



Report on “public consultation in the framework of the Network Code on Emergency & Restoration (defense services, restoration service, rules for suspension and restoration of markets)”

Elia – TSO Proposal following the NC ER Art. 4(2) and Art. 7(1)

December 2018

TABLE OF CONTENTS

Table of Contents	2
1. Introduction	3
2. Feedback received	4
3. Discussion of the received feedback	5
1. Explanatory note	5
2. Market rules	7
3. Terms and Conditions for RSPs	20

1. INTRODUCTION

From 8 October 2018 until 19 November 2018 Elia organized a public consultation relating to the proposal for:

- Rules for suspension and restoration of market activities
- Specific rules for imbalance settlement and settlement of balancing energy.
- Terms and Conditions for Restoration Service Providers (RSPs) on a contractual basis
- Terms and Conditions for Defense Service Providers (DSPs) on a contractual basis (for which Elia explained, in an accompanying note, not to submit a proposal to the competent authority as Elia does not procure defense services on a contractual basis)

This report consolidates the consultation feedback received and Elia's responses.

This formal public consultation has been preceded by an interactive stakeholder debate in the Elia Users' Group and in multiple bilateral meetings between Elia and stakeholders for specific issues. On these occasions, parties had proposed rules and other aspects of the Network Codes. This intermediary feedback was already included in the proposals.

In accordance with Article 4(2) and Article 7(1) of Regulation (EU) 2017/2196 of 24 November 2017 establishing a network code on electricity emergency and restoration, Elia will submit the rules for suspension and restoration of market activities, the specific rules for imbalance settlement and settlement of balancing energy and the Terms and Conditions for Restoration Service Providers to the national regulatory authority by 18 December 2018.

2. FEEDBACK RECEIVED

The table below presents the feedback received for the documents subject to public consultation:

	Explanatory note	Market rules	T&C for RSPs
Febeliec	No	Yes	Yes
Febeg	Yes	Yes	Yes, no remarks

The responses have been indicated as non-confidential. The original consultation responses received are made available on the Elia website, together with this consultation report.

3. DISCUSSION OF THE RECEIVED FEEDBACK

This section reflects Elia's vision on the stakeholders' comments.

Elia made its best efforts to summarize the reactions received. The exact formulation, the detailed argumentation and context for each reaction can be verified in the individual responses received (available on Elia's website).

Some sections not directly targeted by a stakeholder's comment could have been modified. This section also explains the rationale behind the changes Elia made.

1. Explanatory note

The explanatory note was published to support the documents submitted for public consultation as required by Regulation (EU) 2017/2196 establishing a network code on electricity emergency and restoration (NC ER). These documents consist of the:

- Rules for suspension and restoration of market activities and specific rules for imbalance settlement and settlement of balancing energy.
- Terms and Conditions for Restoration Service Providers on a contractual basis

The explanatory note briefly described the main principles of these documents and justified the way these principles have been developed.

Regulation (EU) 2017/2196 also requires Elia to consult on and submit for regulatory approval the **Terms and Conditions to act as Defence Service Provider** if established on a contractual basis. The explanatory note explained why ELIA will not use Defence Services procured on a contractual basis for the execution of its System Defense Plan and therefore why no document titled on this subject is published for consultation.

Section	Text of the note	Comment	Author of comment	Elia's answer	Impact
3.3.1 - 3.3.2	<p>3.3.1 In addition the Regulation (EU) 2017/2195 establishing a guideline on electricity balancing (EB GL), which applies to all system states (article 1), allows the TSO to activate balancing energy bids when the system is in a state of alert or emergency. In this case the TSO may decide to balance the system using only bids of the BSP in its own control area and the TSO may even activate balancing energy bids before the balancing energy gate closure time if this helps to bring the system back within its operational limits (articles 29 & 31).</p> <p>3.3.2 The TSO will activate and financially reward the reserves according to T&C BSP in place when the system is in Normal, Alert and Emergency State, provided the exceptions allowed in articles 29 and 31 of EB GL as explained above (activation before Balancing Gate Closure Time and activation in own control area).</p>	<p>Article 3.3.1. states: 'the TSO may decide to balance the system using only bids of the BSP in its own control area, and the TSO may even activate balancing energy bids before the balancing energy gate closure time'. According to article 3.3.2, §3, it seems that such activations will not be financially rewarded by the TSO. FEPEG does not understand why activations of balancing bids should not be rewarded. On top of that, it is not clear whether - for such activations - the perimeter will be corrected or not.</p>	Febeg	Elia agrees with Febeg and will remunerate the energy bids activated before the Balancing Closure Time and activated in the BSP's control area. The term exception mentioned in §3.3.2 refers to the condition of activation and not to the remuneration.	
3.3.1 - 3.3.2	Text in its globality	<p>Article 3.3.1 and 3.3.2 lead to the conclusion that the activation of 'emergency reserves' will not be financially compensated by the TSO. FEPEG is of the opinion that every reserve activated by the TSO should be remunerated, amongst others because otherwise it would create a discriminatory between BSPs and grid users. If, nevertheless, Elia sticks to the non-remuneration of emergency reserves, it should be identified and clarified what the financial impact on the grid user, BSP and/or BRP will be. Will there be, for example, a correction of the perimeter?</p>	Febeg	After discussions, Elia removed the action "Emergency Reserve" from its System Defence Plan as it is expected that all the available active power will be made available through market mechanisms.	

