POSITION

Subject: FEBEG comments on ELIA's consultation on T&C BSP aFRR
Date: 3 April 2020

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Please find hereafter the comments of FEBEG on ELIA's public consultation on Terms and Conditions for balancing service providers for automatic Frequency Restoration Reserve (aFRR).[1]

Need to postpone go-live new aFRR design

Elia has set the 1st of July, 2020 as the target date for the entry into force of the new aFRR design.

During the meeting of the Elia WG 'Balancing' on the 20th of March, 2020 Elia announced that it would re-evaluate the go-live date for the new aFRR design with CREG: due to the Corona crisis, Elia has to tackle new priorities while availability of resources and staff risks to be limited which both could have an impact on the development trajectory for the new aFRR design. In this respect, Elia also engaged itself to involve with stakeholders to check readiness at their side. The option of delaying the entry into force of the new aFRR design is meanwhile also confirmed by the approach in the Elia consultation on the balancing rules: Elia is consulting on a version of the balancing rules adapted to the new aFRR design and a version of the balancing rules without these adaptions.

In this context, **FEBEG would like to inform Elia that the go-live of the new aFRR design needs to be postponed for the following reasons:**

- Delay in finalization new aFRR design:
  In a normal – without Corona crisis - business situation, the timely implementation of the new aFRR design would already been very challenging. The main reason is the delay in the finalization of the regulatory framework which is the ultimate basis – although some preparations can be done – for the developments at BSP's side. Initially, as presented during the meeting of the Elia WG 'Balancing' on the 18th of February, 2019, Elia intended to publish and to consult upon the T&C BSP aFRR after Summer 2019. Unfortunately, this timing could not be respected: the consultation on the T&C BSP aFRR was postponed with several months and is now open until the 3rd of April, 2020. Afterwards, CREG needs to approve the T&C before Elia can publish the final version. Meanwhile BSP's are still waiting to receive the technical specifications' documents describing the (new/changed) messages to be exchanged with the Elia Scada systems (expected next week). **As a result, the period between the finalization of both the regulatory framework as well as the technical specifications and the entry into force of the new aFRR design is too short for BSP's to ensure a swift go-live.**

[1] https://www.elia.be/en/public-consultation/20200303_Public-consultation-on-Terms-and-Conditions-for-balancing-service-providers

- Corona crisis:
  The Corona crisis also has an impact on the availability of resources and staff at BSP's side, putting stress on and potentially jeopardizing planning of the required developments at the side of the BSP's. The biggest bottleneck in this respect is the need for physical interventions on the concerned assets. **Due to the lock down – and uncertainty on near-future evolutions – BSP's cannot ensure sufficient availability of resources and staff to timely perform the physical interventions, i.e. modification settings, testing, …, on the assets.**

For the abovementioned reasons, there's a substantial risk that some BSP's will not be able to timely implement the new aFRR design by the 1st of July, 2020: some BSP's will, hence, not be able to deliver the aFRR product which will impact the quality of the aFRR service.

FEBEG, therefore, proposes to postpone the go-live of the new aFRR design and **to set a new target date in later stage**: BSP's can only assess the feasibility of a new target date when (1) they have been able to assess the final regulatory framework as well as the final technical requirements and (2) they have more clarity on the further evolution of the Corona crisis and related lock down or other measures.

Main issues

- **Availability test on CIPU units** : how is the link between the different components of a power plant in a specific operating mode (eg. a ST and a GT in CCGT modus) taken into account for an availability test ? An availability test should be performed on all the nominated DPsu of a power plant that are part of the same operating mode at that moment. For prequalification tests (art. II.8.5 and footnote page 31), the test is performed at the level of the Technical Unit for each operating mode : we understand that the Technical Unit may be a power plant (eg a CCGT) and that all the DPsu composing this Technical Unit are participating to the test in function of the operating mode tested. Can Elia confirm our understanding, and confirm that the same will apply for availability tests ?

- **DPsu aggregation**: in general, it should also be allowed to aggregate a DPsu with other DPsu (not part of the same physical power plant) or DPpg into a virtual power plant, acting together for the delivery of the aFRR service in the same manner as DPsu parts of a Technical Unit (this could be useful for LER assets). Separate energy bids are still needed for the DPsu's and the DPpg, but prequalification tests and availability tests would be performed at the level of the virtual power plant (cfr for a Technical Unit, see hereabove).

- **Annex 6.A** Time window for prequalification test: to reduce the costs for prequalification and facilitate the entry of assets based on renewable energy, the time window should be reduced to one CCTU, agreed upon in day-ahead (e.g. based on wind forecast). In case Elia would maintain the time window of 24 hrs, we ask that Elia warns the BSP 1 hour before the test in order to reduce the costs of the test (derating costs).

- **Annex 6.B** The pattern for the follow-up phase of the prequalification test should be fixed for a long period instead of communicated when the date of the prequalification test is fixed.

- **Annex 6.C** Why are deviations allowed only during the follow-up phase (QH6 & QH7) and not for the first five QH's QH1->QH5. In the current design (as is), 2 deviations are allowed for the Full Power phase.

- **Annex 7 Capacity Auction**

    - *Bidding obligations for the "all-CCTU" capacity auction*

      The rules of the smallest offered volume (5 MW) and maximum step between 2 offered volumes (5 MW) leads to submit 440 bids in case a BSP wishes to offer 100 MW up and down, or 783 bids for 135 MW up and down. Taking into account the bids of all BSPs, is this large number of bids manageable by STAR and the selection algorithm in the short timespan between GCT and the publication of the results ?

