to the Workgroup once completed. This will enable the Workgroup to immediately commence on defining the solution when meetings resume.

Actions

For the full action log, click [here](#).

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Action Number Raised	Workgroup	Owner	Action	Comments	Due by	Status
14	WG3	MC/RP	NESO to liaise with the TOs to obtain coordinates for each transmission node	Awaiting update on SP Energy Networks and querying potential confidential data	WG7	Open
17	WG3	MC	Confirm that alongside the published analysis a copy of the transport and tariff model will be provided to WG members	This was followed up directly with members after WG5. A Licence Agreement is required to be signed (once per company) to access transport and tariff model. Licence Agreement has been included with WG6 documents for anyone who is yet to gain access.	WG4	Closed
24	WG5	MC/SC	Confirm whether there is still a requirement for Transport Model access to be monitored via an NDA process	NESO position is that this is still required	WG6	Closed
25	WG5	SC	To share the map they created as part of Action 19	Included in WG6 documents	WG6	Closed
26	WG5	SC	Add key and numbering to zones on the Connection Map	Included in WG6 documents	WG6	Closed

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27	WG5	SC	Complete a comparison of zone profiles based on the average difference year round versus average difference peak security	Comparison included in WG6 slides	WG6	Closed
28	WG5	SC	Include generational technology impact	Covered in WG6 discussions	WG7	Closed
29	WG5	MC	Confirm to Workgroup the scope of the modification on onshore and offshore	Covered in WG6 discussions	WG6	Closed
30	WG5	MC	Confirm to whether changing the T'n'T model is in scope for this modification	This is currently not in scope	WG6	Closed
31	WG6	MC	Provide additional analysis including most affected Generators and what effect it has, and impact on zones and range of nodal prices.		WG7	Open
32	WG6	MC	Investigate whether ETYS changes with HND and how forward looking zones are		WG7	Open

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33	WG6	MC/NL	Catch up regarding analysis issues and investigate subjectivity in connectivity matrix	WG7	Open
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Attendees

Name	Initial	Company	Role
Lizzie Timmins	LT	NESO	Chair
Jess Rivalland	JR	NESO	Technical secretary
Martin Cahill	MC	NESO	Proposer
Alan Kelly	AK	Corio Generation	Observer
Angeles Sandoval Romero	ASR	SSE	Observer
Barnaby Cowin	BC	Nadara/Bluefloat	Workgroup Member
Calum Duff	CD	Thistle Wind Partners	Workgroup Member
Chiamaka Nwajagu	CW	Orsted	Observer
Claire Hynes	CH	RWE Renewables	Workgroup Member
Damian Clough	DC	SSE Generation	Workgroup Member
David Jones	DJ	Ofgem	Authority representative
Dennis Gowland	DG	Research Relay Ltd	Workgroup Member
Graz Macdonald	GM	Waters Wye & Associates	Workgroup Member
Nicolas Lescal	NL	Ocean Winds	Workgroup Member
Paul Jones	PJ	Uniper UK Ltd	Workgroup Member
Paul Youngman	PY	Drax	Workgroup Member
Robin Dunne	RD	InterGen	Workgroup Member
Ryan Ward	RW	ScottishPower Renewables	Workgroup Member