

# Meeting report

## WG EMD-SO

<b>Date</b>	29/02/2024
<b>Organiser</b>	Walter Geelen (ELIA), Benjamin Genêt (ELIA)

Participants	Attended	Excused
Genêt Benjamin (ELIA) - Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Walter Geelen (ELIA) - Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Guillaume Valentin (ELIA) – new secretary	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Thomas Van Den Broucke (ELIA) – former Secretary	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## Members

Nico Schoutteet (CREG)	<input type="checkbox"/>	<input type="checkbox"/>
Laleman Ruben (Engie)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Harlem Steven (EDF Luminus)	<input type="checkbox"/>	<input type="checkbox"/>
Helene Robaye (Engie)	<input type="checkbox"/>	<input type="checkbox"/>
Mariana Adao de Fonseca (Next Kraftwerke)	<input type="checkbox"/>	<input type="checkbox"/>
Van Bossuyt Michaël (Febeliec)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Christian Cuijpers (CREG)	<input type="checkbox"/>	<input type="checkbox"/>
Jerome Le Page (EFET)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Coline Gailleul (EFET)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Jo Robbelein (FOD Economie)	<input type="checkbox"/>	<input type="checkbox"/>
Nicolas Debatty (EdF Luminus)	<input type="checkbox"/>	<input type="checkbox"/>
Hugo Canière (BOP)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bart De wit (FOD economie)	<input type="checkbox"/>	<input type="checkbox"/>
Waignier Jean-François (FEBEG)	<input type="checkbox"/>	<input type="checkbox"/>
Clara Verhelst (CREG)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Axel Baudson (European Commodities)	<input type="checkbox"/>	<input type="checkbox"/>
Jonas Do (Nordpool Group)	<input type="checkbox"/>	<input type="checkbox"/>
Dsouza Nirmala (Virya-energy)	<input type="checkbox"/>	<input type="checkbox"/>
Chafaqi Laila (EDF Luminus)	<input type="checkbox"/>	<input type="checkbox"/>
Olivier Van Den Kerckhove (Engie)	<input type="checkbox"/>	<input type="checkbox"/>
Alexandre Marin (Riva Group)	<input type="checkbox"/>	<input type="checkbox"/>
Aniss Sari (EPEX)	<input type="checkbox"/>	<input type="checkbox"/>
Jwalith Desu (Nord Pool)	<input type="checkbox"/>	<input type="checkbox"/>
Rickard Nilsson (Nord Pool)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mark De Winter (FOD Economie)	<input type="checkbox"/>	<input type="checkbox"/>

## Elia representatives - presenters

Kristof Geens (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Peter Van Meirhaeghe (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Cyriac de Villenfagne (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ruud Bouwhuis (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Steve Van Campenhout (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bregt Vanderveken (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Carsten Bakker (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elmo Van Thielen (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## Report

Author	Guillaume Valentin
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# 1 Agenda

	Domain	Agenda topic	From	-	Till	Presenter	Time (min)
1	General	Welcome & intro	9:00	-	9:05	<i>Chairs</i>	5
2	General	Approval of MoM & status action points	9:05	-	9:10	<i>Secretary</i>	5
3	SO	NCC Yearly report 2023	9:10	-	9:40	<i>Kristof Geens</i>	30
4	SO	Emergency & Restoration: LFDD	9:40	-	9:55	<i>Peter Van Meirhaeghe</i>	15
5	SO	Tendering Black Start Q2 2024	9:55	-	10:25	<i>Carsten Bakker &amp; Peter Van Meirhaeghe</i>	30
6	EMD	Core Intraday Capacity Calculation project: status	10:25	-	10:50	<i>Ruud Bouwhuis &amp; Steve Van Campenhout</i>	30
7	EMD	IDA Go live planning + attention points from BE perspective	10:50	-	11:15	<i>Thomas Van Den Broucke &amp; Bregt Vanderveken</i>	20
8	EMD	Long Term evolutions: insights on the LT FB implementation & Elia's view	11:15	-	11:40	<i>Cyriac De Villenfagne</i>	25
9	EMD	SDAC 15 min MTU: update on BE nominations deadlines	11:40	-	11:55	<i>Elmo Van Tielen</i>	15
10	General	AOB & conclusions	11:55	-	12:00	<i>Chairs/Secretary</i>	5

## 2 Report & status action points

W. Geelen & B. Genêt open the meeting by welcoming all participants. The minutes of the meeting from the previous meeting are approved. Status of open action points are discussed and shown in the session file.

