

Febeliec answer to the Elia consultation on the Terms and Conditions for Voltage Service Providers

Febeliec thanks Elia for this consultation on the Terms and Conditions for Voltage Service Providers. Please find below Febeliec's remarks:

General comments:

- Despite explicit comments made during the study-phase in the course of 2018 and during the consultation phase of the VSP-contract in 2020 and despite numerous discussions with at least one of the Febeliec members in the course of 2021 in this respect, Febeliec has to observe that the text still seems to consider that the voltage service will be provided by generation assets, clearly not paying sufficient attention to other sources, such as for example capacitor banks or frequency drives, that can also fulfil the service requirements. Where the text of the VSP-contract in general seems to be acceptable for the generation assets, the fact that this revised draft VSP contract still lacks appropriate attention to and specific rules suitable for other potential sources like capacitor banks is not only disappointing, but it is also to be expected that due thereof the other sources will not be able to participate to this service or that they will decide that is economically and organisationally not feasible to participate to this service...
- Febeliec also regrets that Elia in general sticks to the status quo and, contrary to what is suggested in the explanatory note, does not use the opportunity to amend the contractual framework in such a way that important improvements or other interesting features with respect to this service could be developed, taking into account the experiences gained in 2021 (e.g. specific tolerance band taking into account local production; additional pooling opportunities; the option to offer variable volumes (e.g. via realtime feedback signals) is still made impossible; impossible to match tolerance bands, which are clearly developed to cope with the centralised stepless generator, with (the pooling of) discrete volumes, unacceptable requirements with respect to 30" real-time measurements not taking into account the specific situation of e.g. frequency inverters on a CDS, etc.).
- With respect to closed distribution systems, Febeliec wants again to stress the central role of the CDSO as relevant system operator for the underlying technical units in its grid and the central role of the CDSO as VSP. In this respect, Febeliec observes that the contractual framework is not yet fully considering the situation where the MVAr service is provided by a CDSO as VSP (via technical units of the CDSO itself or of the CDS Users) (e.g. the Access Point of the CDS differs from the Service Measuring Point).

Text T&C VSP

- Definitions:
 - Compensator Mode: the changes made to the definition of Compensator Mode may lead to operational difficulties and do not take into account the outcome of the discussions that occurred in 2021 with respect to starting procedures of (large) generation assets on a CDS.
 - Technical Pmax: reference is made to the OPA contract, but what about units for which no OPA contract exists?
- Art II.3.1: reference is made to Elia Grid Users, where also reference should be made to CDS Users.
- Art. II.3.3: reference is made to "direct clients demand facilities". It is unclear to Febeliec which assets are targeted by this description. Does this also relate e.g. to capacitor banks or frequency drives on a CDS?
- Art. II.3.4 b):
 - no pooling possible for capacitor banks or frequency drives or at the level of the Access Point to the Elia Grid?
 - the requirement to use real-time active power measurements at each Service Measurement Point is economically not feasible and is impossible to implement when it concerns e.g. various frequency inverters (which for the provision of this service should be taken as a whole and considered as one virtual point) (alternative ways of providing feedback on availability should thus in any event be possible as well)
- Art. II.3.10: this section makes the provision of variable volumes impossible.
- Art. II.3.13: this section makes the provision of variable volumes impossible.

Febeliec represents industrial energy consumers in Belgium. It strives for competitive prices for electricity and natural gas for industrial activities in Belgium, and for an increased security of energy supply. Febeliec has as members 5 business associations (Chemistry and life sciences, Glass, pulp & paper and cardboard, Mining, Textiles and wood processing, Brick) and 38 companies (Air Liquide, Air Products, Aperam, ArcelorMittal, Arlanxeo Belgium, Aurubis Belgium, BASF Antwerpen, Bayer Agriculture, Bekaert, Borealis, Brussels Airport Company, Covestro, Dow Belgium, Evonik Antwerpen, Glaxosmithkline Biologicals, Google, Ineos, Infrabel, Inovyn Belgium, Kaneka Belgium, Kronos, Lanxess, Nippon Gases Belgium, Nippon Shokubai Europe, NLMK Belgium, Nyrstar Belgium, Oleon, Proxiums, Recticel, Sol, Tessenderlo Group, Thy-Marcinelle, Total Petrochemicals & Refining, UCB Pharma, Umicore, Unilin, Vynova and Yara). Together they represent over 80% of industrial electricity and natural gas consumption in Belgium and some 230.000 industrial jobs.

- Art. II.5.1: this section is not suitable for capacitor banks and in view of pooling possibilities (see also our comment on article II.3.4 b).
- Art. II.5.3: this section makes the provision of variable volumes impossible.
- Art. II.5.7: this section has not been amended and as such does not take into account the various discussions and lessons learned from 2021 with respect to e.g. starting procedures of (large) generation assets on a CDS (see also our comment on the amended definition of “Compensator Mode”). It is obvious (and should be clearly reflected in the text of art. II.5.7 of the VSP-contract) that on a CDS not Elia but the CDSO, acting as RSO, should determine the setpoint, in the first place to regulate the correct voltage profile on the CDS, and in the second place to avoid adverse effects on the Access Point of the CDS resulting from the delivery of the MVar service by Technical Units located behind the Access Point of the CDS to the Elia grid .
- Art. II.5.9: this section does not take into account the various discussions and lessons learned from 2021 with e.g. impact on the Access Point of a CDS and related fines. It should be added to this Art. II.5.9 that any adverse effects on the Access Point of the CDS to the Elia Grid, which under normal circumstances would result in penalties, fines or any other (additional) costs to be paid by the CDSO, will be fully disregarded by Elia and will be considered as being not attributable to the CDSO.
- Art. II.6.7: it would be better if active feedback could be given (via interface) instead of using e-mail or telephone.
- Art. II.7.1 and Art. II.7.2: the deleted text boxes should be reinserted as this is absolutely essential for the delivery of the service by the CDSO as VSP.
- Art.II.9.1: please explain the meaning/impact of “at least”.

Part III Annexes

- Annex 1: the reference to “Minimum Active Power Threshold to be able to supply the Technical Control Band in Injection Mode” does not seem to fit with the amendment to art. II.4.1 which now also refers to offtake.
- Annex 2:
 - Febeliec questions whether the formula for Remuneration ($Q_{h,n}$) is correct, in particular the division by 4 if all components are already quarter-hourly based?
 - In U_{norm_exp} reference is made to the “Technical Unit’s Connection Contract”, whereby Febeliec already mentioned in previous consultations that this does not fit within a CDS context (since the Connection Contract is entered into on a CDS-level and not on a Technical Unit-level).
 - Technical Pmax: see comment with respect to the definition.
 - Febeliec thanks Elia for inserting sections 2.A.2 and 2.B which provide for additional clarification.
- Annex 4: reference is made only to reactive power supplied, where in art. II.7.2 reference is also made to grid voltage?
- Annex 6: what happens if $\%Q_{failed}$ is e.g. 30.5%?
- Annex 7: the logic of section 2.B of Annex 2 is not transposed into this Annex 7? Is this a deliberate action?
- Annex 11: as mentioned in previous consultations, Febeliec assumes that CDS users should not use this Annex 11 to designate the CDSO as a VSP, since the CDSO already by definition acts as a VSP for the Technical Units in the CDS.