

# Task Force “Bidladder”

## Minutes of Meeting – 14 June 2016

- FINAL VERSION -

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Meeting date: 14 June 2016

Meeting Location: ELIA, Keizerslaan 20, 1000 Brussel

### List of attendees

The following persons were present on 14 June 2016:

Arbeille Jacques	EnergyPool
Catrycke Mathilde	FEBEG
Debroux Bernard	EFET
Debrigode Patricia	CREG
Demeyer Valentijn	Engie
Gheury Jacques	CREG
Halkin Didier	ORES
Harlem Steven	FEBEG
Kreutzkamp Paul	Next Kraftwerke
Leroy Xavier	EDF Luminus
Libert Brice	CREG
Loos Rob	Teamwise
Mortier Jo	Essent
Mouffe Ludovic	FOD
Pirard Nicky	RESA
Ramault Geert	REstore
Schell Peter	Restore
Van Bossuyt Michaël	Febeliec
Van den Kerckhove Olivier	Engie
Verheggen Luc	Infrax
Vandenbroucke Hans	ELIA, President
Buijs Patrik	ELIA, Secretary
Desmet Tom	ELIA

## **Agenda**

The following agenda was proposed:

- Approval of MoM 25/5/2016
- Feedback Febeg on counterbalancing & Imbalance Adjustment
- Feedback BRDA on Imbalance Adjustment
- Submetering & CDSO
- Publication Bidladder : Available Regulation Capacity
- ToE with Supplier: overview cases
- Wrap-up & next steps

## **Supporting documents**

A presentation of Elia and a presentation with feedback from FEBEG are available on the website of the Task Force BidLadder<sup>1</sup>: [http://www.elia.be/en/users-group/Working-Group\\_Balancing/Task-Force\\_BidLadder](http://www.elia.be/en/users-group/Working-Group_Balancing/Task-Force_BidLadder)

## **Discussion**

### **Approval of MoM 25/5/2016**

The draft minutes of meeting of 25/5/2016 have been sent to all participants prior to the meeting. Comments were received by Actility which led to 3 paragraphs being amended. Those amendments are approved and the minutes of meeting can be considered final and will be published on the website.

### **Feedback FEBEG on counterbalancing & Imbalance Adjustment**

FEBEG presented their feedback on the matter discussed in the Task Force BidLadder so far, i.e. not limited to counterbalancing and imbalance adjustment. The slides are available on the website of the TF BidLadder and can be summarized as follows:

- a) Level playing field: principle, attention points, BRP/BSP versus FSP/BSP
- b) ToE settlement with supplier: several (practical) questions
- c) Imbalance adjustment in case of over-delivery: overdelivery remains with BRPsource + argumentation
- d) Information flow on counterbalancing: 1st notification close to activation start remains needed + argumentation
- e) Congestion management: level playing field, overall way should evolve as well, technology neutral
- f) ToE and 'energy block delivery': some insights

Regarding item (a) a representative of CREG disagrees with how the difference BRP/BSP versus FSP/BSP is represented as it would suggest a possible discrimination which does not exist. It is argued by the representative of CREG that there are different roles like BRP and BSP. It is the free choice of each actor to take up one or more roles. In that respect, all BSPs are dealt with in an equal way. All BRPs are also dealt with in an equal way. The fact that some BRPs are also BSP is their choice and does not induce a different interpretation of the BSP role or of its consequences.

Regarding item (b) Elia mentions that in case of ToE with the supplier, Elia should know in all cases the supplier. A priori this information is retrieved from the Annex 3 in the Access Contract.

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<sup>1</sup> Due to an overall re-organisation of the Users' Group the Expert Working Group BidLadder has become the Task Force BidLadder and will report to the Working Group Balancing (the former TF Balancing). Scope and way of working remain however unchanged.

Also with respect to item (b) a representative of Infrac asks why Elia is assumed as FDM and that another perspective on the FDM may solve some issues. A representative of FEBEG replied that taking Elia as FDM was considered as the most logic assumption, because only Elia is competent to neutralize the BRP perimeter as also stipulated in the final study from CREG.

With respect to item (f) the discussion revealed that there remain several elements to be further clarified with respect to the modalities in the supply contract and whether a ToE is required in all cases. A representative of ORES added that similar discussion have already taken place in the context of distribution grids and that lessons learned from that perspective might serve useful. A representative of Febeliec expresses the opinion that entering into the details of the supply contract renders the matter more complex than needed to solve the ToE-issue.

It is noted that the discussion with respect to financial compensation goes beyond the scope of the TF BidLadder and will be further picked up via a forum organized by CREG. Nevertheless, it is considered useful to also to dig further into the issue in the TF BidLadder in order to make sure that the FDM always has sufficient information on who should receive the (aggregated) data. Therefore, it is requested that FEBEG provides further insights in the next meeting of the TF BidLadder on 5/7.

### ***Feedback BRDA on Imbalance Adjustment***

The representative of BDRA/Restore summarizes its position with respect to two items:

- a) Imbalance adjustment: A symmetrical treatment of over- and underdelivery is preferred, as this is considered a more fair approach which guarantees a better level playing field. However, it is mentioned that this is not necessarily a breaking point.
- b) Mutual exclusivity R3 – BidLadder: Already from the pilot phase of the BidLadder project it should be possible to offer the extra flexibility available on delivery points also participating in an R3-pool on the BidLadder as this would improve the liquidity on the BidLadder.

