



**EXPLANATORY NOTE RELATED TO THE PUBLIC CONSULTATION ON  
THE PROPOSAL OF REVIEW OF THE TERMS AND CONDITIONS  
APPLICABLE TO PROVIDERS OF RESTORATION SERVICE (T&C RSP)  
AND PROCUREMENT PROCESS FOR RESTORATION SERVICES**

**ELIA**

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## PRACTICAL INFORMATION

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This note aims to contextualize the documents to be submitted by ELIA as required by Regulation EU 2017/2196 establishing a network code on electricity emergency and restoration (NC ER).

At the end of the public consultation, all comments will be made public on Elia's website, with an explanation of how Elia responded to these remarks or the reasons why they were not considered. Elia will respect the potential request for confidentiality and/or anonymity of respondents.

Comments concerning items outside the scope of the documents will not be considered by Elia.

The documents submitted for consultation can be consulted on the Elia website.

Stakeholders have one month to comment. Reactions must be sent no later than Monday 10/04/2023 using the online form available on the Elia website.

Questions relative to the consultation can be sent to the following email address: [consultations@elia.be](mailto:consultations@elia.be).

## INTRODUCTION

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### *Review of the Terms and Conditions applicable to providers of restoration service (T&C RSP)*

In accordance with Article 7 of the European Commission Regulation (EU) 2017/2196 of 24 November 2017 establishing a grid code for emergency and restoration of the electricity grid (E&R NC), Elia is conducting a formal public consultation on the proposed changes to the specific terms and conditions of the standard contract for restoration service providers.

The revision of the specific conditions of the T&C RSP follows CREG's decision (B) 2049 of March 5, 2020 approving the T&C currently in force. In this decision, the CREG indicates that the current T&C are applicable until the end of 2023 and that a new version must be submitted for approval for the contractual period starting in 2024.

The changes to the T&C RSP are mainly related to keeping the consistency between the T&C and a new regulated document describing, on the one hand, the proposed procurement procedure and, on the other hand, the change in the remuneration structure. These T&C will be used for the next tender for the procurement of restoration services for the period 2024-2026.

In a second phase, Elia plans a further revision to incorporate the changes in the aforementioned decision for the contract period starting in 2027.

The T&C RSP contains a "General Conditions" section. These General Conditions were the subject of a public consultation in November 2021, common to all ancillary services, and were submitted to CREG for approval in March 2022. The current public consultation concerns only the changes to the Specific Conditions of the T&C RSP.

### *Procurement process for restoration services*

In application of Article 8 §1/1 of the Electricity Law, Elia is also submitting a proposal for the procurement process for providers of restoration services for public consultation. This proposal includes the provisions currently included in the bidding instructions in tenders organized by Elia.

# TERMS AND CONDITIONS FOR THE RESTORATION SERVICE PROVIDERS AND PROCUREMENT PROCESS FOR RESTORATION SERVICES EXPLANATION

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## 1. Structure of the T&C RSP

The structure of the T&C RSP has changed in accordance with Article 8 §1/1 of the Electricity Law and Article 4, §1 of the Code of Conduct of 20 October 2022.

Article 8 §1/1 of the Electricity Law describes the creation of a separate regulated document for the Procurement process. This document describes the tendering process and awarding rules, as applied by ELIA, to:

- Select qualified providers who can make one or more BS restoration facility proposals;
- Select BS restoration facility proposals feasible of performing Black Start Service in line with the Restoration Plan;
- Award BS restoration facility proposals of the RSP candidates through signature of the RSP Contract;

Article 4, §1 of the Code of Conduct of 20 October 2022 describes the change in contract structure. Instead of having the Main Body, containing the Whereas and Articles, and the appendix: contract for restoration services, the document is divided into four sections:

1. Object of the contract
2. General conditions
3. Specific conditions
4. Annexes

## 2. Structure and content of the Procurement process for restoration services document

This document combines both the bidding instructions, used in previous tendering processes and elements from the previous version of the T&C related to these tendering processes.

After describing the general information, the document details the requirements to become a qualified provider. After this section, the steps and requirements to submit a Black Start Restoration Facility proposal are further explained. This also contains a section on submitting alternative offers if the RSP candidate cannot comply with the minimal technical requirements stated in the T&C.

Section 4 describes the criteria used by Elia to judge the feasibility of the Black Start Restoration Facility proposals and the possible outcomes of this assessment.

This section is followed by the description of the process to award the Black Start Service to the RSP candidate.

The final two sections describe the communication and important timings for the entire procurement process.

### 3. Revision of the pricing structure

The pricing structure has been updated to allow for a more detailed explanation of the different costs:

1. The capital cost for investing in the BS restoration facility proposal's technical capability to comply with the T&C RSP and the Restoration Plan
2. The operational cost for maintenance of the BS restoration facility proposal's technical capability to comply with the T&C RSP and the Restoration Plan
3. The opportunity cost representing opportunity losses due to the contractual obligations in the T&C RSP in case a minimum energy content needs to be reserved to provide the Black Start service
4. The costs associated with the execution of a Black Start capability test "4"

In addition, the option has been added to propose a formula for the opportunity costs. This would allow for a reduced risk given the current price volatility. This formula will be fixed on a yearly basis and evaluated before the start of every new contract year (at the end of 2023, the fixed price for the entirety of 2024 will be calculated, similarly, at the end of 2024, the fixed price for the entirety of 2025 will be calculated,...).

### 4. Evaluation of the Black Start Service proposals

The evaluation of the Black Start Service proposals has been updated. In the previous awarding process, discounts to the total cost would be applied based on attaining a certain threshold.

In the new version of the awarding process, the offers within the same Black Start Service Zone will be evaluated against each other, giving the best performing offer for each criterion the highest possible score and every other offer a maximum score in proportion to their value divided by the value of the best scoring BS restoration facility for the concerned criterion

### 5. Update of references

- The reference to the CIPU contract has been changed to reference the OPA contract.
- Where applicable, references to the Federal Grid Code have been updated to references to the Code of Conduct