

Minutes of meeting

Experts Working Group 29/04/2013

Ancillary Services provided by Distributed Energy Resources

List of participants:

Company/ association	Name	Present	Excused
EnergyPool	E. Scholtès	x	
REstore	P-J. Mermans	x	
Actility	M. Hajjam		x
ENI	A. Thoreau	x	
GDF Suez	D. Hendrix	x	
EDF Luminus	F. Demaret	x	
FEPEG	S. Harlem	x	
WOM	H. Mariën	x	
Febeliec	P. Claes		x
CREG	J. Gheury	x	
CREG	B. Libert		x
Lampiris	S. Heyselberghs	x	
Lampiris	J. Vanos	x	
ORES	D. Halkin	x	
Tecteo	A. Leroux	x	
Eandis	L. Decoster	x	
Eandis	P. Reyniers	x	
Infrac	A. Dexters	x	
Elia	H. Vandenbroucke	x	
Elia	S. Otjacques		x
Elia	T. Desmet	x	
Elia	S. De Baets	x	
Elia	P. Ottoy	x	
Sia Partners	B. Aubard	x	

1. Agenda

- Feedback TF Balancing and potential inclusion in product amendments
- Final Product proposal with amendment
- Statistics of R3 usage
- Principle of prequalification
- Principle of data exchange & contractual framework
- ARP Contract changes
- Agenda & proposal date for the next Expert WG of May 14th

2. Feedback TF Balancing & Final product proposal

Elia presented the feedback of the TF Balancing of April 17th and the amendments to the final product proposal.

Several reactions of the participants concerning different topics were as follows:

Availability

Restore notices that 100% availability is very restrictive and wonders if 3% standard deviation like in Germany or in UK could be allowed. Elia wants to offer a product which is similar with R3 production and won't therefore allow any tolerance. Energy Pool shares the availability constraints and is in favour of a reduction of this constraint.

Margin

Energy Pool asks for the possibility to change the margin during the year (or to send to ELIA a real-time margin) as the margin of industrial sites (representing "non-curtable capacities") is not a fix value.

Elia will look into this proposal for the long-term product.

Bidding sheet

Restore asks if quarterly bids will be available for BSP in the tendering (needed for seasonality reason of the BSPs' pool for instance). Elia will take this into account for the enduring model (> 2015) of the R3 Dynamic Profile product and analyse if this is for the 2014 & 2015 implementation.

At the end of the tendering process, during the BSPs' offers selection, one single optimization step with R3 prod and R3 Dynamic Profile will run at the same time seeking to minimize the overall cost of R3 for Elia.

Activation

The DSO's want to be informed when Elia does the activation of a pool, so that they can focus on those typical periods to validate the data ex-post. The BRP's express they also wish to be informed within five minutes after activation by Elia. Discussion arises as to who will have to inform whom of the activation. Will it be the grid user, the BSP or Elia?

The principles must be stated in the Elia – BSP contract about the need for the DGU (or BSP if mandated by the DGU to make aware in close to real time (at least done between the request of activation and the activation) the BRP, Supplier and DSO about its activation.

⇒ Elia suggests to align with DSO's and to propose a solution for the next Expert Working Group.

Elia puts a dissuasive penalty to be sure that the pool will activate when Elia requests activation. EDF Luminus, in the role of the BRP, wants to know if Elia assessed the situation, when a BSP prefers to pay an activation penalty if it's less expensive for him to pay the penalty than to obtain the revenue by offering his pool to one of its other counterparties.

⇒ Elia will look into this exclusivity discussion, but remarks that anyway BSP's will be strongly incentivised to deliver the contracted MW. Because next to the payment of penalties, Elia preserves the right to suspend the BSP and to not pay the capacity fee to the BSP, when a number of consecutive activations were not delivered, until a test proves otherwise.

- ⇒ Upon request of FEBEG, the Task Force agreed that the BRP should be informed about a R3 'Dynamic Profile' activation at the latest 5 minutes after the activation request in order to avoid any impact on balancing.

3. Principles of prequalification

BSP EAN's Prequalification procedure for congestion & voltage constraints

In the final product proposal, Elia shared the timing of the tendering procedure, which is very strict, because there must also be sufficient time for the implementation process. DSOs and BSPs all agree to say that 2,5 weeks is very short for performing the prequalification process. DSOs state that they will need at least two months for the prequalification procedure. It is then requested to give the opportunity to BSPs and DSOs to enter into relationship already before and during the Elia tendering period to perform a pre-study of the EAN codes susceptible to be contracted: this will lead to a workable situation for DSOs and BSPs. Normally Elia is foreseen to be the SPOC for requesting and getting the EAN list validated by all the DSOs. If a pre-study stage is setup, the role of Elia as SPOC should be reviewed.

