

Minutes of meeting
Experts Working Group 14/05/2013
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	G. Wilmart	x	
Lampiris	S. Heyselberghs	x	
ORES	D. Halkin	x	
ORES	D. Vangulick	x	
Tecteo	A. Leroux	x	
Eandis	L. Decoster		x
Eandis	P. Reyniers	x	
Infrac	A. Dexters	x	
Sibelga	S. Magnus	x	
Elia	H. Vandenbroucke	x	
Elia	T. Desmet	x	
Elia	S. De Baets	x	
Elia	P. Ottoy	x	
Sia Partners	B. Aubard	x	

1. Agenda

- Validation MoM 2nd Expert WG of 29/04
- Presentation DSOs (Ores) + Q&A
- Tendering Timing Elia
- Template proposal for prequalification
- ARP contract: final Elia proposal on received remarks on contract
- Next steps: agreed processes to be presented for the next TF of May 24th & determination of date for next Expert WG

2. Reaction Stakeholders on draft MoM (see point 4)

- Comment EnergyPool on exclusion rule in prequalification process:
 - For EnergyPool, it seems that the possibility to come to an agreement between two BSP, is :
 - Really difficult in the time-frame proposed (only 3 days between the end of the DSO's study and the answer to ELIA) è which is prejudicial for all parties including ELIA
 - Complicated as BSPs cannot share confidential information (about EAN and curtailable capacities) ;
 - Contrary to competition rules and regulations (an agreement between 2 BSPs on a certain zone could be equivalent to a share of market).
 - Therefore they propose three alternative solutions and favour the one of the "proportional key repartition of the maximum curtailable capacity", because in their opinion it is compatible with the regulatory framework and more efficient for electrical system.
- Comments FEBEG:
 - FEBEG is worried about the comment of Infrac: ' The evolution towards a BSP as a regulated party might have an influence on the taken point of view'. FEBEG understands that the new role of a BSP needs to be described and defined, but according to FEBEG a BSP is a commercial and not a regulated party. FEBEG would like to address this point in the next meeting.
 - FEBEG points out that it doesn't agree with the proposed article 11. FEBEG is of the opinion that Elia should be liable and responsible for its own acts: it is Elia who is activating services in the ARP's perimeter'.
- Comments Restore related to prequalification study:
 - Restore reacts with regards to the access to the "Access Register":

REstore says that its legal advisors did an analysis of the federal, Brussels & Walloon Grid Code. The advisors did not find that each individual supplier should grant approval for Elia to have access. According to REstore, it seems as if the Grid User is the owner of the information string related to the EAN; this would mean not only the metering data, but also the name of the ARP and the Supplier.

REstore thinks that this would facilitate the process for ELIA to get access to the Access Register in context of R3 DP. REstore says that the confusion stems from the fact that, when signing an energy supply agreement, the Grid User mostly grants a delegation of authority to his Supplier to update the Access Register. This delegation of authority however does not affect the ownership, which appears to stick with the Grid User, according to the grid code.

- REstore reacts with regards to the proposal of some DGO to create a contract BSP-DGO:

Restore says the regional grid codes includes a section (Art. 372 & Art 373) wrt. the interfaces between the DGO and the TSO. Based on this, the pre-qualification procedure and related rights/obligations should most probably be included in the ELIA contract, ie. the template contract between ELIA and the supplier of tertiary reserve."

- Comment of Infrax on the remarks of REstore:
 - With regards to the access to the "Access Register":

Infrax reacts that the Flemish regional grid code is very clear that the DSO needs to treat the data of the access register confidentially. Based on the UMIG, not even the BRP knows which supplier belongs to which EAN. According to Infrax, that is information of the supplier, who has to give its approval to make this information available to other parties.

- With regards to possible contract DSO-BSP:
Infrax states that once the entire process is clear, it can be determined whether a contractual relation is necessary, and out of which elements it should exist.

- General remark Infrax:
The evolution towards a BSP as a regulated party might have an influence on the taken point of view.

Comments Eandis

- In order to be able to identify green/red zones for prequalification, Eandis is dependent on information from ELIA.
- Clarification on legal obligation: it is up to the Privacy Commission, not to the regional regulators, to share relational data to BSP en ELIA in case there is no mandate from the Grid User. A mandate from the Grid User is needed for initiating the prequalification procedure at the DSO.
- BSP-DSO contract is regulated, i.e. subject to regional regulator approval.
- Limitation of liabilities of DSO in case of BSP activation needs to be dealt within contract BSP-DSO.
- Current agreed agreements are valid for 2014 solely.