2. Market rules

Section	Text of the note	Comment	Author of comment	Elia's answer	Impact
Chapter 1 - General Provisions					
Article 2	<p>For the purposes of these Rules, terms used shall have the meaning of the definitions included in Article 3 of the Regulation 2017/2196, Article 3 of Regulation 2017/1485, Article 2 of Regulation 2017/2195 and Article 2 of Regulation 2015/1222.</p> <p>In addition, the following definitions shall apply:</p> <ul style="list-style-type: none"> - 'CIPU contract': a contract listing the procedures for the coordination of assets starting from year-ahead to intraday and that specifies the modalities listed in the Federal Grid Code regarding the related information exchanges and the possibilities for both ELIA and the contracting party to modify outage and scheduling plans; <p>(..)</p>	<p>On Art 2, Elia refers to the CIPU-contract. Febeliec understands this under the current framework, but wonders how this will be handled when the iCAROS project will have concluded and what would be the implications. Febeliec asks that this topic is also taken into account during the discussions on iCAROS. Even though the likelihood of the need for these procedures is (hopefully) low, the implications could be very big and should thus not be neglected during the discussions.</p>	Febeliec	<p>The coordination of assets and related information exchange is currently managed by the CIPU-contract. The entry into force of the European guidelines requires the development of a new framework for the coordination of assets. Therefore Elia has launched the iCAROS project with as objective to develop a new EU Network Code compliant technology neutral approach for the coordination of assets for system operations & market procedures. As such with the implementation of iCaros the current CIPU contract will be replaced by regulated contracts as initiated by the SOGL.</p> <p>Once this future contractual framework is being set up, these Rules will be modified accordingly. However currently Elia still refers to the CIPU contract in these Rules.</p> <p>However, as already stated, the main approach of the rules for suspension and restoration of market activities is to define general principles on simple and transparent processes and to make use of existing procedures, tools and contractual arrangements.</p>	No change

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Chapter 2 - TSO coordination and relevant market activities					
Article 5(1)	Article 35(2) of Regulation 2017/2196 lists the market activities that may be suspended by the TSO. For the avoidance of doubt, there is no obligation to suspend all these market activities simultaneously, ELIA has the right to decide which market activit(y)(ies) should be suspended according to the specific situation and for how long. ELIA will decide which market activities will be suspended or not, in coordination with the relevant parties .	Art 5, point 1, elia refers to the "relevant parties". Which parties does Elia intend with this? Only the parties under Art4, point 2 or all stakeholders or grid users or another list? It would be good to have a clearer indication of the involved parties here	Febeliec	Clarification reference added in the text : New proposal : "Article 35(2) of Regulation 2017/2196 lists the market activities that may be suspended by the TSO. For the avoidance of doubt, there is no obligation to suspend all these market activities simultaneously, ELIA has the right to decide which market activit(y)(ies) should be suspended according to the specific situation and for how long. ELIA will decide which market activities will be suspended or not, in coordination with the relevant parties, as listed in Article 4.2. "	Minor
Chapter 3 - Procedure for suspension of market activities					
Article 6(1)	In accordance with Article 35(1) of Regulation 2017/2196 the TSO may temporarily suspend one or more market activities when a) the transmission system of the TSO is in blackout state, in accordance with Article 18(4) of Regulation 2017/1485; or b) [...] c) [...] d) [...]	FEPEG would welcome Elia clarifying which specific market activities will be suspended	Febeg	"Market activities that could be suspended are listed in Article 5. Link to Article 5 is made.	Minor
		What the exact consequences are for the grid user, BSP and BRP in case of activation of measures or procedures of the system defense plan. Assume, for example, the modification by Elia of the active power set point of a unit as part of the frequency deviation management procedure or an activation of 'emergency reserves' : will Elia then suspend specific market activities due to 'inability of the entities to execute market activities for reasons outside their control' (cfr. Annex NC ER art 35.1.a point d, but this is in case of black-out) or due to 'continuation of the process deteriorates the emergency state' (cfr Annex NC ER art 35.1.b)? Will the imbalance price and intraday market be suspended or not? Will the perimeter be corrected or not? When the intra-day market activities are suspended, the BRP has no possibility to re-balance its portfolio, etc.	Febeg	Markets activities will not be suspended in case of activation of measures of the System Defence Plan.	No change

