

Subject: Comments on the public consultation on
Terms and Conditions of Scheduling Agent and Outage Planning Agent &
Rules for coordination and congestion management

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Please find hereafter the comments of FEBEG on ELIA's public consultation on the Terms and Conditions of Scheduling Agent (section 1) and Outage Planning Agent (section 2) as well as on the rules for coordination and congestion management (section 3).

1. Comments T&C Scheduling Agent

General Comments

We would like to indicate that this document is rather chaotic considering the multitude of references towards other documentation as well as within the documentation which is detrimental to the clarity of the information.

It could even be questioned if this documentation has the purpose to clarify or confuse the market participant.

In principle the role of the BRP is cut up and divided over new roles like the 'Scheduling Agent' and the 'Outage Planning Agent'.

The BRP contract is a fully developed contract with rules describing responsibilities, emergency situations and force majeure, confidentiality, termination rules, etc. Such arrangements are missing in the T&C 'Scheduling Agent'.

Although the BRP will initially be designated as SA, the contractual framework is split. This means that, for example, the rules for confidentiality are not applicable for the information the BRP is sending in its role as SA: the BRP cannot be held liable for this based on the T&C BRP.

There's also no end date in the proposed contract. Termination rules are also missing. This raises some questions. How can the contract be terminated? What is the procedure when the grid user switches from BRP?

It should also be clarified that the party that signs the proposed SA contract will not be automatically bound by the future T&C SA, but has the right not to continue to fulfill the role of SA when the regulatory framework changes.

Whereas 19/20

In the preceding Icaros workshops it has always been communicated the Grid user has the role as coordinator and has the sole liability for the consistency of the information provided by the SA and OPA.

Within this documentation it appears no longer to be clearly and unambiguously described as such and an 'alignment' between the SA and OPA is expected in case inconsistencies are found.

In the same document in Whereas (24) it is indicated that the owner of the Technical unit who should ensure the coherence of the information provided (PGC Art 253).

We therefore invite you for an explanation why the presented principles are not respected and wish to see if the consequences have been clearly investigated.

An inconsistency is identified resulting from article 253§2 of the Federal Grid Code, where it is stated at the same time that (i) that the grid user is responsible for monitoring that accurate info is provided and (ii) that Elia can modify the information provided in case of inconsistencies of the info provided by the several actors. Given the impact of a modification we believe that any such modification should always be duly motivated by phone and confirmed in writing within X days from the incident by the TSO to the market participant.

Note that ‘whereas (24)’ however seems to contain a *plain contradiction* where it is stated at the same time that in case of inconsistencies between the SA and OPA information (i) the OPA info shall prevail and (ii) Elia shall modify the info.

Additionally, we discover that Elia can impose or modify the information in case of inconsistencies without any information. Without more clarification, this appears a procedure more adept to an emergency state.

Considering that a SA of an offshore wind park is not free to inject the renewable energy when available appears to be the implementation of a central dispatching system for these set of assets.

We therefore wish to refer to Article 12 of REGULATION (EU) 2019/943 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 5 June 2019 on the internal market for electricity (recast) <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019R0943&from=EN>

This article clearly indicates the dispatching or power-generating facilities and demand response shall be non-discriminatory, transparent and, unless otherwise provided under paragraphs 2 to 6, market based.

Detailed T&C comments:

Art 3 (d)

Art 3 (d) indicates that this implementation avoids the introduction of new mechanisms, as such no new market based mechanisms are introduced.

The current mechanisms ensure network security and stability and as such the SA contract is pursuant to article 4(2)(d) of the SOGL.

This appears to me as an incoherent way of looking at the SOGL. And there for one could be inclined to state that the current mechanism is not necessarily better as a full market based mechanism.

On top of that it is also unclear if the current mechanism ensures network stability and security if they consider balancing reserves for congestion management without reserve restauration.

Therefore we invite you to consider that stating that the current mechanism is ensuring grid stability and security, does not necessarily imply that no market based mechanism is desirable or required from an SOGL point of view.

Art II.4.2

SA instead OPA

ARTII.14 Communication of Storm Risk

Approval or validation requirements as described here for the Cut in phase is a concept of central dispatching and only to be considered in case of an emergency state declaration.

Preventing the SA of injection by not validating the schedule for injection should at least be augmented and published.

