

Subject: FEBEG comments on ELIA's public consultation on the study about the designation of multiple BRPs on an Access Point

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FEBEG thanks ELIA for having the opportunity to react ELIA's Public consultation on the study about the designation of multiple BRPs on an Access Point¹.
The inputs and suggestions of FEBEG are not confidential.

Introduction

The efforts to improve the market functioning as a whole are much appreciated, however, it is important to ensure that the benefits exceed the costs.

As a first remark, FEBEG would like to share again its opinion on projects prioritization for the coming years. The projects MARI, iCAROS and PICASSO will take most of our attention and resources. Other projects are low or even outside the priority list. In this context, FEBEG wants to inform ELIA that its members cannot put a lot of time and efforts in reviewing the proposed design in details, as well as evaluating the impacts such a design would have on its operational processes.

As a general appreciation, FEBEG can agree that – from a theoretical point of view – the proposed multiple BRPs regime would solve very specific blind spots in the market design. However, it is unclear whether the presented blind spots (e.g. wind, off-take and CHP behind the same access point) are real issues to market parties and whether the new possibilities offered by this regime would have any (significant) impact in real life. In addition, FEBEG regrets that facts and figures are missing in the design note, this makes an in depth and detailed assessment very difficult.

¹ https://www.elia.be/en/public-consultation/20210715_public-consultation-on-the-study-about-the-designation-of-multiple-brp

Specific feedback

We believe that new concepts (BDP) and roles (BRPap) introduced will further inflate to the ever increasing complexity of the market design and could be detrimental to the general understanding of the market functioning. We are concerned the proposed design will impact nearly all roles in the market (ACH, BRP source, BRPfsp, BSP, SA, OPA) and will change the modelling of delivery points behind an access point. The identified impacts of the proposed amendments are multiple: allocation process, settlement, review of T&C's BRP and access contracts, review of existing bilateral opt-out contracts (in the context of TOE).

The process behind requesting multiple BRPs is not fully clear to us. Who will be the requesting party? Who will take the final decision of having several BRPs behind an access point? What if a BRP of a given access point refuses the request to split it into several BDP? ELIA mentions in its design note that the move to Multiple BRPs regime would impact how the grid losses are computed. It is indicated that the consequences of multiple BRPs on the netting per access point need to be further analyzed. As there is currently a netting per access point, FEBEG clearly wants to avoid a step backwards where its members would be paying more grid losses because of fewer netting possibilities.

ELIA is willing to communicate the results of the allocation process to the BRP of a balancing delivery point. However, this service is to be remunerated. Are we sure that a situation where a BRPap is obliged to appoint several BRPs behind an access point and is obliged to pay Elia for this service will not occur? We wish to underline that FEBEG members do not want to face new unexpected costs. If deemed really necessary, the requesting party of having several BRPs behind an access point should bear all costs associated to this access point that are charged by ELIA.

Specifically regarding ToE, defining a BDP within an access point can indeed help to correctly measure the reaction to a setpoint (or Energy required). However, this requires the installation of a meter recognized by Elia. In this context, the installation of an official meter in an easy and cheap way is a prerequisite to perceive any benefits of this scheme.

Other overall remarks

When it comes to the Implementation plan, FEBEG wants again to mention that its members need to make choices on where they allocate their budgets and resources. The massive MARI – iCAROS – PICASSO projects have been identified as the top priority. If multiple BRPs regime would be implemented, FEBEG calls ELIA's attention on the fact that the implementation plan must be the lightest possible and focusing on where the highest value is.

For example, the concrete situation where 2 BRPs would be appointed on one offshore parc can be dealt with in an adhoc bilateral contract between these 2 BRPs and not necessary with a multiple BRPs scheme.

Conclusion

As a conclusion, FEBEG has reservations about the added value such a regime would bring because of the lack of facts and figures presented. Nevertheless, we wish to clarify that we are not opposed to the idea as such. Our key message is that if such a scheme is deemed useful, the impacts on current BRPs need to be limited. The main concerns we have are: paying extra grid fees on the back of fewer netting possibilities, receiving extra regulatory obligations (e.g. daily allocation with a BRPbdp), being in a situation where we are obliged to pay for a service (ELIA doing the allocation) while not having the possibility to refuse it and last but not least, being obliged to implement new processes and adapt tools as a result of an undesired implementation plan (that would be in conflict with priorities on MARI – iCAROS – PICASSO).