With respect to item (b) a representative of Febeliec argues that a fluent transfer from delivery points not retained in a R3-pool to honour an R3-contract should be facilitated. Elia replied that this is under investigation and it will be further discussed next session.

With respect to item (b) a representative of CREG mentions that a combination of ICH and BidLadder should anyhow not be possible, at least because they combine different “drop by” and “drop to” settlements.

After a remark by a representative of Febeliec on the fact that another market model can be used for solving ToE and preserving confidentiality between all concerned parties, a representative of CREG asks Elia to further investigate the feasibility of the so-called model B2 in the CREG study (adjusting the metering), in particular for those cases where the Grid User is also the Access Holder. ELIA will investigate for the next session of the EG BidLadder the feasibility of the model B2 for industrial sites connected to its grid, where the Grid User is also Access Holder. From the overall discussion that took place, it became clear that also in this context it is relevant to clarify the link with taxes and “surcharges” to be paid by all concerned parties in such B2-model. A representative of ORES remarks that in the DSO-context similar problems have been successfully solved and could serve as useful input here.

### ***Submetering & CDSO***

Elia presented the proposal of modalities linked to submeter participation (at TSO-level) and participation from within a CDS. All stakeholders are invited to provide their feedback and questions prior to next meeting.

A representative of Essent asks with respect to CDSO operations whether Elia can handle the different needed aspects for the CDSO in case Elia is contracted for providing this service. Elia confirms.

A representative of FEBEG asks whether when using a submeter also checks on the headmeter are done by Elia in order to detect a possible wipe-out effect. Elia confirms that – as already the case today – Elia can perform such checks and if necessary require further information or even access to site to perform the necessary controls.

### ***Publication Bidladder: Available Regulation Capacity***

Elia presented how the transparency of Available and Using Regulation Capacity (as published on elia.be) will be guaranteed while taken the Pilot BidLadder into account. In general, the same level of transparency will be maintained.

### ***ToE with supplier: overview cases***

Elia starts with repeating the general contractual framework indicating the main components of the Bidladder contractual framework: the General Framework Bidladder, the BRP-contract with the BRP of the FSP and the contract with the Supplier (applicable in case of a ToE-process for ensuring the conditions linked to the necessary data transfer from the FDM to the supplier). Also the Grid User Declaration (stating that the FSP is mandated by the Grid User to activate flexibility at his Access Point (using a delivery point) and indicating also the reference power that the FSP disposes of at a specific delivery point); the Supplier notification (relevant to Elia to identify the Supplier at a specific delivery point – the latter is known via Annex 3 of the Access Contract) and the FSP-Supplier agreement (proving the existence of a bilateral agreement between the FSP and the Supplier to ELIA) are mentioned as specific conditions for a valid GFA Bidladder. The latter proof of such a FSP-Supplier agreement is also a precondition for a Supplier contract with ELIA. A FEBEG representative points out that Annex 3 of the Access Contract is being debated in other Elia working groups and that the role - including rights and obligations - of the supplier in relation to Elia will have to be further clarified in the contract and perhaps in other regulatory documents.

Elia presents a 4-quadrant overview of the various cases possible in a setup with BRPfsp vs BRPsource and FSP vs Supplier. In cases 1 and 2 the BRPfsp is different from the BRPsource. In these cases, the ToE-process (asymmetric imbalance adjustment and FDM data exchange) is applied. In case 3 (implicit flex), no ToE-process is needed as all roles are performed by the same market party. In case 4, FSP and Supplier are different market parties but having the same BRP (BRPfsp = BRPsource). In this case the ToE-process is also applied but Febeg advocates having an “opt out” regime possible in cases where Supplier and FSP bilaterally agree on a baseline, applicable price and possible other relevant modalities. Then no ToE-process should be applied (i.e. a “classic” incentive correction for arranging the imbalance positions and no data transfer by the FDM to the BSP and supplier for facilitating a financial compensation). The latter opt out-regime could also be envisaged for case 3 where the FSP is different market party than the market party assuming the role of Supplier, BRPsource and BRPfsp. This could for instance prove useful in case the Grid User itself takes the role of FSP.

CREG acknowledges the request for such an opt out regime and will assess this further. It is agreed that the opt-out regime is to be discussed next meeting and Febeg will provide additional support clarifying/justifying the need for such an opt-out regime.

CREG representatives and other participants also advocate for keeping the actual process as simple as possible. So, they do not understand the need for a 4 quadrants analysis. The added complexity overcompensates the gain that could be obtained by defining 2 “cases”: quadrants 1+2+4 and quadrant 3, where the only first one deals with ToE.

### ***Wrap-up and next steps***

ELIA summarizes the elements discussed during the meeting and gives an insight in a (non-exhaustive) list of topics requiring further discussion.

All stakeholders are invited to provide feedback on the elements discussed either in writing in between expert working group sessions or via a presentation during a next session.

The following sessions take place on the following dates:

- 5 July 2016 (10h-12h), ELIA Emperor

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