

## Minutes of meeting Working Group Balancing 20/06/2018

### List of participants:

Name	First name	Company/association	Present
Adigbli	Patrick	Restore	X
Benzennou	Daphné	Sibelga	X
Braecke	Pascal	Virtual-Power	X
Busschaert	Joost	Virtual Power	X
Camps	Guido	Rent a Port Green Energy	X
Catrycke	Mathilde	Electrabel	X
Ceusters	Michel	Vynova	X
De Keyser	Elias	Next Kraftwerke	X
Demeyer	Valentijn	Scholt Energy	X
De Wispelaere	Bram	EDF Luminus	X
Gabriels	Senne	Cogen-Vlaanderen	X
Gheury	Jacques	CREG	X
Gilbert	Donald	Restore	X
Harlem	Steven	Febeg	X
Loos	Rob	Teamwise	X
Luyckx	Wim	Statkraft	X
Meynckens	Geert	Restore	X
Parys	Valetin	Lampiris	X
Platbrood	Ludovic	FEPEG/ENECO	X
Phyke	Bart	Yuso	X
Quintin	Nicolas	Lampiris	X
Van Bossuyt	Michaël	Febeliec	X
Van Melkebeek	Wouter	Engie	X
Verrydt	Eric	BASF	X
Weyns	Cedric	Actility	X
Williame	Jean-François	Eon-Benelux	X
Matthys-Donnadieu	James	Elia	X
Hebb	Bob	Elia	X
Vanbaelen	Pieter	Elia	X
Leroux	Amandine	Elia	X
Tsiokanos	Anna	Elia	X
Pitsaer	Alexandre	Elia	X
Gérard	Thibaut	Elia	X

**Minutes of meeting:**

All agenda items were supported by presentations prepared by Elia. The slides serve as background for these minutes and can be found on the Elia website under [http://www.elia.be/en/users-group/Working-Group\\_Balancing/Agenda-ad-hoc-werkgroep-balancing](http://www.elia.be/en/users-group/Working-Group_Balancing/Agenda-ad-hoc-werkgroep-balancing)

**Agenda of the WG Balancing meeting on 20<sup>th</sup> June 2018**

1. Approval of the minutes of the meeting on 15/05/2018
2. Real Time Imbalance Volume Calculationn
3. R3 2018: final design proposal
4. Transfer of Energy
  - Go-live for R3 2018
  - Public consultation ToE-rules for SDR
5. ARP-contract: planning
6. R3 down high level design
7. Public consultation on mFRR daily procurement
8. R1/R2 split & STAR W-1 auctions
9. AOB
  - Planning 2018

## **1. Approval of the minutes of the meeting on 15/05/2018**

The draft minutes of the previous Working Group were distributed by e-mail prior to this meeting. No comments were received and the final version is available on the Elia website.

## **2. Real Time Imbalance Volume Calculation**

*David Zenner presents the results of the Real time imbalance volume calculation study.*

- YUSO asks whether Elia discusses with the DSO's the need for market actors to have real-time information on AMR metering data on DSO-grid. YUSO states that it is essential for large BRP's to have a better view in real-time on their balancing perimeter, especially with the increase of renewable energy sources. YUSO states this is an essential working point for the DSO's, considering the roll-out of smart-meters in the near future.  
Elia takes note and understands the concerns from YUSO. Elia will bring this point forward and understands the need of the market to have a view on real-time 15' metering.
- FEBEG asks whether redispatching activities (on both the TSO and DSO grid) of Elia are considered in the real-time imbalance calculation.  
Elia replies that indeed redispatching is considered, since it is available in our internal tools (the same for Gflex).
- CREG asks whether 'now telemesuring' on slide 27 should be 'no telemeasuring'.  
Elia responds that it should indeed be 'no telemeasuring'. This slide will be adapted accordingly.
- EDF Luminus asks whether a pilot-project will precede the effective implementation phase. EDF Luminus believes this gives the opportunity for market parties to give a quality feedback.  
YUSO also welcomes a pilot-project and stresses the importance of including solar photovoltaics (pv's), as it believes a large share of the imbalances are directly caused by pv's.  
Elia welcomes the suggestion that the implementation is phased, in order to receive intermediate feedback from the BRP's based on their expertise.

