

**Terms and Conditions for Tertiary Control Non-Reserved Service by CIPU
Technical Units**

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1 Definitions

Access Point(s)	An Injection Point and/or an Offtake Point to Transmission or Distribution Grid;
Available	Status of a CIPU Technical Unit stated in the Nomination Procedure, which means that the CIPU Technical Unit is capable of generating electricity at the considered Quarter-hour;
Balancing Responsible Party or "BRP"	Any natural person or legal entity, as defined in article 2 (7) of the Electricity Balancing Guideline, and listed in the register of balancing responsible parties in accordance with the Federal Grid Code;
Balancing Rules	A document, validated by the CREG, describing the market operation rules for the compensation of quarter-hourly imbalances, pursuant to Article 203 of the Federal Grid Code;
Balancing Services	As defined in article 2 (3) of the Electricity Balancing Guideline;
Balancing Service Provider or "BSP"	Any natural person or legal entity, as defined in article 2 (6) of the Electricity Balancing Guideline, and with whom ELIA has concluded a Contract to provide Balancing Services;
CIPU Contract	The contract for the coordination of injection of production units concluded with ELIA in respect of Article 271 of the Grid Code;
CIPU Technical Unit	A production unit that is included in a CIPU contract;
Control Area	The area in which a transmission grid operator controls the permanent balance between demand and offer of electricity, taking into account the exchanges of active power with the control areas of other transmission grid operators;
Coordinable or "C"	Characteristic of a CIPU Technical Unit which is technically capable of modifying its power injection on the Elia Grid upon request by ELIA, within 15 minutes;
CREG	The federal regulatory authority of gas and electricity markets in Belgium;
Day	Period of one day starting at 0:00 hrs morning until 24:00 hrs;

Daily Access Program			The program of production of a CIPU Technical Unit (expressed in MW), given on a quarter-hourly basis, provided to ELIA in day-ahead;
Decremental Request	R3	NR	The decrease of active power injection, for a duration of a multiple of 15 minutes, on the ELIA Grid based on a request of ELIA.
Delivery Period			The timeframe in which the corresponding reserve power has to be made available and delivered to ELIA;
Elia Control Area			The area in which ELIA controls the permanent balance between demand and offer of electricity, taking into account the exchanges of active power with the control areas of other transmission grid operators;
Elia Grid			The electricity grid to which ELIA holds the property right or at least that of using and operating it, and for which ELIA has been designated as the transmission and local transmission system operator;
ENTSO-E			European Network of Transmission System Operators for Electricity;
Frequency Containment Reserve or "FCR"			The automated and local increase/decrease of active power in reaction to a frequency deviation from the frequency of 50,00Hz. All Service Types of Frequency Containment Reserve together lead to linear reaction for Frequency Deviations between -200mHz and +200mHz, as described by ENTSO-E;
FCR Downwards Power			The quantity (in MW) of FCR in the downward direction;
FCR Upwards Power			The quantity (in MW) of FCR in the upward direction;
Federal Grid Code			The provisions of the Royal Decree of 19 December 2002, as amended from time to time, regarding the technical regulations for operating an electricity grid and access thereto;
Forced Outage			An unforeseen and unpredictable (full or partial) outage of Technical Units making it impossible for the BSP to deliver (part of) the Service;
Incremental Request	R3	NR	The increase of active power injection, for a duration of a multiple of 15 minutes, on the ELIA Grid based on a request of ELIA.
Intraday Procedure		Nomination	The procedure of the CIPU Contract for updating the Daily Access Program in intraday;