W. Geelen is new co-chair as new head of National Control Center at Elia.  
Action points were discussed (see update list in chapter at the end of this report).

## 3 NCC yearly report

K. Geens presents the NCC's yearly report for 2023, which showed no emergency situations on the network and figures consistent with the previous year. The cost of congestion management decreased to EUR 1.4 million, primarily due to two factors: grid improvement and significantly lower energy prices.

M. Van Bossuyt notes that for the first time in history, there was a negative residual load on May 29th. He mentions that certain industries have an obligation to install renewable energy generation. However, this poses a challenge for the grid.

K. Geens explains that the 380kV backbone of the grid was slightly less loaded than in 2022. However, there are still some congested lines. To address this, Elia is working on infrastructure projects.

The PST taps are typically below the neutral position of 18. This is due to the dominant north-south flow in Belgium.

The grid is more stressed in the summer than in the winter. There are two reasons for this:

- More outages (maintenance & projects) take place during summer period as the load on the grid is lower then.
- The thermal capacity of the lines is dynamic with the temperature. The warmer it is, the lower the limit.

H. Canière asks if there is a report on the more local needs of MVar and others.

K. Geens answers that there is no report as such, but it can be done.

M. Van Bossuyt mentions that there needs to be a discussion at a political level to see what kind of grid we want and what costs we are willing to pay for it. For example, for permitting reasons, we are having more underground cables, which are already expensive, and which need to be compensated by additional shunt reactors, which bring additional cost. Industrial consumers are also not happy because reactive power becomes a problem.

K. Geens points out that in 2023 prices in DA and ID have fallen to a level almost comparable to the pre-crisis level. However, this is not yet reflected in the total load of the network. In fact, the total load in 2023 was lower than in 2022.

M. Van Bossuyt notes that our current electricity prices are not at the same level as before, and this is even more apparent for gas prices. There has been a significant drop in industrial consumer load to levels not seen for decades (since the 1980 crisis). A decrease in industrial consumers is again anticipated in 2024.

J. Lepage notes that some of the electricity purchased in 2022 was bought with a forward/LT contract, leaving them exposed to higher prices today.

K. Geens explains that in 2022, Belgium's electricity mix only consisted of 20% wind and photovoltaic energy. In 2023, we reached almost 30%, and even exceeded it in some months during the summer. In 2023 no offshore wind turbines were added but few onshore wind turbines were added.

K. Geens explains that offshore production had a significant forecasting error of 45% (1045MW) for 1% of the time last year. The error for other renewable sources is smaller.

Despite continuous efforts to improve the forecasting models, the increase in renewable capacity is not compensated by the decrease in the forecasting error. It is increasingly becoming an issue, particularly when solar production exceeds the forecast.

M. Van Bossuyt notes that he missed a focus on the incompressibility of renewables. While Belgium has reached 30% of renewables in the energy mix, Denmark has reached 120% without many issues.

K. Geens identifies the most limiting element in Elia's grid: Gramme-Lonny, due to South-North flows. The second limiting element is Zandvliet-Rilland, due to an ongoing project. However, in general, the elements limiting the FB domain decreased in 2023.

M. Van Bossuyt asks if it is expected to decrease, based on future works in Belgium and neighbouring countries or if it will remain the same. He noted that 4 of our lines are in the top 10 and that he wants to see improvements in the Belgian situation with the tariff increase.

K. Geens clarifies that the region being considered is CWE, which is smaller than the Core region. He stated that we will be on the same order of magnitude or slightly more constrained in 2024 due to maintenance work in neighbouring countries.

M. Van Bossuyt notes that this would increase the loop flows on our networks. And that the more limiting branches there are in or near Belgium, the wider the price spreads between countries.