## **3. R3 2018 design**

*Alexandre Pitsaer presents the proposal of the final design of R3 2018.*

- Febeliec asks when the public consultation of the Balancing Rules will exactly start and how long the consultation period will be.  
CREG responds the consultation period will take 5 to 6 weeks. The consultation period starts as from 20<sup>th</sup> of July. Elia adds that no surprises should be expected in the Balancing Rules.

Febeliec replies that if it doesn't agree on Elia's vision put forward in the R3 design note, it will formally respond to the public consultation of the Balancing Rules.

- Elia present the reverse planning w.r.t. transfer of energy for R3 2018. Elia underlines that parties need to start negotiations as from now to ensure that by the end of October 2018 an agreement on the financial compensation (bilateral or default price by CREG) is obtained for delivery points operating in a market situation with Transfer of Energy. Delivery points under a valid opt-out agreement can in any case participate to R3 2018. All GFA's will need to be signed at the latest end of October, before the auctioning procedure of November.  
CREG reminds the market actors that the preferred solution is an opt-out agreement or a bilaterally agreed price w.r.t. financial compensation between FSP and Supplier.
- EDF Luminus indicates that including start-up costs can trigger high-price spikes and therefore advises Elia to monitor this.  
Elia responds that it performed several internal analyses and that inclusion of start-up costs on historic activations showed limited impact but agrees that it should indeed be followed-up.
- Febeliec asks that the mail, as well as any other such mails, that was sent to the BSPs with regard to transfer of energy and associated risks is at least also sent to Febeliec and all other federation representatives.

#### **4. Transfer of Energy**

*Anna Tsiokanos presents the planning and go-live for R3 2018, the public consultation of the ToE rules and the notification procedure with regards to Bidladder / R3 as from 1/12/2018.*

- Teamwise asks if they can already start negotiations with suppliers in August, if the final ToE-rules are approved as from September.  
CREG replies that only market specific elements with regards to the extension of the ToE-rules towards the following market segments are consulted:
  1. reserved tertiary control by non-CIPU technical units as from 1/12/2018 and;
  2. SDR units in the market of strategic reserves as from 1/11/2019.

It is thus indeed possible to start negotiations with CREG before official approval of the new ToE-rules, which are currently under public consultation.

- Vyanova asks if the last Qh-baseline option is left out for reserved tertiary control. Elia clarifies that the BSP has the option between high X of Y for reserved tertiary control. Only in case of a combo (between reserved and non-reserved tertiary control), the last Qh-baseline is imposed.

## 5. ARP-contract: planning

*Anna Tsiokanos presents the planning of the ARP contract and the evolutions towards the BRP-contract.*

- *no comments were received* -

## 6. R3 down high level design

*Thibaut Gérard presents the R3 down product design, its products characteristics and concludes with next steps.*