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Article 6(3)	In case ELIA decides upon a suspension of one or more market activit(y)(ies), the different stakeholders will be immediately notified thereof following the communication procedure as described in Chapter 5 in these Rules.	Art 6 point 3, the same comment as above for 'different stakeholders': which stakeholders are included or excluded here?	Febeliec	Stakeholders are listed in Article 10.2 regarding the general principles of the communication procedure. New proposal: "In case ELIA decides upon a suspension of one or more market activit(y)(ies), the different stakeholders as listed in Article 10.2 will be immediately notified thereof following the communication procedure as described in Chapter 5 in these Rules."	Minor
Article 6(4)	In case of blackout state, ELIA will enter in a period of TSO Controlled Dispatch arrangement during which ELIA instructs, in close collaboration with other system operators, consumers and generators (with and without black start services) to follow a certain set point of active and reactive power, and loads.	Art 6, point 4, Elia refers to 'other system operators', could Elia clarify which system operators are all included and also explicitly indicate whether or not CDSOs are also intended here.	Febeliec	Other system operators : TSO, DSO and CDSO according to the Restoration Plan -> This will be clarified in the text New proposal: " In case of blackout state, ELIA will enter in a period of TSO Controlled Dispatch arrangement during which ELIA instructs, in close collaboration with other TSOs, DSOs, CDSOs , consumers and generators (with and without black start services) to follow a certain set point of active and reactive power, and loads."	Minor
		In the same point, Elia also refers to "loads", but it is unclear what loads would have to do during TSO controlled Dispatch, and whether Elia means here that loads have to follow a certain set point (or alternatively, what is meant); the sentence is not clearly constructed on this point, from a language point of view, and needs thus clarification as different interpretations could be given.	Febeliec	"Loads": To reconstruct the system adequately, the loads should not increase too fast. Therefore, the Restoration Plan defines limits regarding to the maximum value for consumption increase. New proposal: "In case of blackout state, ELIA will enter in a period of TSO Controlled Dispatch arrangement during which ELIA instructs, in close collaboration with other TSOs, DSOs, CDSOs, consumers to connect and/or increase their loads and generators (with and without black start services) to follow a certain set point of active and reactive power.	Minor
		In any case, Elia should indicate whether it is the intention to make arrangements in advance or ad hoc.	Febeliec	Setpoints are defined ad hoc, limits for load increase are defined in the Restoration Plan. -> No change needed to the text.	No change

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Article 6(5)	<p>During periods of TSO controlled Dispatch while some market activities are suspended it is requested from the following parties to keep providing, if possible, information regarding:</p> <p>a) schedules referred to in Article 111(1) and (2) of Regulation 2017/1485 by the Scheduling Agent;</p> <p>b) balancing capacity and balancing energy bids by a balancing service provider;</p> <p>c) provision by a balance responsible party of a balanced position at the end of the Day-Ahead timeframe if required by the terms and conditions related to balancing;</p> <p>d) modifications of the position of balance responsible parties.</p> <p>The provision of this information is given on a best effort basis by the aforementioned parties during the period of TSO Controlled Dispatch.</p>	<p>While some market activities are suspended, it is requested that market parties continue to provide information regarding schedules, balancing bids, balanced position and modifications to balance position. Elia adds this information is given on a best effort basis.</p> <p>In this respect, FEBEG wants to point out that some of these obligations are by definition obligations of means and, hence, best effort obligations.</p> <p>Depending on the event leading to a period of suspension of market activities, it is possible that the quality of the information that can be provided by market parties is rather poor. So, for FEBEG it is of utmost importance that Elia further elaborates on this information provision:</p> <ul style="list-style-type: none"> • Elia should describe the principles and assumptions that market parties should apply when providing information, e.g. do market parties need to assume that their customers are reconnected, ... • Elia should also clearly define the consequences (e.g. will the information be used for settlement?) and liabilities (e.g. can a market party be held liable – according to the normal rules – for the information?). <p>FEBEG wants to repeat that it is of the opinion that information provided during a period of market suspension should be considered as purely for information purposes to facilitate restoration of the market and that no financial consequences (e.g. settlement, liability, ...) can result from this information.</p>	Febeg	<p>In light of Article 7.1 of the BRP Terms and Conditions, market parties will not be held liable under these Terms and Conditions during a situation of TSO Controlled Dispatch, to the extent the performance of their obligations under the BRP Terms and Conditions is impacted by the emergency state at issue.</p>	No change
Article 7(3)	<p>In accordance with Article 25(3) of Regulation 2017/2196 each DSO and SGU identified pursuant to Article 23(4) of Regulation 2017/2196, as well as each restoration service provider shall execute without undue delay the restoration plan instructions issued by the TSO, pursuant to point (b) of Article 23(3) of Regulation 2017/2196 in accordance with the restoration plan procedures.</p>	<p>Art7 point 3, Elia should clarify whether CDSOs are also intended here. For clarity reasons, Febeliec would like to ask Elia to either always state explicitly DSOs and CDSOs or alternative state in general that whenever the terminology DSO is used this always includes CDSO unless explicitly mentioned differently.</p>	Febeliec	<p>CDSOs are SGUs identified pursuant to Article 23(4) of Regulation EU 2017/2196. The SGU identified pursuant to Article 23(4) of this regulation are presented in the Restoration Plan. Hence, the distinction between DSOs and CDSOs is already made.</p> <p>Distinction will be made explicit when relevant.</p>	Minor