Limited Coordinable or "LC"	Characteristic of a CIPU Technical Unit which is technically capable of modifying its power injection on the Elia Grid upon request by ELIA, within 15 minutes or more depending on technical and/or organizational constraints;
Month	Period starting at 0:00 hrs the 1 st of the month until 24:00 hrs the last day of the month;
Nomination Procedure	The procedure of the CIPU Contract that specifies, among others, the Daily Access Program of the CIPU Technical Units in day-ahead for day D;
Pmax Available	The maximum instantaneous value of the power of the CIPU Technical Unit, expressed in MW, that the CIPU Technical Unit can inject into the ELIA Grid for a certain Quarter-hour, taking into account all technical, operational, meteorological or other restrictions known at the time of notification to ELIA of the Pmax Available value, without taking into account any participation of the CIPU Technical Units in the delivery of Balancing Services;
Pmin Available	The minimum instantaneous value of the power of the CIPU Technical Unit, expressed in MW, that the CIPU Technical Unit can inject into the ELIA Grid for a certain Quarter-hour, taking into account all technical, operational and meteorological or other restrictions known at the time of notification to ELIA of the Pmin Available value, without taking into account any participation of the CIPU Technical Unit in the delivery of Balancing Services;
Bid Prices	Intraday incremental (respectively decremental) prices per CIPU Technical Unit for Incremental R3 NR Request (respectively Decremental R3 NR Request), expressed in €/MWh, offered on a quarter-hourly basis by the BSP to ELIA, according to the Nomination and Intraday Nomination Procedures;
Quarter-hour	Period of 15 minutes. The first quarter-hour of each hour begins at the beginning of the hour;
Secondary Control or "R2"	The increase/decrease of active power based on a signal sent by ELIA. Also referred in the Guideline on electricity balancing by the term "Automatic Frequency Restoration Reserve" or "aFRR";
Secondary Control Downwards Power	The quantity (MW) of Secondary Control power in the downward direction;
Secondary Control Upwards Power	The quantity (MW) of Secondary Control in the upward direction;

Technical Unit	A facility (part of CIPU Contract or not) connected within the Control Area of ELIA, able to provide balancing services to ELIA;
Terms and Conditions	The Terms and Conditions for the provision of the corresponding service in compliance with article 18 of the European guideline on electricity balancing ;
Tertiary Control or “R3”	The increase/decrease of active power, on the ELIA Grid based on a request of ELIA. Also indicated in the Guideline on electricity balancing by the term "Manual Frequency Restoration Reserve" or "mFRR";
Tertiary Control Non-Reserved Power or “R3 NR”	A quantity of the Tertiary Control Non Reserved Power Service expressed in MW;
Tertiary Control Non-Reserved Power Requested or "R3NR _{Req} "	The quantity of the Service to be supplied by the BSP in relation to the corresponding Contract for a certain quarter-hour, expressed in an average power [MW] during a quarter hour;
Tertiary Control Non-Reserved Power Supplied or “R3 NR Sup”	The quantity of the Tertiary Control Non-Reserved Power physically supplied by the BSP, expressed in an average power [MW] during a quarter hour;
Tertiary Control Non-Reserved Service by CIPU Technical Units	The Tertiary Control Non-Reserved service supplied by CIPU Technical Units and that is governed by the Tertiary Control Contract, comprising at least the following: <ul style="list-style-type: none"> - the submission of Bid Prices; and - the activation of Incremental or Decremental R3 NR Requests in accordance with the provisions of the Contract;
Tertiary Control Power Made Available or “R3 _{mad} ”	The quantity of Tertiary Control Power of the Service (in MW) actually made available to ELIA by the BSP;
Transmission Grid	The electricity transport system for which ELIA has proprietary rights or at least user or operating rights and for which ELIA is the designated and certified transmission grid operator;
Week	Period starting at 0:00 hrs Monday morning until 24:00 hrs the next Sunday;

2 Application of the Terms and Conditions

- 2.1. The BSP makes its best effort (not being unreasonable), by signature of this Contract, and taking into account obligations set forth in the art. 159bis §4 of the Federal Grid Code and in accordance with art. 18.7 of the guidelines on electricity balancing:
- a. to participate in the bidding for the Service throughout the validity period of the Contract, i.e. from Contract signature to 31 December 2021
 - b. to provide the Service throughout the Delivery Period in case of activated Tertiary Control Non-Reserved Power for this Delivery Period,
- 2.2. The Contract will come into force subject to the conditions set forth in Article 3.