3. Validation MoM 2nd Expert WG 29/04

It is agreed to exclude from the minutes of the 2nd Expert WG meeting the comment on a potential DSO/BSP contract as it was not discussed during the session on April 29th.

4. Presentation of DSO's (Ores) + Q&A

Remark: in all discussions in this Expert WG, DSOs are only represented by ORES, EANDIS, INFRAAX, SIBELGA and TECTEO.

ORES stresses that only load reduction (net effect only) at EAN level can be eligible to be qualified for being part of a BSP pool. ORES mentions that this position was agreed in Synergrid. They have not the computing power to calculate/pre-study this for 2014. This has as a consequence that pure generation units connected directly to the distribution grid (with an EAN) are not eligible. The DSO's agree however (ORES, SIBELGA, EANDIS, INFRAAX and TECTEO) that generation units located behind an EAN having a consumption part are eligible as long as the net effect at EAN level results in a load reduction.

⇒ **Infrax, Eandis & Tecteo will look into this principle and see whether it is applicable for them or not.**

BSPs are wondering, if CHPs must be again prequalified knowing that the concerned DSO has already made a technical impact analysis, when it was asked to connect the unit to the grid. The DSO's reply that the real issue for them is the aggregation of several units at the same time and this will need to be thoroughly checked by them against their criteria. CHPs will have to be prequalified like any other EAN.

BSPs are still asking to have an overview map with critical zones with the grid constraints (DSOs grids). DSOs say that they are not able to provide such a map for 2014 for the following main reasons:

- Such a map has to be built based on a collaboration between DSOs and Elia
 - Not all DSOs have a helicopter view and the experience yet, because this is the first time they are facing this situation of prequalifying EAN in a BSP pool;
- ⇒ DSOs suggest that they can organize an information session with the interested BSPs in order to inform them of generic constraints on specific part of the grid (the so called "red zones").
- ⇒ **DSOs will inform during the next TF Balancing meeting (May 24th afternoon) how, where & when this information session will take place.**

The DSO's remind that in the long term (i.e. after the period 2014 & 2015), it is the goal to be able to provide a view, from week ahead to day ahead, on available capacities for BSPs. DSOs do not have yet the technical tools to check in real time the feasibility of an activation.

In order to be able to warn the BRP of activation, Elia must have an up-to-date view of which BRP belongs to which EAN. The DSO can provide this information to Elia, but it must have the mandate of the supplier to grant Elia the right to have this information (because the DSO has this information in the Access Register). A Supplier could refuse to provide its agreement to give access to the information in the Access Register to Elia. Nevertheless, in order for Elia warn the BRP 5 minutes after activation that a maximum number of MW has been activated in its perimeter, Elia needs to know the relationship between an individual EAN and its BRP; otherwise the activation process cannot work. Because there is an Access contract between a DSO and a Supplier: the mandate for granting DSOs to provide the Access Register to Elia could be a new appendix of this contract (in the form of either a general principle agreement or an agreement for each EAN separately).

In case of change of Supplier (switch), a new mandate should be given by the new Supplier. BSPs stress that they want to know as soon as possible which Suppliers sign the mandate so that they are confident they can start building their pool.

- ⇒ **BSPs ask the DSO's to provide clarification on the legal obligation to have Suppliers granting access to the Access Register;**
- ⇒ Alternative: regional regulators could decide for 2014 that Elia will get access to any needed Access Registers on request to DSOs without being granted by the Suppliers. For an official permission, this will have to be done by an adaption of the regional grid code;

The DSOs do not need a DGU mandate to deliver BSPs preliminary advice, however it will be required for the extensive prequalification study.

- ⇒ For the extensive prequalification study, the DSOs will have to check with their legal department, if only a piece of evidence between DGU and BSP (e.g. email) is sufficient instead of the official DGU mandate in order to save time. Elia emphasizes however that for the official bid made by the BSP, they will have to submit the official signed DGU mandate and validation by the DSO (signed & stamped) per EAN attached to their offer to Elia.

DSOs request that the BSP signs a contract with them. The DSO/BSP contract will include rights and obligations for each party to solve the DSO liabilities about their activities on prequalification, metering and settlement; in the DSOs point of view this contract should be regulated. Elia remarks that the Elia-BSP contract is a non-regulated contract.

BSPs remark that their role doesn't exist in RTF & RTR, so it could be possible that Regulators should not have to approve such a contract. In order to have a workable solution for 2014,

DSOs agree not to have different bilateral contracts between DSOs and BSPs: they want a harmonized content which is formalized in a pragmatic way.