    - *Bidding obligations for the "per-CCTU" capacity auction*

      Obligation 2 : minimum offered volume : the total offered volume should not be larger than the volume to be procured in these auctions

- **Annex 10 Activation**. An infinite ramp rate may be requested by Elia in some situations at the start of a new Qh. As already mentioned in the feedback of FEBEG on the design note in 2018, jumps in the aFRR requested should be avoided; the aFRR requested should at any time take the limitations of ramping rate into account. The DPs may not be able to make up the missing power due to the infinite ramp rate, and this as long as the required power continues to increase /decrease in the same direction as the initial infinite ramp rate. In any case, this situation should not lead to activation penalties for the BSP.

- **Assets with Limited Energy Reservoir.** No information is given on the conditions of participation for assets with Limited Energy Reservoir (except that the imbalance market is not considered as valid Energy Management Strategy), e.g. that the Energy Management Strategy should be submitted during prequalification and approved by Elia,…

- **Communication of Forced Outages** : We consider as not useful and as an administrative burden to have multiple information flows where the actors need to inform Elia of the same event in different communication channels (forced outage for transparency, forced outage for aFRR). FEBEG pleads for a transition period where an efficient and lean way for communicating on forced outages could be designed. In the meantime, we can inform Elia dispatching in the current operational ways on outages. We inform Elia through the transparency platform and communications of outages and their expected duration.

- **Annex 9.**
  Section A: "A Delivery Point can only be part of one aFRR Energy Bid per quarter-hour". It should be possible to split the offered volume on several bids with different prices (at least for the contracted and non-contracted volumes).

- **Annex 10.D**. We do not understand the necessity to send in real-time the aggregated aFRR Power supplied (by all participating DPs together) besides the individual data communicated for each participating DP, and would appreciate that this obligation is removed.

- **Missing documentation:** The document "aFRR Communication requirements" is not yet made available by Elia.

- **Penalties for aFFR Made Available** : The severability of a non-compliant activation is not taken into account in the "#CCTU non-compliant" : 1 MW not made available during 15 minutes will have the same weight as 10 MW during 4 hours. In our view the severability should be taken into account otherwise it will give an incentive not to report minor unplanned incident (if one knows that reporting the 1 MW unavailability for 15 minutes will penalize you for 30 days, one may decide not to report it and hope for no full activation of the bid volume).

- Penalties cap : besides the global cap on the sum of all financial penalties, the sum of penalties related to aFRR Made Available and to aFRR Missing MW should be capped to the monthly remuneration for the aFRR Awarded.

Other points (clarification, typo,…)

- **Transfer of Obligation :** We think that nominating on SMART in the intraday scope will no longer require to identify the assets in SMART and match the volumes with the concerned capacities.

- **P20. aFRRmax,down :** as this value is negative, the "maximal volume" should be in absolute value

- **P22. DPaFGG,cb,up :** why is it "defined by Time Step", as it is relevant for participation to capacity auctions?

- **P28. (II.3.11) DPaFRR,cb, up/down :** the determination of these values is not explicit in Annex 6

- **P33. (II.11.1)** Can Elia confirm and clarify in the text that energy bids relative to non-contracted volume may be submitted after D-1 at 15h and until aFRR Balancing GCT ?
  In case of fallback procedure for the "per-CCTU" capacity auction (cfr Annex 7.E), the capacity award is published at the latest on D-1 at 15:30 : what is then the timing for submitting aFRR Energy Bids for the contracted volumes ?

- **P33. (II.11.3)** Can Elia confirm that the contracted volume of an energy bid can also be updated until aFRR Balancing GCT (e.g. transfer of volume to a new bid on another DP)? Is it possible of cancelling an energy bid by updating the volume to 0 MW ?

- **P34. (II.11.10) Red Zones :** Can Elia confirm that no penalties can be applied if the BSP does not shift the aFRR Obligation to other delivery points ?

- **P37. (II.14) Availability control :**
  - Can Elia confirm that the first quarter of an availability test is a full period of 15 minutes, starting as from the trigger signal sent by Elia (and not starting at hh:00 or hh:15 (…) preceding the trigger signal) ?
  - To trigger an availability test, at least the 2 first quarter-hours of an availability test should be included in the same Energy Bid

  - When an availability test is performed, the activation control should be suspended for the 3 quarter-hours of the test.
  - During an Availability test, should the FCR delivery by the asset under test be suspended ?

- **Annex 11 :** Can Elia confirm that the of maximum of 12 availability tests per year applies on the number of availability tests up and down together (and not separately).

- **P40 (II.17.5)** The procedure to restore the initial aFRRmax (after a downwards adaptation by Elia) should be explained.

- **Annex 2.B.** It should be possible for a Grid User to participate with several BSPs at the same time, with different lists of DP.

- **Annex 6.B:** p56: "Full aFRR Power phase in the downward direction (*fifth quarter-hour*)": it should be the *fourth quarter-hour*

- **Annex 6.D:** For the determination of aFRRmax,up, the formula in (1) should be aligned with the text (max instead of min).

- **Communication messages for availability:** In case Elia decides to modify the content of the communication messages for availability tests, …, the BSPs should be consulted.

- **Annex 13:** The procedure described in case of erroneous data should be applied only when neither Elia nor the BSP have correct data at their disposal, i.e. Elia should accept and use the data of the BSP in case the measurements of Elia are erroneous but the BSP has correct data.

- **Annex 9.E:** Can Elia confirm that BSPs do not need to send the following real time messages to Elia : Pmin_sec, Pmax_sec, Rate_sec (denominations according to the current GFA) ?

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