3 Conditions for participation in the service

3.1. General contractual conditions for the BSP

- a. The BSP holds a valid CIPU Contract with Elia.
- b. For the avoidance of any misunderstanding, the Parties are aware of the mutual relationships that exist between the present Terms and Conditions, other Balancing Service Terms and Condition, the BRP Contract, the CIPU Contract and the Access Contract, as each of them is an essential constituent of the means that ELIA uses to ensure the safety, reliability and efficiency of the ELIA Grid. The observance of the rules set out in the aforementioned contracts is necessary for the proper implementation of the present Terms and Conditions.
- c. The BSP allows ELIA to publish aggregated and anonymized information relating to the procurement results on [ELIA's website](#).

3.2. CIPU Technical Units conditions

- a. Any CIPU Technical Units deemed as Coordinable (C) or Limited Coordinable (LC) listed in Annex 1.B of the CIPU Contract and included in the Nomination Procedure in day-ahead with the status Available is eligible to participation in the Service.
- b. CIPU Technical Units, for which the obligations set forth in art. 159bis §4 of the Federal Grid Code apply, must be offered by the BSP to Elia for provision of the Service.
- c. All concerned CIPU Technical Units must meet the technical and organizational requirements accordingly to the CIPU Contract.

4 Procurement of the Service

- 4.1. Within the framework of these Terms and Conditions, ELIA will procure the Tertiary Control Non-Reserved Service by CIPU Technical Units.
- 4.2. The Service will be procured from BSPs with a valid Contract and with at least one CIPU Technical Unit listed in Annex 1B of the CIPU Contract and in respect with conditions stated in art. 3.2.
- 4.3. Procurement of the Service consists of the combination of a volume available for Incremental/Decremental R3 NR Request on each concerned CIPU Technical Unit, as described in art. 5.9, and a corresponding Bid Price as offered by the BSP according to art. 4.4.
- 4.4. The Bid Prices for Incremental/Decremental R3 NR Request, expressed in €/MWh, are presented per CIPU Technical Unit by the BSP to ELIA in the Nomination Procedure. Whenever considered necessary, the Bid Prices may be updated intraday following the Intraday Nomination Procedure.

- 4.5. Bid Prices offered for Incremental/Decremental R3 NR Requests by the BSP under art. 4.4 should respect the conditions set forth in art. 13.2.6 of the CIPU Contract.
- 4.6. The total volume to be procured by ELIA is determined continuously according to its needs for balancing the ELIA Grid.

