

## Minutes of Meeting Balancing Taskforce 28/04/2015

### **List of participants:**

Company/association	Name	Present	Excused
FOD Economie	Senne Gabriels		X
EDORA	Noémie Laumont		X
Belgian Offshore Platform	Lut Vande Velde		X
Belgian Offshore Platform	Antoons Eric		X
VBO-FEB	Olivier Van der Maren		X
GABE	Jean-Pierre Bécrot	X	
Febeliec	Peter Claes	X	
FEBEG	Steven Harlem		X
Progress Energy	Wouter Verbeeck		X
EFET	Seth Spoelders	X	
FEBEG (eni)	Antoine Thoreau		X
FEBEG (eni)	Ludovic Platbrood		X
FEBEG (eni)	Pieter Verlinden		X
FEBEG (eni)	Florent Dalez		X
FEBEG (E.ON)	Jimmy Tjoa		X
FEBEG E.ON	Herman Wyverkens		X
Scholt Energy Control	Joël Nolten		X
Scholt Energy Control	Walter van Alst		X
Scholt Energy Control	Sander Gelsing		X
PowerPulse	Taverniers Hans	X	
EFET (Electrabel)	Bernard Debroux	X	
FEBEG (Electrabel)	Mathilde Catrycke		X
FEBEG (EDF Luminus)	Frédéric Demaret	X	X
FEBEG (EDF Luminus)	Grégory Michiels		X
FEBEG (EDF Luminus)	Bram De Wispelaere	X	
E.ON Benelux	Herman Wyverkens		X
E.ON Global Commodities	Emmanuelle Joubert		X
RWE	Nic Niedermowwe		X
RWE	Alice Barrs	X	
INEOS	Geert Meynckens	X	
Nyrstar	Sven Verwimp		X
Infrabel	Walter Aertsens		X
BASF Antwerpen	Eric Verrydt		
Air Liquide	Raphaël Lhomme		X
ArcelorMittal Energy	Luis de Miguel		X
WOM	Ron Schuermans		X
Axpo Benelux	Dirk Verbruggen	X	X
BECI	Ward Gommeren		X
ODE	Alice Detollenaere		X

CREG	Jacques Gheury	X	
CREG	Brice Libert		X
CREG	Gilles Wilmart	X	
Anode	Dieter Jong	X	
Lampiris	Bruno Vanderschueren		
Lampiris	Pierre Lebas		X
Next KraftWercke	Paul Kreutzkamp		X
Next KraftWercke	Jan De Decker		X
Inter-Régies	Marc Malbrancke		X
Entelios	Stefan Smets		X
REstore	Pieter-Jan Mermans		X
REstore	Peter Schell	X	
REstore	Geert Ramault	X	
Powerhouse	Jasper van den Berg		X
Energypool	Arbeille Jacques		X
Actility	Cedric De Jonghe	X	
Wom	Herman Marien	X	
Belpex	Rob Loos		X
Synergrid	Bruno Gouverneur		X
Infrac	Annick Dexters		X
Ores	Didier Halkin		X
Ores	David Vangulick		X
Sibelga	Daphne Benzennou		X
Eandis	Luc Decoster		X
Eandis	Lieven Degroote	X	X
Tecteo	Amandine Leroux	X	
ORSE	Jean-Claude Clandams		X
Elia	Emeline Spire (ESP)	X	
Elia	Hans Vandenbroucke (HVDB)	X	
Elia	Matthias Masschelin(MMA)	X	
Elia	Isabelle Gerkens (IGE)	X	

### **Minutes of meeting :**

All agenda items were supported by presentations prepared by Elia. These slides serve as background for these minutes and can be found infra and on the ELIA website under

<http://www.elia.be/~media/files/Elia/users-group/20150428-TF-Balancing.pdf>

#### **1. Agenda for the balancing taskforce of 20/11/2014**

- Amendments to BRP-contract
- Proposal for obligatory bidding instructions
- R3 2016

## **2. Validation of Meeting Minutes dd. 26/03/2015**

There were no comments received. The final minutes of the previous taskforce were published on the ELIA website [http://www.elia.be/~media/files/Elia/users-group/draft\\_Minutes\\_of\\_Balancing\\_Taskforce-26032015.pdf](http://www.elia.be/~media/files/Elia/users-group/draft_Minutes_of_Balancing_Taskforce-26032015.pdf)

## **3. Amendments to BRP-contract**

IGE gives an overview of the main amendments made to the BRP-contract to accommodate the impact of SDR –product design. Articles 1, 11.1.3 and 11.3 are modified to account for the no correction of the BRP-perimeter in case of a SDR-activation using a DSO, TSO-submetered or TSO-CDS delivery point. Also the planning of the approval process for these amendments is presented. A priori a public consultation is foreseen from 18/5 till 8/6 (to be confirmed).