- ⇒ This pre-study process has to be refined between DSOs, BSPs and Elia knowing it should not endanger the R3 Dynamic Profile tendering process & timing as already stated by Elia.
- ⇒ DSO's & Elia will align on a proposal for the next WG of May 14th.

During the prequalification process, it can happen that DSOs will reject EANs because of reasons of operation security of the grid (avoidance of congestion & voltage problems). The related rejected volumes will be reallocated to the remaining pending BSPs' offers . Elia will refine this principle in its tender. BRPs have the right to be informed about a DGU included in the BSP's pool, but not the right to reject a DGU included in a BSP's pool

ORES remarks that the DSO must formally know that also the suppliers agree with that principle.

The DSO's say that they will prequalify the list of EANs for a validity period of 1 year, but they would like to maintain the right to revoke the qualification of certain EAN (with a period of notice of two months), if there new investment barriers appear (e.g request of additional decentralized production connection) on their grid. It is agreed that the DSOs will use the same BSP window for changes in the pool (1 window per quarter). BSPs stress that their investments will be important for contracting and operating each of their EAN. The BSPs want to limit this risk as much as possible to see the DSOs revoking the qualification for their contracted EAN and they see the pre-study process—as an acceptable step for mitigating this risk. The possibility to revoke the qualification of certain EAN with a period of notice of 2 months stays an important barrier but would be probably "really rare". Energypool posed the question to the DSO's to have a map where already congestions and voltage constraints could be identified.

- ⇒ As the pools' composition could be changed within the year, Elia will define with the DSOs and BSPs a quarterly procedure that will be also applicable for prequalification. The DSOs agree to develop a pragmatic approach for the ST solution, but for the LT solution they want to stick to the enduring target for which the principles are defined in the Balancing and Load Frequency Control Network Codes. Elia shares this point of view and will organize the discussion with the DSOs in that perspective.

Prequalification for Metering

For the purpose of its Settlement, Elia wants to receive the individual metering data from the DSOs per EAN per access point.

Restore remarks that if the settlement is done in this way with the data per official EAN code), BSPs will not be able to prospect potential participants to their pool where flexibility is located within only one part of their site. This is because of the netting (i.e. aggregation of production and consumption) done at EAN level for its settlement is too risky for this kind of potential participants to their pool. DSOs state that it's not possible to have 2 EAN codes for one address so it's not possible to have two meters. Restore than agrees having its settlement done at EAN level, but say that, if there is a netting risk or even a netting issue, then they will use their counterproof metering, based on their own meter plugged on the flexible part of the site only, for discussions with Elia

- ⇒ Elia will investigate this requirement but Elia will apply a progressive approach with a pragmatic proposal for 2014 and possible evolutions or improvements for 2015 in order to include all types of complex consumers.

ORES remarks that aggregated metering per BSP is enough for the Settlement.

The DSO's also stress the fact that the grid user is owner of the metering data. Therefore the grid users will have to give a mandate to their DSOs for communicating their metering data to Elia and BSP and use them in this context.

The DSOs wonder what will happen if there is an error in the validated metering data. Validated data is usually received M+1 +10d. But rectifications are still possible up to three years after the metering.

- ⇒ Elia will align with DSO on a workable process that is consistent with other processes (e.g. imbalance settlement) in data exchanges between DSO & TSO.

Elia is still investigating if there is a need to get the TM (10 seconds metering) for the need of the dispatching.

4. Contractual Framework & changes to BRP contract

In slide 22 of the presentation, DSOs explicitly wish to highlight that there will not any contract with Atrias Clearing House. All contracts will be with the DSOs as today. Atrias Clearing House is an IT platform and could facilitate data exchanges between market actors for the future (too late for 2014, almost difficult for 2016).

In the BRP contract, the "Service d'ajustement de profil" term is equal to services with regards to R3 Dynamic Profile. The remarks of the BRP's on the changes to the contract will be handled in the TF Balancing directly.

FEPEG asks for transparency about timings, procedures, obligations, ... in underlying contracts (chain of contracts guaranteeing information flows to BRP).

The DSOs and Elia agree to define together in the coming weeks the best way to formalize their respective responsibilities under the agreement to work together for running the R3 Dynamic Profile process. They will present their aligned proposal in the coming Expert WG's.

5. Proposed Agenda & Date for next Expert WG

_____The Agenda for the next Expert Working Group of May 14th afternoon at Elia premises:

- Responsibilities for settlement data
- Principle of the Prequalification process (2014)
- Principle of the Metering process
- Notifications to parties of activation a.o.

Participants are welcome to give comments to add to these Minutes of Meeting, which will be published on the Elia website after validation of all participants or propose additional topics to the agenda of the coming Expert WG's by sending an e-mail to Mr. Vandenbroucke (Hans.vandenbroucke@elia.be), cc: Mrs Pauline Ottoy (pauline.ottoy@elia.be)