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Chapter 4 - Restoration of market activities					
Article 9(2)	Even if it is of common interest to restore the market activities as soon as possible, ELIA should have sufficient confidence in the grid stability before restoring the market activities and ending the phase of TSO Controlled Dispatch	It is stated that Elia will decide upon the restoration of the different market activities. FEBEG was wondering if Elia alone can decide on the restoration of market activities. Will there not be a consultation with the Minister of Energy, the NEMO's, CREG...?	Febeg	Elia will be in close contact with the NEMOs (and the other TSOs) regarding the restart of the single day-ahead coupling or the single intraday coupling as Elia cannot decide alone on these market activities. Clarification sentence added at the beginning of art 9.1 : "In accordance with Article 37(1) of Regulation (EU) 2017/2196, Elia will decide..."	Minor
		Article 9.2. states: 'Elia should have sufficient confidence in the grid stability before restoring the market activities'. FEBEG is of the opinion that Elia should not only consider the stability of the grid, but also consider the ability of the market actors and availability of communications means. A precondition before returning to normal market system operations after a TSO Controlled Dispatch, including the BRPs portfolio balancing responsibility, is that there should be enough liquidity in the markets for the BRPs to balance their portfolio if they are not able to do it with their own means.	Febeg	Clarification sentence added at the end of art 9.2: ELIA will also take into consideration the ability of the market actors and availability of communication means.	Minor
Article 9(4)	Elia will restore the market activities in the service provider, provided that volumes were potential following order: a) Single Day-Ahead Coupling b) the provision of - schedules referred to in Article 111(1) and (2) of Regulation 2017/1485; - balanced position at the end of the day-ahead timeframe if required by the terms and conditions related to balancing by a balance responsible party; - modifications of the position of balance responsible parties; - balancing capacity and balancing energy bids by a balancing procured before the start of the market suspension period; c) Single Intraday Coupling; d) Publication of the imbalance price on ELIA's website.	According to article 9.4. Elia will restore the market activities in a certain order, including the 'provision of balancing capacity and energy procured before market suspension'. FEBEG wants to point out that this restoration should be subject to technical feasibility – as assets may become unavailable or damaged – and without penalty for the BSP.	Febeg	OK, will be included in the text.	Minor

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Chapter 5 - Communication procedure					
Article 10(3)	Regarding the Single Day-Ahead Coupling and the Single Intraday Coupling, communication procedures have been agreed between the concerned TSOs and NEMOs. These communication messages will continue to be sent out by the NEMOs and/or the concerned TSOs during periods of suspension and restoration of market activities. ELIA will remain in close contact with the concerned TSOs and NEMOs to discuss and decide upon the actions to be performed by the different parties.	Art 10, point 3: Elia mentions that communication messages will continue to be sent out by the NEMOs "and/or" the concerned TSOS. For Febeliec, messages should be sent out by both, as during any emergency there can never be too many communication channels in order to insure that every concerned party has received the information. .	Febeliec	In the agreed communication procedures between NEMOs and TSOs regarding the Single Day-Ahead Coupling and the single Intraday coupling, it is defined which entity sends which information at which time. These procedures will be followed during periods of market suspension and restoration by the TSOs and the NEMOs. Clarification added in the text : These communication messages will continue to be sent out by the NEMOs and/or the concerned TSOs as defined by their communication procedures during periods of suspension and restoration of market activities.	Minor
Article 10(5)	All notifications shall be published on ELIA's website. When notification or update on the website is not possible, ELIA shall inform via email, or via any other available means, at least those parties directly participating in the suspended market activities.	On point 5, Febeliec appreciates that Elia mentions "at least those parties directly participating" but would prefer that Elia tries to include all (interested) stakeholders (e.g. via an opt in system)	Febeliec	ELIA prefers to use an opt-in system. However, instead of allowing access to an open community, ELIA prefers limiting the access to the relevant stakeholders mentioned in NCER art 38.2. New proposal: All notifications shall be published on ELIA's website. In case notification or update on the website is not possible, ELIA will investigate the most appropriate communication services to inform stakeholders simultaneously. ELIA will invite the relevant entities mentioned in accordance with Article 38(2) of Regulation 2017/2196 to pre-register to such information services. ELIA will inform stakeholders in due time about practical information for registration.	Minor

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Article 10(6)	<p>ELIA will investigate the most appropriate communication channels to inform stakeholders simultaneously such as website, e-mail, WhatsApp, sms, iMessage or similar, rss, Twitter, ... Pre-registration to dedicated communication channels for receiving such information is required by the interested entities.</p>	<p>In point 6, Elia mentions a pre-registration, when will this be done, who will be contacted and how will this be done?</p>	Febeliec	<p>The solution is developed within Elia. Feedbacks of stakeholders will be collected during the WGSOs of 2019.</p>	No change
Article 10(7)	<p>ELIA will send the information in due time and ELIA will not assume responsibility for the good functioning of the communication channels provided by external parties when the system is in blackout state.</p>	<p>In article 10.7. it is stated that 'Elia will not assume responsibility for the good functioning of the communication channels' when the system is in blackout state. FEBEG is of the opinion that the rules and responsibilities with regard to the communication means are not balanced (see also article 12.2): FEBEG proposes to also limit the responsibilities of BRP's or other market parties.</p>	Febeg	<p>A slight amendment was made in Article 12.2 in order to ensure a more balanced responsibility regime. Market parties would no longer be held to perform obligations under the FGC and/or the BRP Terms and Conditions to the extent the performance of these obligations is impacted as a consequence of the emergency state.</p> <p>The new proposal in art 12.2: This does not mean that the BRP is released from its non-impacted obligations under the Federal Grid Code as implemented in the Terms and Conditions BRP, including but not limited to the obligation to dispose of the necessary communication means.</p>	Minor

