

## Febeliec answer to the Elia consultation on smart testing

Febeliec would like to thank Elia for this consultation on smart testing, a subject that is important for Febeliec as it should allow for less frequent testing, which could reduce the overall cost of testing incurred by providers of balancing services (which can add up to very sizable portions of the overall balancing offers), which should in the end be reflected in a lower cost for the reservation of balancing capacity by Elia, which is paid for by the consumers. Febeliec thus appreciates the work done by Elia to strive towards the lowest possible cost of the system. However, Febeliec still has some comments and questions.

Febeliec appreciates that the proposed methodology takes into account actual activations performance, and not considering the tests as a disconnected activity, which should already allow for a cost reduction.

On the timing of the tests and the unpredictable nature, Febeliec understands the reasoning behind this, yet wants to ensure that Elia will not inappropriately apply tests in order to avoid actual activations for balancing, as this would reduce the revenue for those BSPs and could ultimately result in less competition if some parties would thus not earn sufficient revenues from the balancing markets and would stop offering capacity. This being said, Febeliec of course supports the proposal not to apply tests when the system is under stress, which indeed be unwise to do.

On the CCTU scoring system, which aims to indicate which moments are more relevant to be tested, Febeliec wonders how the frequency of testing will be determined by the scoring system (as opposed to the moment). In any case, it should be ensure that BSPs with only a very limited number of delivery points would be negatively affected, as this could also lead in the long run to lower competition, which would go against the rationale for smart testing which is to reduce the overall system cost.

On the formula for the failure factor in the document, Febeliec wonders whether the formula should not read “min” instead of “max”, as “Failed activation control will always result in a lowering of the scoring of the concerned CCTU” and in order to have a Score activation(CCTU) that is as high as possible, the Failure factor should be as high as possible (best case equal to 1 based on the Score activation formula). With the current proposed formula for the Failure factor, a situation with no failed volumes according to activation control the Failure factor would be equal to  $[1 - \max(1;0)] = 1 - 1 = 0$ , which would also result in an activation score of 0, which seems to Febeliec opposed to the intention. Febeliec asks that Elia clarifies the situation in order to avoid providing a wrong incentive.

Finally, Febeliec asks that this exercise on smart testing is repeated regularly, in order to continuously check if the testing regime cannot be improved in order to enable additional overall cost reductions.