5 Provision of the service

- 5.1 In intraday, ELIA may activate the Tertiary Control Non-Reserved Power on a CIPU Technical Unit according to the organizational dispositions set out in Annex 1 of the present Terms and Conditions.
- 5.2 ELIA will remunerate the activation of Tertiary Control Non-Reserved Power as described in art. 7.
- 5.3 The Tertiary Control Non-Reserved Power Supplied on the CIPU Technical Unit is monitored as described in art. 6.3.
- 5.4 ELIA will correct the balancing perimeter of the BRP on a quarter-hourly basis as provided in the BRP Contract with ELIA. The imbalance will be corrected according to the calculation in Annex 3.
- 5.5 The BSP has to activate the CIPU Technical Units specified by ELIA in its request for Tertiary Control Non-Reserved Power activation and according to dispositions of Annex 2.
- 5.6 In case of Incremental/Decremental R3 NR Request, ELIA will activate part or all of the volume determined as available according to the rules described in art. 5.9.
- 5.7 The maximal duration of a single activation is equal to 3 Quarter-hours.
- 5.8 During one single activation, ELIA can change the quantity of volume activated on a quarter-hourly basis while respecting the maximal volume available as per art. 5.5.
- 5.9 The rules applied for determination of the maximum volume available for the activation of an Incremental/ Decremental R3 NR Request for a Quarter-hour are as follows:
 - a. The maximal volume available for an Incremental R3 NR Request on a CIPU Technical Unit is equal to the difference between its Pmax Available for the concerned Quarter-hour, and :
 - the last Daily Access Program of the CIPU Technical Unit for the concerned Quarter-hour;
 - if relevant, the FCR Upwards Power reserved (R1up) on the concerned CIPU Technical Unit for the concerned Quarter-hour;
 - if relevant, the Secondary Control Upwards Power reserved (R2up) on the concerned CIPU Technical Unit for the concerned Quarter-hour;
 - if relevant, the Tertiary Control Power Made Available on the concerned CIPU Technical Unit for the concerned Quarter-hour;
 - b. The maximal volume available for a Decremental R3 NR Request on a CIPU Technical Unit is equal to the difference between the last Daily Access Program of the concerned CIPU Technical Unit for the concerned Quarter-hour, and :
 - the Pmin Available for the concerned Quarter-hour;
 - if relevant, the FCR Downwards Power reserved (R1down) on the concerned CIPU Technical Unit for the concerned Quarter-hour;

- if relevant, the Secondary Control Downwards Power reserved (R2down) on the concerned CIPU Technical Unit for the concerned Quarter-hour;

6 Exchange of information, record and monitoring of the Service

- 6.1 The exchange of information for the performance of the Terms and Conditions will be done through Real-Time Communication and Off-Line Communication, as described in Annex 1 and in accordance with the Nomination and Intraday Nomination Procedures.
- 6.2 The exchange of information for the performance of the Terms and Conditions will be directed to the respective contact persons of The Parties (list of contact persons exchanged as described in art. 11).
- 6.3 Record and monitoring of start-ups
- a. ELIA will check each Month that each of the start-ups it has requested was actually realized by the BSP:
- in less than 15 minutes
 - without a Forced Outage within 15 minutes
- b. The Parties agree that in case of failed start-up no remuneration will be granted by ELIA, as foreseen in art. 8.1.

7 Remuneration

- 7.1 The remuneration of the Service consists of a remuneration of the energy requested resulting from the activation of the Service and a remuneration for the start-up of the CIPU Technical Unit if relevant.
- 7.2 Remuneration for the activation of Tertiary Control Non-Reserved Power
- The remuneration of the energy activated on day D by ELIA shall be calculated according to Annex 4. The amount owed by ELIA to the BSP for a given Month is the sum of the individual remunerations calculated according to Annex 4.
- 7.3 Remuneration for the start-up
- The remuneration for the start-up of a CIPU Technical Unit by ELIA shall be calculated according to Annex 4.

8 Penalties for non-performance of the Contract

- 8.1 Non-compliance with start-up requirements
- A requested start-up by ELIA of a CIPU Technical Unit nominated as Available in accordance with the Nomination Procedure must respect the conditions set forth in Annex 4. In case of non-respect, the start-up will not be remunerated by ELIA.

9 Invoicing and payment

- 9.1 No later than the fifteenth (15th) of each calendar Month, ELIA will give the BSP a list of the payments for the transactions affecting the previous Month. No later than the twenty-fifth (25th) of each calendar Month, the BSP will send ELIA the monthly invoice or, as the case may be, a credit note for the previous Month including the following:
- (a) The payments due from ELIA to the BSP. Explanatory appendices to the monthly invoice will, among others, contain each Incremental R3 NR Request per day of the previous Month and per CIPU Technical Unit, with the quantities concerned and unit prices for which the payments are due.

(b) The foregoing payments will be reduced by the payments due from the BSP to ELIA. Explanatory appendices to the monthly invoice will, among others, contain each Decremental R3 NR Request per day of the previous Month, and per CIPU Technical Unit, with the quantities concerned and unit prices for which the payments are due.