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Chapter 6 - Rules for imbalance settlement of balancing energy during suspension of market activities					
Article 12(4)	A restoration tariff will be applied for all offtakes and injections (except for Power Generating Modules for which a power scheduling obligation exists as described in Article 12.7 below) during the period of TSO Controlled Dispatch. This restoration tariff is calculated ex-ante as the average of the day-ahead prices of EPEX SPOT Belgium over the last 28 calendar days prior to the day on which the TSO Controlled Dispatch period started. This restoration tariff will remain fixed during the period of TSO Controlled Dispatch and will be published daily on ELIA's website.	On Art 12, Febeliec agrees with Elia that a restoration tariff needs to be chosen, but wonders why Elia has opted to go for the average of day-ahead prices Belpex Spot the last 28 calendar days.	Febeliec	The proposed restoration tariff was chosen to have a simple and easy to implement process as indicated in article 3.2 of the Rules. However ELIA can agree with the new proposal from FEBEG to define a restoration tariff which reflects as much as possible the sourcing cost of energy, inspired on the default price for the Transfer of Energy principle. Elia has proposed in the text a ToE like formula, without the supplier's margin and where the EPEX SPOT BE DAM price has been replaced by the hourly average of the day-ahead prices of EPEX SPOT Belgium over the last 28 calendar days prior to the day of which the TSO controlled dispatch period started. This last change is needed to counter the fact that there might be no day-ahead price in case of TSO Controlled Dispatch lasts for more than 1 day. "	Change
Article 12(4)	A restoration tariff will be applied for all offtakes and injections (except for Power Generating Modules for which a power scheduling obligation exists as described in Article 12.7 below) during the period of TSO Controlled Dispatch. This restoration tariff is calculated ex-ante as the average of the day-ahead prices of EPEX SPOT Belgium over the last 28 calendar days prior to the day on which the TSO Controlled Dispatch period started. This restoration tariff will remain fixed during the period of TSO Controlled Dispatch and will be published daily on ELIA's website.	FEBEG does not agree with the proposal for a restoration tariff calculated as the average day-ahead prices of the last 28 days prior to the start of the TSO Controlled Dispatch period. The restoration tariff should as much as possible reflect the sourcing cost of the energy as the suppliers will continue to invoice the energy to their customers at the supply price. A formula such as the one proposed by the CREG as default price for the transfer of energy - but without the supplier's margin - would be more appropriate as this formula attempts to reflect the sourcing cost.	Febeg		
Article 12(6)	For the ELIA interconnection points with the DSOs , the energy volumes during the periods of TSO Controlled Dispatch shall be allocated in accordance with specific allocation procedures.	On point 6, Febeliec also wonders whether CDSOs are also intended and if so, which specific allocation procedures need to be applied and how such procedures would be determined.	Febeliec	Indeed, a specific sentence related to CDSOs has been added in Article 12.6 and also the wording has been improved in art 12.5.	Minor

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Article 12(7)	<p>For the injected energy by the Power Generating Modules for which a power scheduling obligation exists⁴, a financial compensation is payable to the BRP. The remuneration is calculated as the maximum of</p> <ul style="list-style-type: none"> the restoration tariff as defined in Article 12.4 and the remuneration applicable for the starting day of the TSO Controlled Dispatch period in accordance with the payments for the Nomination procedure as foreseen in the Art 13.2.5 of the CIPU contract. 	<p>On point 7, Febeliec does not understand why Elia chooses to take the maximum of the two options for the remuneration of the BRP, especially since this cost will have to be paid by the grid users and thus mostly by the consumers. Febeliec would like to get a clear analysis and clarification of Elia on its choice in this matter, with an impact assessment of the additional cost resulting from this choice.</p>	Febeliec	<p>The fact that a different remuneration is proposed by ELIA for the PGM with power scheduling obligation is not contested by Febeliec. It is accepted that the remuneration for PGM for which a power scheduling obligation should be fair and that this can be realized based upon a remuneration by means of the CIPU formula for Nomination procedure. However based upon this feedback, Elia modified the original text and removed the fact that the maximum value of the two options would be taken; only the CIPU formula will be used. However for limited coordinable or non-coordinable units, the restoration tariff will be applied. The article 12.7 has been modified accordingly.</p>	Minor
Article 12(7)	<p>For the injected energy by the Power Generating Modules for which a power scheduling obligation exists⁴, a financial compensation is payable to the BRP. The remuneration is calculated as the maximum of</p> <ul style="list-style-type: none"> the restoration tariff as defined in Article 12.4 and the remuneration applicable for the starting day of the TSO Controlled Dispatch period in accordance with the payments for the Nomination procedure as foreseen in the Art 13.2.5 of the CIPU contract. 	<p>As regards the remuneration to BRP's for the injection by Power Generating Module, Elia proposes to calculate the remuneration as the maximum of the restoration tariff and the price of incremental bid of the nomination procedure of the CIPU contract.</p> <p>FEBEG could agree with this approach, provided that some modifications and improvements are implemented:</p> <ul style="list-style-type: none"> The price of the nomination procedure of the CIPU contract should be updated each day in function of the fuel and CO₂ costs (e.g. gas price will not remain constant) in case the period of TSO Controlled Dispatch takes several days For low-coordinable units, as no prices are foreseen in the nomination procedure of the CIPU contract, the pricing principles of the exploitation procedure should be used. The production units that are in stand-by mode at the request of Elia, i.e. not injecting energy, should also receive a remuneration to cover their costs FEBEG is also wondering if there should not be any rules for compensation of the costs of trips that are caused by grid events (outside frequency/voltage ranges). 	Febeg	<p>Based upon the provided feedback, Elia proposes the following</p> <p>1/ Elia can agree to update the prices with an updated fuel and /or CO₂ cost if needed. This has been added in Art 12.7</p> <p>2/ for low-coordinable and non-coordinable units, Elia proposes to use the restoration tariff. This has been added in Art 12.7</p> <p>3/ Since these units are not injecting energy, Elia cannot remunerate these costs. The restoration tariff only concerns a compensation for the injected energy.</p> <p>4/ this suggestion is out of scope of this consultation.</p>	Minor