It is not clear what the imposed conditions are which is referred to in Art II.14.4

ARTII.18.3

If Elia wishes to shut down an asset on which reserves have been nominated, this will need to be considered in the remuneration scheme.

ART.ii.19

If a Low Coodinable asset is not able to perform I-Bid you could question the purpose of providing a mandatory price.

2. Comments T&C Outage Planning Agent

General Comments:

Also in this document open for consultation there appears to be some unclarity about how to deal with inconsistencies between the OPA and SA information.

Whereas 22 indicates that in case of inconsistencies Elia can impose information on either role whereas 27 the exact same is described but adding that the OPA information shall prevail.

In any case the owner of the technical unit remains liable even when delegating the roles to our understanding and as presented during the workshops.

Similar to SA documentation presented in this consultation we could question if the reasoning in Art 3 stands that no market mechanism is required to ensure network security and stability.

This particular interpretation of the SOGL 4(2)d is at least questionable.

It is stated that the T&C OPA should foresee modalities regarding the testing phase but this is extremely limited and limiting. We propose to allow for coordination with TSO in case different kinds of tests are required.

Considering what is indicated in this document, a forecasted storm Event is to be considered as a planned outage/planned unavailability as the status needs to be updated.

Therefor one may conclude from this that an unforeseen or non-forecasted cut off due to storm or meteorological circumstances should be considered as a unplanned unavailability/forced outage.

In principle the role of the BRP is cut up and divided over new roles like the 'Scheduling Agent' and the 'Outage Planning Agent'.

The BRP contract is a fully developed contract with rules describing responsibilities, emergency situations and force majeure, confidentiality, termination rules, etc. Such arrangements are missing in the T&C 'Outage Planning Agent'.

Although the BRP will initially be designated as OPA, the contractual framework is split. This means that, for example, the rules for confidentiality are not applicable for the information the BRP is sending in its role as OPA: the BRP cannot be held liable for this based on the T&C BRP.

There's also no end date in the proposed contract. Termination rules are also missing. This raises some questions. How can the contract be terminated? What is the procedure when the grid user switches from BRP?

It should also be clarified that the party that signs the proposed OPA contract will not be automatically bound by the future T&C OPA, but has the right not to continue to fulfill the role of OPA when the regulatory framework changes.

Detailed T&C comments:

A Technical Unit can be interpreted in different ways regarding the definition which refers to both Production Plant and Production Unit.

Please note that we would like to streamline the communications over the different timelines for consistency reasons.

In order to be able to communicate efficiently, this would require a communication based on Operating mode for Production Plants in order to correctly represent the modalities of the assets.

Art II. 6. 4.

For the Listed Procedure this is not clear description for asset which are subject to negotiations with clients. Since the information needs to be communicated this much in advance it is not always clear if the current CIPU/OPA is the best placed.

Therefor the Owner of the unit should indicate if he wishes the OPA to communicate its OPA status.

Art II.7.4

The only modalities regarding the testing phase are to be found in II 7 4 seem to exclude environmental tests, certification tests, safety tests, etc.

Art II.11.3

Art II.11.3 is applicable to all assets communicated within the OPA procedures.

This appears to be conflicting with the central dispatching capabilities of ELIA for the start of offshore wind parks after a forecasted storm event. (see comment on Art II.16.4)

There is no mention that the I/D prices can be updated during the intraday procedure via an IDPCR. currently in the CIPU contract, the producer has the right to change the power(MW), status & also the Intraday I/D price per quarter. Can you confirm that this will be the case ?

Art II 13.4

To which extend does an OPA need to keep Elia informed on the state of progress of a maintenance. Please note that communication on proceedings will be respected, as in line with our remit obligations.

ART II.14.4

During the discussions on the design note 'off shore integration', Elia confirmed several times – following questions of stakeholders – that there was no need to put constraints on the cut-in of offshore parks.

So, we are very surprised to read that Elia may impose conditions on the cut-in.

Art II15.4

There is no definition of what is a “**Significant**” Forced outage or limitation or a technical unit. This article seems unnecessary as the request of information is available based on II 13.3

Art II 16

The subject is forecasted or ongoing storms. I presume this is forecasted by Elia forecasts as well as confirmed forecasts from the relevant OPA/SA for the Offshore wind park concerned.

Art II.16.4

This article required a validation to start injecting. This appears to be specifically in case Elia takes over the dispatching of assets within an emergency state.