## 4 Emergency & Restoration

P. Van Meirhaeghe presents the Emergency & Restoration: LFDD

P. Van Meirhaeghe reports that the Minister approved our updated defence and restoration plans on 25 January. However, there is insufficient production that can be shut down according to the network codes. Additionally, due to the significant growth of PV, the amount that can be disconnected from the grid is decreasing. Urgent action is required, and there is a push to implement selective flow shedding.

P. Van Meirhaeghe mentions that an information meeting with industrial users was held on 25<sup>th</sup> January. Additional information will be requested from them to facilitate implementation. A questionnaire will be sent out, probably on 1<sup>st</sup> April, with a 3-month notice to respond. Answers will be required by 30<sup>th</sup> June.

M. Van Bossuyt expresses regret that he was not invited to this information session. He mentions that there are many pending questions/comments from their side. He also remarks that the connection agreement referred to earlier has not been formally approved yet. Furthermore, the current approach to participate in LFDD is currently not acceptable for them. He requests an improvement in collaboration with Elia.

W. Geelen proposes a bilateral meeting to address any misunderstandings and answer M. Van Bossuyt's questions. He also reminds that Elia must comply with many regulations imposed at a European level.

P. Van Meirhaeghe states that a public consultation on the updated test plan will be released on 14<sup>th</sup> May for a one-month period. Tests will be performed upon commissioning.

M. Van Bossuyt requests a full description of what will be included, tested, and how it will be tested. He also mentioned that it is unacceptable for them to experience disconnection under any circumstances.

## 5 Black start

C. Bakker presents the Tendering Black Start Q2 2024

C. Bakker reminds us of the goal of the Black Start service. The service aims to perform a bottom-up black start in the event of a blackout when a top-down restoration is not possible. Each of the five geographical zones of Belgium must have at least one Black Start unit. The restoration service provider can be either a grid user or a third party.

M. Van Bossuyt enquires about the capital cost component for this two-year selection process. If you are not selected after two years, will Elia reimburse you?

C. Bakker clarifies that you should only start your investment once you are selected, and that the full costs will be compensated.

C. Bakker states that there is an ongoing consultation regarding the black start evolution for the new T&C RSP and procurement procedures. He insisted that if there are any questions or clarifications needed, one should not hesitate to contact him. He also requested that everyone can candidate and emphasised that the goal is really to have more competition.

M. Van Bossuyt requests clarification on the process as the restoration service providers were already contracted last year.

C. Bakker clarifies that the changes to the black start service will only apply to the delivery period following the current one. The five selected assets will remain until January 1<sup>st</sup>, 2027. Following this, new assets will be sought for the next delivery period. The assets will be contracted in Q2 2025 and must be operational by 2027. The aim is to obtain the contract sooner if investments need to be made.

Participants will circulate the documentation.

## **6 Core Intraday Capacity Calculation project: status**

R. Bouwhuis presents an update on the ongoing escalation of the IDCC methodology to ACER/NRAs.

As a Core consultative group meeting is scheduled for March 12<sup>th</sup> to discuss the same topic in greater detail, R. Bouwhuis explains that this presentation aims to provide a global update of the project to the participants without delving too deeply into details and challenging the concept.

R. Bouwhuis reminds that ACER delayed the escalation outcome of the methodology, which normally takes six months, due to its complexity. The methodology raises two main concerns: whether the 70% rule should apply to the intra-day timeframe and the level of possibility for TSO to include XNEC in the Core Capacity process. Despite this, there has been some progress as we can already announce that two additional IDCC processes will be added. ACER and NRAs have recognized the additional value of this.

J. Lepage asks if these new calculation moments will have their own IDAs. R. Bouwhuis clarifies that the IDAs are not governed by the (Core) ID CCM, thus this will not be foreseen (at first).

R. Bouwhuis highlights the significance of the continuous loop of 'capacity calculation/allocation/CROSA' in the target solution being implemented. He notes that some steps of the DACC process will not be performed in the same manner during the IDCC process due to calculation time constraints, and the absence of virtual capacity application that requires dedicated (TSO) validations steps. If participants wish to learn more about the various steps, they should attend the Core consultation on March 12<sup>th</sup>.