Section	Text of the note	Comment	Author of comment	Elia's answer	Impact
Article 12(8)	<p>In order to ensure the financial neutrality of ELIA in accordance with Article 39(3)(a) of Regulation 2017/2196, the difference between the sum of all energy purchase costs (all injected energy by the PGMs as referred to in Articles 12.4 and 12.7 and, as the case may be, the imported energy as a result of a top-down re-energisation strategy as referred to in Article 27 of Regulation 2017/2196 and further referred to in Article 15.1.b of these Rules) and the sum of all energy sales revenues for the entire period of TSO Controlled Dispatch, as described in Articles 12.4 to 12.6 above, will be recoverable through the transmission tariffs.</p>	<p>Moreover, on point 8, Febeliec does not understand why this needs to be covered by the transmission tariffs and not for example explicitly be covered by the imbalance tariffs.</p>	Febeliec	<p>Imbalance tariffs are applied for maintaining and restoring the individual balance of balance responsible parties. These tariffs are calculated based on the applicable balancing mechanism.</p> <p>The mechanism proposed in these Rules is applicable in case normal market activities are suspended, including the balancing mechanism.</p> <p>In order not to mix up the different situations and tariffs, the proposed text is not modified.</p>	No change

Article 12(9)	<p>The invoicing and settlement are done according to the invoicing and settlement rules as set in, as the case may be, the Terms and Conditions BRP or CIPU-contract.</p>	<p>With regard to the invoicing of the restoration tariff, FEBEG strongly recommends to develop a process that takes into account the following principles:</p> <ul style="list-style-type: none"> • the approach should be simple and transparent, making maximum use of existing contracts and processes • the relation between the supplier-customer (SPOC-role) should be respected, meaning that the suppliers should be able to invoice the energy delivered during the restoration process at the terms of the supply contract • the transmission and distribution system operators should be allowed to take the difference between the energy purchase costs and the energy sales revenues in respectively the transmission and distribution grid tariffs. <p>Customers connected to the Elia grid FEBEG supports the proposal of Elia to invoice the restoration tariff to the BRP for the Elia connection points. Such approach is feasible and straightforward, as the volumes to be billed are known by Elia: the volumes can be bought by the BRP's – based on the BRP-contract – at the restoration tariff. The supplier can then invoice the delivered energy according to the terms of the supply contract.</p> <p>Customers connected to the DSO grid For the interconnection points with the DSO's, FEBEG proposes a slightly different approach, especially because of the fact that the volumes that will be billed to the customer – no AMR on DSO grid – will only be known ex-post. This implies that the infeed to the DSO grid will have to be split between BRP's and – a BRP having balancing agreements with several suppliers – between suppliers. Febeg proposes an approach (see Febeg feedback for details)</p>	Febeg	<p>As is indicated in article 3.2 of the Rules, the main approach is to define general principles on simple and transparent processes and to make use of existing procedures, tools and contractual arrangements.</p> <p>Elia prefers to keep the Balancing Responsible Party as the single point of contact for the settlement of the injected and offtaken energy during a TSO Controlled Dispatch.</p>	No change
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Section	Text of the note	Comment	Author of comment	Elia's answer	Impact
Chapter 7 - Imbalance settlement during automatic or manual load shedding procedures					
Article 13(3)	<p>For the periods of automatic and manual load shedding, ELIA will recalculate ex-post the portfolios of the different BRPs and will correct their perimeter in such a way as if the load shedding did not happen. For the avoidance of doubt, this means that the share of disconnected load per BRP will be calculated and will be used to adapt the balancing perimeter of the BRP.</p>	<p>As an ex-post correction of the perimeter of BRP is foreseen - in such a way as if the load shedding did not happen - the energy deducted from the perimeter, i.e. volume of load shedding, should be financially compensated by Elia as it will not be sold to customers. This price as much as possible reflect the sourcing cost of the energy that the suppliers will supply and invoice to their customers. A formula such as the one proposed by the CREG as default price for the transfer of energy would be more appropriate.</p> <p>The methodology for the perimeter correction should be consulted with the market actors.</p>	Febeg	<p>Following the possible critical grid situations foreseen for winter 2018-19 as discovered during autumn 2018, further discussions regarding the imbalance settlement during periods of (automatic or manual) load shedding were held within Elia and with the stakeholders. The subject is very complex and not easy to implement.</p> <p>After further analysis it became clear that the principles regarding the imbalance settlement during periods of automatic or manual load shedding should not be included in these Rules. Following article 39.1 of the Emergency and Restoration network code (commission regulation 2017/2196 of 24 November 2017), these Rules should consider the imbalance settlement for periods during which the market activities are suspended. As was already foreseen in article 13.1 of these Rules, it is however expected that during moments of automatic or manual load shedding procedures, market activities will not be suspended.</p> <p>Consequently, Elia decided to remove paragraph 13.3 of the Rules which were available for consultation.</p> <p>However, as already discussed during a Workgroup Balancing meeting in autumn 2018, Elia will continue internal investigation on the settlement principles during periods of (automatic or manual) load shedding. Elia commits itself to further discuss this topic with the stakeholders in the beginning of 2019. "</p>	Minor
Article 13(2)	<p>In such situation, ELIA will send a notification to BRPs and BSPs with instructions to follow up, depending on the situation.</p>	<p>FEBEG also has some questions for clarification with regard to the imbalance settlement during manual load shedding:</p> <ul style="list-style-type: none"> • Elia will send a notification to BRP's and BSP's with instructions to follow up. What is exactly the scope of these instructions? Are these instructions related to market activities • [...] 	Febeg		