## **4. Proposal for obligatory bidding instructions**

MMA presented first the proposal for bidding obligations for R3, R3DP and ICH which are effective for the call for tender for R3 2016. MMA explains the 4 basic principles :

1. First offer can be maximum 50MW for R3DP and ICH and is capped to the Pmin tech of the 2<sup>nd</sup> smallest unit in a R3Production pool offered.
2. Increase offered volume by a maximum steps of 50MW for the yearly tender and 10MW for the monthly tender. All BASE offers are mutually exclusive.
3. Offers are divisible until the next smaller offered volume at the same unit price (for base offers) or 0MW / under limit (tbd)
4. The total cost for volume should not exceed the total cost for a larger volume (Total Cost check Elia). In case of divisibility the check is only applied on the smallest volume that can be retained resulting from an offer.

J-P. Bécret remarks that the divisibility implies that in case only 1MW is selected, the offer cannot cover the associated costs. MMA replies that price setting must be so to ensure that this is the case.

B. Debroux adds that one should ensure that the fixed costs are covered at the minimum level of divisibility.

ESP confirms by stating that one should cover the fixed costs in the lowest volume offered (even 1MW).

B. Debroux questions what is happening if you are selected with a volume that is suboptimal or even technically not possible for a given unit (eg 35MW where the Pmin is 50MW). MMA replies that in this case either the BRP gets into a long position either the BRP has to manage this within his portfolio.

MMA explains the offers that are not compliant with the Total Cost check will be rejected (partial rejection). Moreover, in case a supplier, due to the partial rejection, is not aligned with the bidding obligations in terms of Volume (principles 1 & 2), the entire set of bids will be rejected.

F. Demaret asks if the 1<sup>st</sup> principle for R3Prod cannot be formulated in a more pragmatic way, aligned with R3DP and ICH. MMA replies that this will be investigated.

B. Debroux states that the Bidding Obligations might lead to a potential de-optimization between the yearly and monthly selection as a situation could arise where insufficient R3Prod is offered in the yearly auction. Moreover, B. Debroux raised a specific point related to a potential inconsistency of the rule # 3 with the technical specificities of some units. In other words, in case of several offers for a same product but based on various technologies or based on units with different technical characteristics, an application of this rule would lead to the exclusion of valid offers.

MMA explains the next steps in the process:

- Introduction of obligatory Bidding instructions & award criteria for both year and month auctions in the General Framework Agreement (GFA) for R3 Production and R3DP, applicable as from LT tender as from 3/8/2015.
- Negotiations & signature of GFA is due before 31/7/2015.
- Retro-actively, this results in following steps:
  - Beginning of June: publish a GFA proposal (R3Prod/R3DP) and rules ICH
  - 2-3 weeks – consultation - allow feedback from suppliers
  - Beginning of July– final GFA/rules ICH published on Elia website
  - Before 31/07 – signature GFA by participants

G. Meynckens asks if the General Framework Agreement is also applicable for ICH. MMA confirms that this is not the case, current contractual framework remains in place for 2016.

MMA concludes by inviting stakeholders to comment on proposed amendments prior to 20/5 to [matthias.masschelin@elia.be](mailto:matthias.masschelin@elia.be).

## **5. R3 2016**

HVDB explains the product design changes made for R3DP 2016 monthly product (max. 8 activations per month, pooled volume for selected year and month volumes, abolition of cap on number of providers for a certain volume of R3DP selected, introduction of partial activation).

HVDB presents the volume split and year/month split as proposed during last TF Balancing of 26/3/2015. The remarks received were twofold:

1. Support of the ICH-volume (max 300MW) was subject to a product design of the ICH product
2. Support for the split between year and month volume was subject to a clarification of the obligatory bidding obligations.

P. Schell states that in the current product design pooling destroys the volume offered, relative to a scenario where sites are offered individually hence making portfolio aggregation not accessible for aggregators. ESP precises that today the ICH product is already open to Aggregators. HVDB explains that a dedicated workshop with ICH-customers will be set up in June to discuss any evolution in the products design of ICH.

J-P Bécrot points out the importance of maintaining ICH design tailored to industrial site capabilities, whilst R3-DP design focuses on aggregators; particularly because ICH costs less to Elia as R3-DP.

P. Claes requested information on the status of the Bidladder project. ESP replied that this discussion is strongly linked to the Transfer of Energy (ToE) debate. The context wherein the current Bidladder note was described has evolved and now also deals with questions on who can access the Bidladder and how the impact on the DSO-grid needs to be taken into account. These items are not included and therefore ELIA is working on a proposal on how to address these items. A necessary sequence is therefore to first address the ToE-debate and the relationship between BRP and Balancing Service Provider (BSP) prior to addressing the Bidladder project.

P. Schell adds that indeed it seems unrealistic to implement this prior to 1/1/2016 but one should aim at facilitating this as from 1/1/2017.

P. Schell asks about the status on submetering at DSO-level for R3DP 2016. HVBB replies that this is currently under discussion at Synergrid and that in due time Synergrid will provide an update. This is confirmed by A. Leroux. P. Schell urges for an Expert Working Group to discuss the matter as soon as possible. HVDB confirms that an Expert Working Group will be organized to present a status update on submetering at the DSO-level.

## **6. Next steps**

ESP concludes the meeting and invites stakeholders to comment the draft MoM. There is no TF Balancing foreseen prior to summer break.