Elia remarks that if there is a contract between DSOs and BSPs:

- (1) It should not be a barrier for have sufficient offering of R3 DP for 2014 & 2015;
- (2) It should not endanger the timing of the tendering process
- (3) At the moment of submission of the final offer by the BSP, he should guarantee that the selection and contractualization by ELIA cannot be made subject to the completion of any 3rd party agreement. In other words, the final offers made by the BSP are firm commitments towards ELIA to deliver the contracted service.

Given the latter on timing constraint:

- ⇒ It is proposed by Elia to use the "Template for prequalification" (see slides 24, 25, 26 of the presentation "20130514_Presentation_A S from DER_Expert WG final.pdf") adapted with a specific part disclaiming the DSOs liability about their activities. This template will be annexed to the Elia/BSP contract and signed by BSPs, DSOs and DGUs per EAN. Only the content on DSOs liability should be then approved by Regulators.
- ⇒ DSOs suggest to inform the regional Regulators during the next FORBEG meeting of May 24th about this principle and then they will request individual approval by their respective Regulators
- ⇒ ORES will take the lead among DSOs to propose a common wording for the DSOs liability part to be included in "Template for prequalification" to appendix in the Elia BSP contract.
- ⇒ Elia will require the information in this template as minimum data required, but naturally the DSO's are free to add the data fields they require

BSPs state that rebound effect won't happen, because it has a negative effect on the BSP/DGU business case. The Elia concern about rebound is towards BRP in order to avoid load shifting creating unfavorable imbalance in BRPs perimeter. Rebound will be forbidden from 17-20h: DSOs state that it is a general peak period recognized everywhere in Belgium and that will be applicable for all DSOs. (Maybe still an exception for Siblega that has its peak at 11)

DSOs confirm that the grid user can always have access to the private port of the AMR meter.

DSOs confirm that the metering can be sent to the BSPs between D+1wd and M+10wd. An indexis contract is than required.

DSOs and Elia agree that if there are metering rectifications after 6 months, it will not be taken into account for redoing the settlement of the BSPs.

ORES, SIBELGA and TECTEO want to provide aggregated metering data per BSP to Elia. Elia states they will have to follow the aggregation rules embedded within the corresponding Elia/BSP contract (load convention). ORES, SIBELGA and TECTEO justify their need to provide aggregated metering data by mainly confidentiality reasons. Elia remarks that they will have the DGU mandate (within the "Template for prequalification" in appendix of the Elia/BSP contract) to get from the DSOs its individual metering data.

However ELIA is ready to facilitate the reception of these metering data both at individual EAN-level and at aggregated level. However, it should always be possible for Elia to have access to the EAN-level data upon request (for instance in case needed for dispute resolution with the BSP in the settlement process). In addition, a progressive harmonization towards a single level is desirable for the enduring solution.

About the Elia/BSP contract, **Elia will organize an information session with BSPs to present the contract.** Elia will inform during the next TF Balancing meeting (May 24th

afternoon), when this information session will take place along with additional details on logistic.

- ⇒ Elia asks the DSO's to clarify with the regulator the cost for the prequalification study, so BSP's can take this into account.
- ⇒ Elia asks the DSO to foresee a generic mailadress per DSO, where BSP's can send in their information and where Elia also can send information regarding this topic.

5. Timing Tendering procedure

Based on the Elia tendering process time line, the following adaptations have been discussed:

- A continuous open window for BSPs to get non-binding "preliminary advice" on each individual EAN from DSOs will be possible from the start of the contract notice to August 20th;
- From August 20th to September 20th: a binding study from DSOs on all EANs submitted by the BSPs. The window is closed unless exceptional request from a BSP to add an EAN on a non-critical zone.
- On September 22nd: BSP have to submit their offer to Elia tender. BSPs are requesting 2 days (between September 20th and 22nd to make statistical analysis on the final prequalified EAN to be included in their pool).

- ⇒ **Elia will update the tendering process according to this additional information.**

6. Template proposal for prequalification

This template is proposed by Elia and should be used by BSPs to prospect each DGU. It should be signed by DSOs, DGUs and BSPs.

- ⇒ DSOs and BSPs have to review this proposal

Another similar template will need to be filled in by the BSPs for the need of Elia's technical qualification. This template is under construction

7. ARP contract modification

The new ARP contract including modifications will be submitted to CREG consultation.

8. Next steps

Conclusions of this meeting and the made proposals will be:

- ⇒ Validated by directors of the DSO's of the Atrias meeting of May 23th;
- ⇒ Presented on the FORBEG meeting of May 24th;
- ⇒ Presented to the TF Balancing of May 24th;

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: pauline.ottoy@elia.be