Section	Text of the note	Comment	Author of comment	Elia's answer	Impact
Article 13(4)	Normal imbalance settlement in accordance with the ELIA balancing rules and the Terms and Conditions BRP will apply.	FEBEG also has some questions for clarification with regard to the imbalance settlement during manual load shedding: <ul style="list-style-type: none"> • [...] • How will the difference between the costs and revenues of Elia during the load shedding (imbalance settlement revenues, reserve activation costs, compensation to BRP's, ...) be settled? 	Febeg	The scope of these instructions is to avoid BRPs reacting in opposed interest of system stability. In case of load shedding, some BRP perimeters may become in "long" position because injected energy remains constant, while offtaken energy is reduced by load shedding. In such case, ELIA will notify BRPs e.g. to keep injections at their actual levels, as BRPs might consider to reduce injections to keep their perimeter balanced in real time, but which would deteriorate the system state.	
Chapter 9 - Final provisions					
Article 15(1)	The implementation of these Rules is subject to: <ol style="list-style-type: none"> a) approval by the regulatory authority of the rules for suspension and restoration of market activities and the rules for imbalance settlement in case of the suspension of market activities; b) alignment with neighbouring TSOs regarding the Top-down Re-energisation Strategy (including the principles of the financial compensation thereof) which will be dealt with in bilateral contractual arrangements once these Rules have been approved by the regulatory authority; c) detailed impact analysis of these Rules on IT systems of ELIA; d) the investigation of ELIA related to the most appropriate communication channels to inform stakeholders simultaneously during suspension and restoration of market activities; e) modifications of the contractual arrangements as described in Chapter 8 of these Rules and the related operational processes, some of which are subject to regulatory approval. 	On Art 15, point 1b, Febeliec wonders whether there will be transparent upfront and ad hoc (in case of activation) communications on the bilateral contractual arrangements and more specific on the financial cost implications.	Febeliec	This is a bilateral agreement between TSOs. In 2019 Elia will start discussing with its neighbouring TSOs the principles of these bilateral agreements. The financial implications of top-down re-energisation will be included in these agreements. However since the agreements are non-regulated the information is not disclosed.	

3. Terms and Conditions for RSPs

The terms and conditions for RSPs submitted to the public consultation are based on the running Black Start contract. In parallel to the public consultation related to the T&C for RSPs, Elia launched a public consultation related to the review of the Black Start service. The review included a proposal for future design changes, which will be implemented in the second version of the T&C for RSPs.

Compared to the version of the T&C RSP that was publicly consulted and in order to make the T&C RSP coherent with both the current and future version of the Federal Grid Code, Elia updated and replaced specific references to the Federal Grid Code by general references to the Federal Grid Code or by references to the European Network Codes if applicable.

Section	Text of the note	Comment	Author of comment	Elia's answer	Impact
Chapter 2 – Conclusion of contract and application of the general terms and conditions					
2	The entry into force and validity of this Contract shall be predicated upon prior signature by the Service Provider and Elia of the Coordination of the Injection of Production Units Contract, (hereinafter referred to as ' CIPU contract ').	In section 2, Elia refers to the CIPU contract, but what with all units that do not fall under a CIPU contract, especially since the service will now also possible be offered by groups of generating units, of which not all necessarily fall under CIPU. Moreover, how will this be handled under iCAROS in the future?	Febeliec	The Terms and Conditions to act as Restoration Service Provide (T&C RSP) publicly consulted in October 2018 reflect the current design for the Black Start service, which is only open for CIPU units. The future changes described in the design note (also published for consultation in October 2018) are yet to be integrated in T&C RSP. This will be done in a next phase (in the course of 2019).	No change
2	The target geographical distribution of the black start services in Belgium is as follows: <ul style="list-style-type: none"> • Elia contracts one Generating Site able to provide the Black Start Service in each of five zones (1 380kV zone and 4 regional zones); • The regional zones defined for the Black Start Service correspond to the aggregation of zones defined in the CIPU contract as described below: <ul style="list-style-type: none"> ○ North-West = Langerbrugge East, Langerbrugge West and Ruien ○ North-East = Merksem and Stalen ○ South-West = Hainaut East, Hainaut West and Schaerbeek/Brussel ○ South-East = Liège 	On the last paragraph of section 2 on p5, Febeliec wonders whether this information is supposed to be part of the Terms and Conditions. Febeliec does not contest the information, but does not believe this has its place in this regulatory document, as it also could limit flexibility towards future contracting.	Febeliec	The European network code on electricity emergency and restoration requires in article 4.4 that the target geographical distribution of Black Start services is included in the T&C RSP.	No change

