

Procurement Procedures for Reactive Power Service

Contract period 2024

Established pursuant to Article 8, §1/1, 6th paragraph, of the law of 29 April 1999 concerning the organization of the electricity market;

This procurement will proceed according to Article 30 of the law of 23 October 2023 amending the law of 29 April 1999 concerning the organization of the electricity market transposing Directive (EUs) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU;

1. Introduction

ELIA will contract several Voltage Service Providers (VSPs) for the service of voltage and reactive power control for the delivery period of 1st January 2024 to the 31st December 2024 included.

A VSP Contract will be awarded to the selected VSPs following the advice of the CREG regarding the reasonability of the prices proposed in the submitted offers.

The minimal technical requirements for a technical unit to be contracted are:

1. Minimal volume to be produced or absorbed: 1 MVar specified in Art.II.3.9 of the VSP Contract Type¹
2. Fulfilment of the technical requirements specified in the applicable Grid Code as mentioned in Art.II.3.3 of the VSP Contract Type¹
3. Fulfilment of the other technical requirements specified in Art.II.3 of the VSP Contract Type¹

2. Content of the offer

In order to offer the voltage and reactive power control service, a tenderer has to provide ELIA, **at the latest by the 16th of June 2023**, the following documents:

a. A letter in which:

- The tenderer accepts the dispositions of the VSP contract Type¹;
- The tenderer commits, by submitting its signed offer, to respect fully and without reserves the bidding instructions.
- The tenderer states that his offers are valid until 31/12/2024;

b. Supporting documents:

- A filled-in Annex 1 of the VSP Contract Type, which contains technical parameters of all technical units the tenderer wishes to offer for the voltage and reactive power control service as mentioned in Art.II.3.2 of the VSP Contract Type¹.
- A signed Grid User Declaration, according to the template in Annex 11 of the VSP Contract Type, for the Technical Units the tenderer wishes to offer and for which he is not the Grid User as mentioned in Art.II.2.1 of the VSP Contract Type¹.
- In case the VSP and the Access Contract Holder are not the same party, evidence of a bilateral agreement between the VSP and the Access Contract Holder, as stipulated in Art.II.3.11 of the VSP Contract Type, should be provided.
- A justification for technical units which are not offered, motivating the reason(s) of inability to provide the voltage and reactive power control service, even though they have an obligation to do so according to the Federal Grid Code;

¹ The VSP Contract Type is available on [Elia Website](#)

c. Details regarding the tenderers' offered prices with respect to following principles:

1. **Activation Prices**

All activation prices are expressed in €/MVarh and are conform the rules set out in Annex 12 and Art.II.8.3 of the VSP Contract Type.

- **Injection of active power**

INJECTION MODE				
Controlling Technical Unit				
<i>Properties of technical bands</i>	<i>MVar Absorption</i>		<i>MVar Production</i>	
	<i>Q tech-</i>	<i>Q 3</i>	<i>Q 1</i>	<i>Q tech+</i>
2 parts of technical band >20 MVar (0 to Qtech+ and from Q tech- to 0)	P4	P3	P1	P2
1 part of technical band >20 MVar Production (from 0 to Qtech+)	P3		P1	P2
1 part of technical band >20 MVar Absorption (from Q tech- to 0)	P4	P3	P1	
2 parts of technical band <20 MVar	P3		P1	
Non-Controlling Technical Unit				
	<i>MVar Absorption</i>		<i>MVar Production</i>	
	P10		P9	

- In addition to the prices described here above, if a controlling technical unit is able to run in compensator mode, the tenderer specifies

COMPENSATOR MODE				
Controlling Technical Unit				
<i>Properties of technical bands</i>	<i>MVAr Absorption</i>		<i>MVAr Production</i>	
	<i>Q tech-</i>	<i>Q 3</i>	<i>Q 1</i>	<i>Q tech+</i>
2 parts of technical band >20 MVAr (0 to Qtech+ and from Q tech- to 0)	P8	P7	P5	P6
1 part of technical band >20 MVAr Production (from 0 to Qtech+)	P7		P5	P6
1 part of technical band >20 MVAr Absorption (from Q tech- to 0)	P8	P7	P5	
2 parts of technical band <20 MVAr	P7		P5	

The tenderer shall provide in his offer a technical justification on the declared value of “Q1” and “Q3” as stated in Annex 12 of the VSP Contract Type.

2. Other costs

The tenderer may also request a compensation of his costs related to an increase of the tariff for power put at disposal for offtake (PPAD) due to the delivery of the Service. This compensation should be integrated in the offer of the tenderer with a detail of the additional supported costs as stated in Art.II.8.5 of the VSP Contract Type.