If understood correctly there is no specific limit to inject unless there is congestion applicable according to article II. 11. 3

Also here we wish to refer to Article 12 of REGULATION (EU) 2019/943 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 5 June 2019 on the internal market for electricity (recast)

This article clearly indicates the dispatching or power-generating facilities and demand response shall be non-discriminatory, transparent and, unless otherwise provided under paragraphs 2 to 6, market based.

Art II 17 5

Art II 17 5 a price offer can be indicative in good faith if it needs to be provided within 10 days as some maintenances require detailed analysis and offers from a multitude of subcontractors

Art II 17 6

Please note that providing confidential internal information requires a clear framework where this can be requested

ART II.20.2 & II.22.1

If Elia remunerate the OPA for a stand-by-Reserved (SR) and/or Ready to run reserved (RRR) in Week-1, on day D-1 or on day D and the OPA cannot implement the change due to forced outage. The OPA shall reimburse Elia for the same amount. It should be open to negotiation, no...?

3. Rules for coordination and congestion management

Preliminary disclaimer

The objective of this proposal of 'rules for coordination and congestion management' is to bundle all rules with regard to coordination and congestion management into a new regulated document to be approved by CREG. In principle this first version of the document describes the existing situation, i.e. 'as is'.

Nevertheless, the proposal raises several concerns:

- Market parties are not by definition supporting the existing rules for coordination and congestion management, i.e. remuneration, mechanism of 'red zones', ...
- Market parties have at this moment no clear view - nor any guarantees - on the future evolution of the congestion management rules, e.g. abolishment of 'red zones': to what extent will all elements of the iCAROS design note be effectively implemented?
- Although the proposal in principle only describes the existing situation, market parties have the impression that this description is not neutral but already paving the way for the evolution of the congestion management rules in a certain direction, e.g. excluding market based compensation although favored by the Clean Energy Package;
- Market parties are also of the opinion that the proposal fully cover the rights of Elia, but to a lesser extent describes the rights and/or guarantees for market parties, e.g. market parties welcomed the proposals of Elia to shift to an hourly granularity and to implement intraday updates of the red zones but don't see this reflected in the document.

For the above reasons, FEBEG would like put forward a clear disclaimer preserving the right to later on oppose and question the proposed 'rules for coordination and congestion management'.

Detailed Comments:

Art 13.6

We would consider that the TSO requesting has to set the capacity to 0 in order not to aggravate the congestion risk.

Art 13.9

If Elia is the requesting TSO, we presume the compensation is done by the assisting TSO?

Art. 14

We would like to emphasize that the TSO (Elia) needs to neutralize and not only minimize the system imbalance within its congestion management.

Within this respect we refer to EBGL Art 30.1.b,d and e which clearly indicates that internal congestion management shall not set the marginal price of balancing energy

We understand that no (in)direct effect on the balancing price should be accepted by the market participant and a fair market based remuneration needs to be respected for any balancing bid.

If there is an indirect effect on the balancing price because balancing bids (free or reserved) have been applied for congestion management, the balancing price no longer gives the correct price signal or incentives to the market participants.

Additionally, we would like to point out that in art 13.3 of the electricity regulation it is also stated that non market based redispatching is to be applied in case all available market based resources have been used.

Art 15.2

Could you please clarify how the significantly disproportionate costs are defined.

Art 16.1

We welcome a sound justification for appealing to the exemption from market based mechanisms (whilst defining that mFRR bids can be used for congestion management).

Art 16.3

To our understanding the current framework only allows to apply this specific non-market-based mechanism in the Day ahead framework between 15h00 and 18h00.

After 18h00 the intraday market based pricing is applicable. Please refer to comment on Art 16.1 in order to detail the justification for the exemption from market based mechanisms.

We additionally do not have the option of free dispatching (an no compensation in case of congestion limitations). We duly noted based on the responses to the Icaros Workshop that the proposed T&C SA and OPA are a reflection of the current remuneration mechanism and remain applicable. Nevertheless we wish to indicate that a sound justification for the shift to a non market based mechanism is desirable.

Art 17.2

We would welcome a clarification in case of IDPCR updates of the schedules which can be considered different as deviations to the daily schedules.

Art 17.6.iii

Please refer to Comment on Art 14

Art 19.2

Could you please indicate as from when this will be implemented and therefor publicly available?