(c) The bank account number of the BSP to which payment must be made or as the case may be, the Elia bank account number to which BSP shall make his payment.

9.2 The invoiced amount must be paid in accordance with the conditions outlined in art. 5 of the General Conditions.

9.3 If an invoiced amount is disputed, the undisputed amount(s) will nevertheless be paid. At the same time, the Party disputing an amount will inform the other Party of the disputed amount and the reasons for disputing it.

9.4 Annex 5 details the appropriation structure to be used by the BSP.

10 Modifications to the Terms and Conditions

10.1 For the avoidance of doubt, all modifications to these Terms and Conditions will be handled in accordance with article 10 of General Conditions.

11 Contact persons

11.1 Both parties shall keep the contact details up to date throughout the validity of the Contract, by exchanging the filled out template in Annex 6. These exchanges and updates can be done via e-mail.

11.2 All contacts between the BSP and ELIA regarding the present Contract should take place between the persons designated in Annex 6.

ANNEX 1. RULES FOR THE EXCHANGE OF INFORMATION BY THE PARTIES**A. REAL-TIME COMMUNICATION**

ELIA shall communicate the following information in real time:

- If ELIA wishes to activate the Tertiary Control Non-Reserved Power, then it shall inform the BSP thereof by a real-time communication.

IT solutions

- Communication in real time is done by electronic messages, in accordance with protocols laid down by ELIA. More technical information can be found on the ELIA website (www.elia.be).

B. OFF-LINE COMMUNICATION

Off-Line Communication will take place by electronic message according to formats and software specified by ELIA.

1. Day ahead Off-line communication

No later than 15:00 hrs, the BSP will decide and inform ELIA in day-ahead about:

- The Daily Access Program per CIPU Technical Unit as foreseen by the Nomination Procedure.
- The Bid Prices for Incremental/Decremental R3 NR Request, expressed in €/MWh, per CIPU Technical Unit and per Quarter-hour as foreseen by the Nomination Procedure.

The Daily Access Program and the Bid Prices can be updated in intraday in accordance with the Intraday Nomination Procedure.

ANNEX 2. QUANTITY OF TERTIARY CONTROL POWER REQUESTED.

If ELIA requests activation of the Tertiary Control Non-Reserved Power, it must do so in accordance with:

- Nomination and Intraday Nomination Procedures;
- Art. 5 of the present Terms and Conditions.

ANNEX 3. FORMULA FOR CORRECTION OF THE BRP IMBALANCE

Following the activation of the Tertiary Control Non-Reserved Power at its request, and in accordance with dispositions provided by art. 19.7.1 of the BRP Contract, ELIA shall include the corresponding quantity of power (corresponding to one or more upward/downward adjustments) that the BSP has to provide in the calculation of the BRP quarter-hour imbalance.

METHOD APPLIED FOR CALCULATION OF THE CORRECTION

The power [MW] used for the correction of the imbalance perimeter and the settlement of an Incremental/Decremental R3 NR Request during Quarter-hour Q is equal to the power requested by Elia during the considered Quarter-hour. The requested block of energy (grey rectangle in the example) is remunerated and corrected in the perimeter.

If the activation starts during a given quarter hour, a pro-rata is applied to the requested volume in order to correct the perimeter.

