



Consultation report on the Rules on the organization of Transfer of Energy

Market Development

September 2019

Introduction

Elia publicly consulted¹ modifications on the Rules on the organization of Transfer of Energy (hereafter referred to as ToE-rules) from the 18th of June until 16th of July 2019 in order to gather feedback from the market players.

The proposed changes to the ToE-rules relate to the inclusion of a new “pass-through” regime for all non-CIPU units, both net-offtake and net injection, for the following market segments:

1. The market segment of mFRR (reserved and non-reserved);
2. The market segment of aFRR;
3. The market segment of SDR.

This document consolidates the contributions Elia received during the public consultation and formulates Elia’s vision on the received contributions. Based on the received contributions, Elia will draft the final version of the ToE-rules which will be submitted to the CREG for approval and after which they will be published on Elia’s website.

¹ The documents that were consulted can be found on [Elia’s website](#).

Contributions

Elia received a contribution on the proposed ToE-rules from the following stakeholders:

1. Centrica Business Solutions (Restore)
2. Teamwise
3. Febeliec

Elia received one confidential contribution.

All the contributions from the market actors (except from the confidential contribution) will be published on Elia's website together with this consultation report.

1 Stakeholders contributions

Stakeholder	General feedback on the Pass-through modalities
FEBELIEC	Febeliec would like to thank Elia for this consultation on the introduction of pass-through contracts within the framework of the Transfer of Energy for SDR, aFRR and mFRR. Febeliec can only welcome this extra alternative option for consumers to valorise their flexibility. However, and as already indicated in previous consultations, Febeliec would like to stress that pass-through, opt-out and the “pure” Transfer of Energy solution developed by Elia are not mutually interchangeable. The different options can cater better for specific situations of different consumers, and all three create options for increasing the valorisation of flexibility and are all long term no regret solutions. For Febeliec it is clear that all three solutions have their place and should be allowed to coexist.
Teamwise	We welcome and support this proposal.
Centrica Business Solutions	The new ToE model proposed for implementation by Elia will have a positive impact on the market, as it will widen the scope of configurations eligible for a ToE model. Centrica Business Solutions therefore supports Elia’s proposal.
Answer Elia	
<p>Elia clarifies that all different regimes (pass-through regime, opt-out regime and transfer of energy) are allowed to co-exist, as will be the case for market of tertiary reserves (reserved and non-reserved) by non-CIPU units as well as for SDR.</p> <p>Elia reminds stakeholders that transfer of energy for aFRR is subject to a reassessment foreseen at the end of 2019. Therefore, the allowed regimes for aFRR will initially be limited to the pass-through regime and the opt-out regime.</p>	

Stakeholder	Feedback on net-offtake character of the delivery points
Teamwise	This proposal however does not remove the need for an extension of the applicability of ToE to net-injection points.
Centrica Business Solutions	Centrica Business Solutions points out that despite this positive step forward, an additional configuration remains ineligible, even with the new ToE model proposed by Elia. These units should also be made eligible within the current scope of the law.

In the case of a delivery point with a net-injection profile and without a pass-through contract, the only solution available for the moment to benefit from a ToE model is to register the unit at the upstream level, and only under the condition that the access point has a net-offtake profile.

Centrica Business Solutions believes that in such a case (at least the AP being net offtake if the DP is not), the DP should still be eligible for ToE. Not going at head meter level for the participation to SDR, FCR, or mFRR can come with important added value, for example gaining significant accuracy on the baseline and therefore efficiency during the settlement.

Extending the ToE model to this configuration could be done with no change to the law, but could require further extending the scope or updating CREG's decision detailing the requirements around the net-offtake criteria.

Beyond this case, the only configuration remaining uncovered would be the one where neither the DP nor the AP are net offtakers and also without a pass-through contract. For such cases, Centrica Business Solutions (Restore) acknowledges a change in the law is needed to allow for a ToE model to be available.

Answer Elia

Elia takes note of the concern of market parties with respect to the exclusion of net-injection points from the field of application of Transfer of Energy. Elia reminds stakeholders that it is bound to Article 19bis §2 of the Electricity Law which states that Transfer of Energy specifically applies to demand side flexibility.

Demand side flexibility is defined in Art.2 66° of the Electricity Law as "the ability of an end customer to voluntarily adjust its net-offtake upwards or downwards in response to an external signal". Furthermore, Elia adds that CREG's decision 1677 expresses demand side flexibility as flexibility coming from delivery points with a yearly net offtake that is positive, while explicitly excluding flexibility from production installations (hence a yearly net injection that is positive).

Taking into account the existing legislative and regulatory framework, Elia currently only applies ToE to delivery points with a net-offtake character.

Stakeholder	Feedback
FEBELIEC	Febeliec also welcomes the addition in section 14.4 reverting to the CREG in case one of the involved actors in a pass-through does not want to acknowledge the existence of such contract, avoiding any party to incorrectly blocking interaction with the market without a final say by the regulator.
Answer Elia	
Elia takes note of the contribution.	