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Chapter 3 – Purpose of the contract													
3.7	<p>The Generating Site is considered as available to supply Black-Start Service according to the following rule: The outage of a generating unit at a Generating Site shall be defined on the basis of 'PU' and 'FO' statuses on day D-1, as specified within the framework of the CIPU Contract, and taking into account specifications regarding the minimal configuration (i.e. number of generating units available) for the considered Generating Site to provide Black-Start Service as described in the reconstruction scenario drawn by ELIA and specified in Annex 1. On day D, the Service Provider shall pay for a full day of outage when the outage is observed before 2 p.m. (Forced Outage) regardless of the duration of the outage.</p>	<p>In section 3.7 paragraphs 2 and 3, Elia takes 2PM as a parameter to define whether a generator should pay for a full day of outage or not. Febeliec wonders why this criterion is chosen and if this should be based on the timing of day-ahead market clearing, whether it would not be better to refer to that in a relative way instead of introducing a fixed point in time. More in general, Febeliec does not understand why any distinction based on time should be added; if a generator is not available, he is not available and should not get a remuneration, independent of the time during the day.</p>	Febeliec	<p>Elia agrees with Febeliec that the timing of 2PM in day-ahead is not relevant for the determination of the availability of the Black Start services. Elia proposed a different method for availability determination (in proportion to the quarter-hours during the day that the service was available) in the Design Note on Restoration Services and intends to integrate this in the second version of the T&C RSP.</p>	No change								
Chapter 7 – Remuneration													
7.3	<p>In addition to the price reduction outlined in Article 7.2, the following penalty system shall apply in the event of an excessively long outage (evaluated over a period of one year) of a generating unit located at the Generating Site:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Annual availability of the Generating Site</th> <th style="text-align: left;">Penalty applied</th> </tr> </thead> <tbody> <tr> <td>Between 71 and 80 %</td> <td>1 month's remuneration</td> </tr> <tr> <td>Between 61 and 70 %</td> <td>2 months' remuneration</td> </tr> <tr> <td>< 60 %</td> <td>3 months' remuneration</td> </tr> </tbody> </table>	Annual availability of the Generating Site	Penalty applied	Between 71 and 80 %	1 month's remuneration	Between 61 and 70 %	2 months' remuneration	< 60 %	3 months' remuneration	<p>On section 7.3, Febeliec takes note of the modifications made by Elia compared to the current mechanisms, but wonders why Elia for example only applies the reimbursement of 1 month (~8,3%) with an unavailability of 20 to 29%, 2 months (~16,7%) for 30 to 39% unavailability and only 3 months (25%) for any unavailability lower than 60% (so even only 3 months penalty for an availability of 25%!). Moreover, why are no clauses there for the block between 81 and 100%?</p>	Febeliec	<p>Elia indeed reviewed this penalty scheme and proposed a modification in the Design Note on Restoration Services: excessive unavailability (of more than 120 days) would in the future give Elia the right to unilaterally stop the contract. Note that any production site should maintain the right to perform regular maintenance during the year and no ancillary service contract should penalize for normal maintenance periods. Hence, even in the new design proposal Elia will not penalize for unavailability less than 40 days per year (which has been identified as a normal planned unavailability based on historical data and is lower than the 20% of the year in the current contract.</p>	No change
Annual availability of the Generating Site	Penalty applied												
Between 71 and 80 %	1 month's remuneration												
Between 61 and 70 %	2 months' remuneration												
< 60 %	3 months' remuneration												

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Chapter 9 – Invoicing and payments					
9.1	<p>By the fifteenth (15th) of each calendar month M, the Service Provider shall send ELIA a draft report on the provision of the Black Start Service during month M-1. This report shall include the following data:</p> <ul style="list-style-type: none"> o Outages at the Generating Site during month M-1 and a proposed price reduction based on these outages. o The results of any tests pursuant to Article 6. <p>By the twentieth (20th) of each calendar month, ELIA shall send the Service Provider its agreement with this report or any comments relating thereto, as well as the calculation of the price reductions for the previous month M-1 in accordance with the provisions of Articles 7.2, 7.3, 7.5 and 7.6 of this Contract, including an indication of the calculation method and all the data underpinning this calculation. If the Service Provider challenges the invoiced price reductions, it shall notify ELIA without delay. The parties shall then strive to reach an amicable settlement. Failing this, the dispute resolution procedure stipulated in Article 11 of the General Terms and Conditions (Conflict Management) shall apply.</p>	<p>In section 9.1, Elia refers to Art11 of the General Terms and Conditions, but it is unclear to which document Elia exactly refers. It would be good to clearly indicate which document is concerned here. This also relates to the abovementioned comments on CIPU.</p>	Febeliec	<p>The document concerns the "General Terms & Conditions for Ancillary Services and Grid Losses", which are publicly available on the ELIA web site (Information and tools for suppliers at http://www.elia.be/en/suppliers). The dispute resolution procedure is explained, however, in article 13 instead of article 11. ELIA will verify and correct the references to the General Terms & Conditions in the T&C RSP.</p>	Minor change