- Febeliec asks when the decision of the dossier volumes is expected.  
Elia replies that it is finalizing the comments and that formal submission of the dossier volume will happen during summer period. Elia clarifies that it is unlikely it will start contracting R3 downwards in 2019.
- Febeliec asks whether reserve sharing can be done on both directions (upward and downward).  
Elia replies that this can be done in both directions, but is dependent on the available transmission capacity (ATC) and is in any case non-binding.
- Febeliec comments that the scenario of R3 down in combination with a monthly auction is not considered in the R3 design note.  
Elia replies that it perceived the combination of a daily auctioning with R3 down as common knowledge. Contracting downward reserves on a monthly basis is inefficient and would lead to exclusion of different technologies in the market of R3 down.
- FEBEG asks more clarity between the link of R3 down, the storm risk and the fact that Elia can impose means.  
Elia replies that it has chosen the path to thrust the BRP's, but that next to this also incentives need to be put in place, for instance the '*alpha*' needs to be reconsidered. Next, Elia will put in place the necessary tools to forecast storms and can request in day-ahead how the BRP will manage an upcoming storm event. Only if it seems that a BRP has not put the right means in place (which might result in causing threats to grid security), Elia can impose means. At all times Elia wishes to prevent a BRP waiting out to a storm without pro-actively acting and therefore causing high imbalances. Elia will do this by putting in place the right incentives.
- EDF Luminus asks if portfolio bidding for redispatching will be allowed and asks more clarity w.r.t. assets PGM C and PGM D that need to send an individual power schedule. Do assets PGM C and PGM D need to bid in individually and what are the requirements for PGM B units?

The presentation during the WG BAL concerns the bidding for balancing. For bidding on redispatching Elia refers to the iCAROS design notes. With respect to the link between scheduling and bidding for balancing, Elia explains that all assets with an individual power schedule (whether obliged or voluntary) need to bid in individually to the balancing market. All assets C and D must send an individual power schedule and hence bid in individually in the balancing market. PGM B units can choose to send an ON/OFF schedule or a power schedule. ON/OFF schedules can be combined with portfolio bidding for balancing. PGM B units who voluntarily choose to have a power schedule need to bid in individually in the balancing market.

- Teamwise asks more clarity with regards to the link between having the possibility to send on own baseline and sending an individual power schedule 15 min beforehand.

Elia mentions we don't need to confuse baselining and sending an individual power schedule and proposes to clarify this later.

- EDF Luminus asks if one foresees a balancing bid, and afterwards a congestion occurs, if the BSP is than free from its obligation to reserve the capacity.  
Elia reminds that this topic was already discussed during Icaros workshops and confirms the BSP will not be considered responsible for a reserve obligation nominated in a congested area (before being informed about it).

## **7. Public Consultation on mFRR daily procurement**

*Bob Hebb presents the feedback received from market actors after the public consultation on mFRR daily procurement.*

- Febeliec mentions that the roadmap is not fixed and should be a living document. Febeliec states that Elia first needs to consider open questions (ex. impact on prices), before talking about an implementation plan.  
Elia agrees that discussions should indeed take place. Elia mentions that prices have been declining thanks to market opening and increasing competition. Elia underlines the large share of renewables to be expected end of 2019 causing a need for daily procurement of mFRR.
- Febeliec states that the move towards a daily procurement for mFRR is a big challenge for the market players. The market is continuously changing (ex. disappearance of ICH) which causes high implementation cost for market participants to keep up. Febeliec stresses that rapidly evolving products that keep on changing could result in losing volumes along the way, due to instable products that keep on changing and advices Elia to be cautious and be aware of this risk.  
Elia takes note of this remark of Febeliec and agrees that the impact on market liquidity is being monitored.

## **8. R1R2 split & STAR W-1 auctions**

*Bob Hebb presents the results of the consultation with regards the study on separate procurement of R1/R2 and R2up/down.*

- Vynova mentions that it sees an increase in the minimum bid size and would like to have a better view on the market characteristics and competition drivers, for example:
  - o amount of # market actors
  - o volumes that have been reserved (which technologies, etc....)
  - o selected volumes
  - o price spread

Elia replies that there is no increase in minimum bid sizes but rather a decrease in it and that minimum and maximum bid sizes should not be confused.

CREG finds it interesting and proposes that it could be interesting that first the needs of the market players should be discussed with Elia;

Elia proposes a dedicated workshop on transparency in Q4 2018 with all the market actors. CREG agrees and Elia will have moderator role. Elia will present an AS-IS situation and demand feedback to market actors on expectancies and possible ameliorations.

## **9. AOB**

*Bob Hebb presents the workplan for 2<sup>nd</sup> semester.*

- *no comments were received* -