The applied formula is the following:

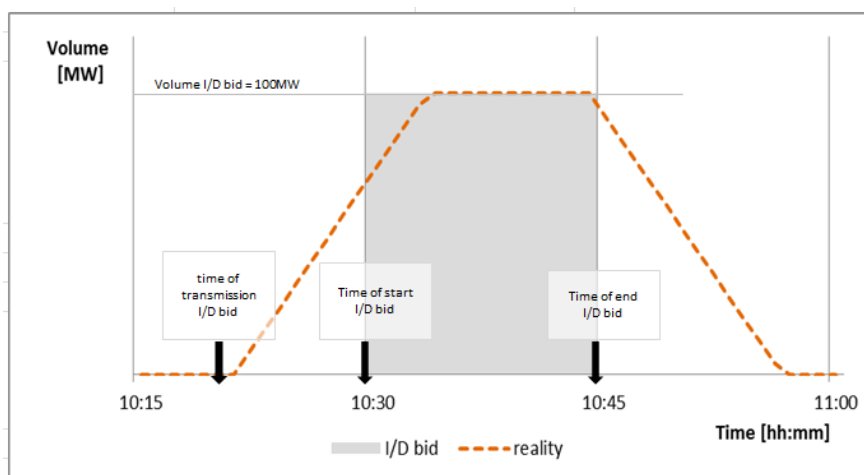
$$IDCorrQ = \frac{d}{15} * IDQ$$

Where

- **Q** is the concerned Quarter-hour;
- **IDQ** is the power requested by Elia over Quarter-hour Q;
- **IDCorrQ** is the power which will be used to correct the perimeter of the BRP over the concerned Quarter-hour;
- **d** is the duration in minutes of the activation over the considered Quarter-hour; this can be different from 15 in case of an activation for which the time of start does not coincide with the start of a Quarter-hour.

Example

An Incremental R3 NR Request of 100 MW is sent at 10h20 with start at 10h30 and end at 10h45. The CIPU Technical Unit starts the activation at 10h22 with a ramping rate of 8 MW/min.



Quarter-hour	Incremental R3 NR Request [MW]	Energy corrected in perimeter
10:15 - 10:30	0	0
10:30 - 10:45	100	25
10:45 - 11:00	0	0

ANNEX 4. REMUNERATION FOR THE ACTIVATION**I. REMUNERATION FOR THE ACTIVATED ENERGY**

The energy requested to the BSP in case of activation of the Tertiary Control Non-Reserved Power on a CIPU Technical Unit is remunerated based on the product of:

- The energy requested by ELIA for the considered Incremental/Decremental R3 NR Request, as calculated per Annex 3 for imbalance perimeter correction;
- The last valid Bid Price of the concerned CIPU Technical Unit activated for the corresponding Quarter-hour.

II. REMUNERATION FOR A START-UP

If ELIA requests activation of the Tertiary Control Non-Reserved Power, ELIA shall pay for the start-ups the BSP does accordingly if and only if the conditions below were simultaneously met:

- The power effectively injected by the CIPU Technical Unit before and after the activation has to be below Pmin Available. The power taken into account is the average calculated 4 quarter hours before and 4 quarters after the activation.
- The last Daily Access Program received before the activation has to be below the Pmin Available for all quarter hours of the activation and also for the quarter hour before and after the activation.
- The Incremental R3 NR Request, as activated per CIPU Technical Unit, has effectively been injected within 15 minutes.

If one of these criteria is not respected, the start-up will be considered as failed.

ANNEX 5. APPROPRIATION STRUCTURE

Name	Imputation	Remuneration
CIPU Exploitation - Start	900052	CIPU Exploitation - Start
CIPU Exploitation - Activation	900048	CIPU-Exploit-Increm-Equilibre-prix pos
	900049	CIPU-Exploit-Decrem-Equilibre-prix pos
	907174	CIPU-Exploit-Increm-Equilibre-prix neg
	907175	CIPU-Exploit-Decrem-Equilibre-prix neg

ANNEX 6. TEMPLATE CONTACT PERSONS

For ELIA:

1	Contractual monitoring
2	Delivery Control
3	Invoice monitoring
4	Real time operations and operational monitoring
5	Offline operations (Duty)

For the BSP:

1	Contractual matters
2	Auctions
3	Invoicing matters
4	Real time (24 hrs per day)
5	Transactions outside real time

Updates of this list must be exchanged via email (both the contracting responsible and contracting_AS@elia.be)