A participant enquires why the NRAO (Non-costly Remedial Action Optimization) was dropped. R. Bouwhuis explains that there was an arbitrage made between starting with a congested IDCC model or waiting to include the RAs and having a more congestion-free model. Removing the NRAO was the way forward.

M. Van Bossuyt highlights the need to maximise capacities for the market and expressed concern about any potential negative impact.

R. Bouwhuis reminds that the TSOs have a legal obligation to assess all technically feasible possibilities to increase capacities for the market, which will be covered via the ID CCM Improvement studies (deadline April 2025).

R. Bouwhuis presents the results of the parallel run with full import/export isolation from the Core bidding zone for IDCCa and IDCCb. From a Belgian perspective, the IDCCb parallel run performs worse compared to the operational DA leftover + increase/decrease process. However, compared to the pre-Core region, it is significantly better. Different Mitigation measures are currently being implemented and/or investigated.

There was active discussion on APG (Austrian TSO) regarding their decision not to give any capacities to IDCCb, which impacts capacities for other countries. The participants challenged this validation step, which allows a TSO to reduce their capacities if needed.

B. Genêt reassures all parties that Elia's main objective as a TSO is to provide as much capacity as possible.

C. Verhelst expresses that CREG also challenges this individual validation approach for both DA and ID. She highlighted that common standards and rules must be clear in the methodologies and regretted that this is not currently the case.

The three main topics on the roadmap are:

- Continue investigating improvements in IGM creation by individual TSOs.
- Adapt the losses compensation in the FB calculation from the full continental Europe approach to a bidding zone per bidding zone.
- Implement additional IDCC computations, namely IDCCc, IDCCd, and IDCCe.

Participants conclude that what TSOs are doing locally must be challenged as much as possible to improve the results. Also, any improvement made in the security analysis process (outside ID CCM) will benefit IDCC.

J. Lepage states that they have been paying attention to the type of results displayed for a few years. It is good that the frequency of total isolation for both import and export is reported as it is a useful indicator. He mentions that he has not yet analysed the actual publication of results, but he hopes this is something they can explore and discuss in terms of how to track these isolation cases.

C. Verhelst states that they have been working on this project for a few years. She mentioned that we will receive the final decision in March regarding the escalation process that started in May 2023. Regrettably, she acknowledged that the methodology did not achieve its goal of ensuring that all individual TSOs have sufficient capacity, especially in the short term. There has been a decrease in capacity, particularly for Belgium and the Netherlands. The focus now is on ensuring that the ROSC process provides a solid foundation for the ID, with the hope that the results will improve.

B. Genêt emphasises the importance of discussing the topic of ID capacities from the broader perspective (i.e. in a harmonized way with the parallel ongoing ROSC processes). If higher ID capacities are deemed required, these should be created via additional redispatching, embedded in ROSC's objective function. Changing that paradigm will not be an easy discussion or path.

## 7 IDA go live Intraday Auctions:

Due to time constraints and less impact on a local level, the topic of IDA was skipped. However, more information will be provided on March 21<sup>st</sup> during the IDA go live event. If TF members would have questions, they can always raise them to Elia or share their questions via the stakeholder engagement on EU level such as MCCG or Core Consultative Group.

## 8 Long Term evolutions

C. de Villenfagne presents the Long-Term evolutions: insights on the LT FB implementation & Elia's views.

C. de Villenfagne explains that they performed simulations on long-term flow to check the resulting allocation. The simulated scenarios consider different minRAM values and different year of data for the bids



and the FB domain. The results confirmed concerns raised by market participants, as flow-based allocation was lower than ATC allocation, sometimes resulting in close to zero capacity available on certain borders. The volume allocated between Belgium and the Netherlands was lower than 100MW in both directions. As Elia, we aim to avoid setbacks by reducing hedging possibilities. We are proposing to put the project on hold and discuss it further with other TSOs. Elia's view is to continue with the old approach while reflecting on new improvement of the forward market.

J. Lepage remarks that there is no issue at all with the developments on the long term, rather the opposite with the additional 2-3 years auction that improves the hedging possibilities as long as there are capacities. This is positive. However, he questions whether firmness could become a real issue at some point and if discussions will begin at the European level or how TSOs plan to address this.

B. Genêt indicates that there will be a workshop with conceptual reflection on 22nd of March.

M. Van Bossuyt requests an invitation to the workshop.

J. Lepage expresses interest in understanding the plan for the way forward and what is expected, as it impacts the forward markets on which they currently trade.

C. de Villenfagne answers that at this point all they know is that the go-live with the exact same project in 2025 is not possible anymore.

Benjamin highlights that in general the perspectives of the TSOs are not favourable for the project as they all recognize the issues with the current methodology. But it is clear that we as TSOs will face a lot of political pressure, particularly from ACER. But what is important is to bring new elements to the table. There is no quick win in terms of coordinated approach for the LT. Market participants active on this market today, will find it risky to engage in a way which is not well investigated. Sufficiently deep investigation must be performed.

M. Van Bossuyt enquires about the bilateral agreements we have, as longer maturities would be beneficial for the NTC approach and to increase capacity. He questions the timing for these longer maturities.

B. Genêt confirms that the FB legal requirement is still in place for November 2025. Although we agreed that the go-live was not possible, the requirement still stands. Therefore, the compromise was to have a conceptual discussion for the coming months.

## 9 SDAC 15 min MTU implications on BE level

E. Van Thielen highlights that the main implication of this switch to 15 minutes is that it will add complexity to the algorithm for DA Allocation, increasing computation time from 17 to 30 minutes to find a solution. As a result, the publication will be delayed, with a new publication time of 13:11 instead of 12:58.

This will lead in an adjustment of the nomination gates for market participants in Belgium which will be more aligned with the ones of the surrounding countries as well as with the ones of the Core TSOs. Concretely as from the entry into force of SDAC switching to 15 min MTU the hub 1 for the local HUB nominations will be removed and only the hub 2 timings will remain, meaning that Elia will as from then have only a single nomination deadline for the local hub nominations.



The participants thank E. Van Thielen for the presentation. They emphasise the importance of attentively listening to market participants regarding these topics.

## **10 AOB**

T. Van Den Broucke announces that G. Valentin will take over as secretary of this EMD-SO WG. Additionally,

T. Van Den Broucke invites participants to attend the SDAC Decoupling training session with Market Participants on 20/03/2024.



## 11 Action points concluded during the meeting

Please find below the overview of closed and **new** actions discussed during the WG.

Action	Responsible	Date Raised	Due date	Status
Present later in the year a status & planning on legal changes for the System defence & restoration plan	FOD Economie (J. Robbelein)	31/01/2023	FOD Economie to present an update in Q3 WG EMD-SO session	<b>Closed on 17/10/23</b>
Set date for a dedicated meeting on 2 <sup>nd</sup> amendment IDCC	Elia	12/05/2023	June 2023	<b>Closed – data is 17/07</b>
Bring topic of CBAM and its link (if any) with Eu market reform as a topic in WG EMD-SO.	Elia	12/05/2023	A follow up WG EMD-SO	<b>Closed on 17/10/23</b>
Organize Workshop on CEP70 in Q1/Q2 2024	Elia	17/10/2023	Jan 2024	<b>Open</b>
Elia to come back on the status of adjustment of the local nomination deadlines for BRPs due to the go live of 15 min MTU in first WG EMD-SO of 2024	Elia	17/10/2023	First WG EMD-SO in 2024	<b>CLOSED</b>
Elia to take into account the questions raised in WG of 17/10/2023 to the LFDD TF meeting of 25.01.2024	Elia (Peter Van Meirhaeghe)	17/10/2023	15/01/2023	<b>CLOSED</b>
<b>Elia to clarify the questions of M. Van Bossuyt on Emergency &amp; Restoration: LFDD</b>	<b>Elia (W. Geelen)</b>	<b>29/02/2024</b>	<b>June 2024</b>	<b>Closed on 27/03/23</b>
<b>Participants to circulate the documentation on tendering Black Start Q2 2024</b>	<b>Elia &amp; participants</b>	<b>29/02/2024</b>	<b>June 2024</b>	<b>Open</b>