

CONSULTATION REPORT

Public consultation on Terms and Conditions for balancing service providers for Frequency Containment Reserve (FCR)

30 April 2020



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1. Introduction

Between 17 March and 17 April 2020, Elia organized a public consultation on its new proposal for Terms and Conditions for balancing service providers for Frequency Containment Reserve (FCR) (hereafter referred to as “T&C BSP FCR”)¹ in preparation of the implementation of the design evolutions for the FCR balancing service. The consultation aimed to receive feedback from the stakeholders on the new proposal in response to the amendments to the version submitted by Elia to the CREG in June 2018.

The T&C BSP FCR are developed pursuant to article 18 of Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing (hereafter referred to as “EBGL”). The T&C BSP FCR include the Balancing service provider Contract for the FCR service (hereafter referred to as “BSP contract FCR”).

Elia received 6 non-confidential answers to the public consultation from the following parties:

- Centrica Business Solutions, hereafter CBS
- Febeg
- Febeliec
- Flexcity
- Next Kraftwerke
- Revolta

Elia did not receive any confidential feedback from the stakeholders. This consultation report contains the overview of the feedback from the stakeholders, and the answers of Elia thereon. For the full responses of the stakeholders Elia refers to the individual feedback responses. The consultation report follows the same structure as the T&C BSP FCR.

The response from Elia to the comments of the stakeholders clearly mentions whether or not Elia modified its proposal of the T&C BSP FCR following the consultation feedback. In addition, Elia updated the T&C BSP FCR throughout to clarify formulations.

¹ Consultation webpage: https://www.elia.be/en/public-consultation/20200317_public-consultation-on-terms-and-conditions-for-balancing-service-providers

Below, the summary of the modifications to the T&C BSP FCR² in response to the consultation feedback.

Whereas 16	Elia deletes Whereas 16 since both the T&C BSP FCR and the Balancing Rules are on the same legal level.
Article 2	Elia clarifies that the entry into force is conditional to the introduction on the regional platform of the 4 hour balancing capacity products for FCR.
Art II.1	Update of the definition of available margin and updates of multiple definitions with respect to the withdrawal of the concept of frequency bands.
Art II.3.7	Elia deletes the Article since the concept of frequency bands is removed.
Art II.3.11	Elia updates the Article in line with the withdrawal of the concept of frequency bands.
Art II.4.3	Elia adds a footnote.
Annex 2.B	Elia clarifies which data will be used for the private commissioning test.
Annex 2.D	Elia clarifies that the use of the imbalance market only as charging strategy is not allowed.
Annex 3.B	Elia clarifies that for delivery points connected to the DSO grid, the BSP should refer to the modalities as described in the Grid Code.
Annex 4	Elia updates the Annex with respect to the withdrawal of the concept of frequency bands.
Annex 6	Elia updates the Annex with respect to the withdrawal of the concept of frequency bands.
Annex 6.B	Elia adds a period of 2 hours between the two phases of the prequalification test.
Annex 6.C	Elia corrects the typo in the formula.
Annex 9.B	Elia updates the Annex with respect to the withdrawal of the concept of frequency bands.
Annex 11.F	Elia updates the Annex with the calculation applicable for the failed energy factor.
Annex 12	Elia clarifies that the activation control is performed on all energy bids together.
Annex 12.A	Elia adapts that Elia performs the computation of P _{meas} , after over a period of 30 seconds and adds a paragraph regarding the rapid power changes.
Annex 13.C	Elia adapts for the formula for the calculation of the penalty for FCR missing time.

² A final version of the T&C BSP FCR with track changes is also available on the consultation webpage.

On top of the modifications mentioned above, Elia has further introduced modifications to increase the readability of the T&C BSP FCR.

All relevant information on this consultation is available on the consultation webpage¹. Elia has submitted the final proposal of the T&C BSP FCR together with the consultation feedback and the consultation report to the CREG in line with EBGL requirements.

Related to the T&C BSP FCR and relevant for the implementation of the new design Elia also organized two other public consultations. The non-confidential consultation feedback and reports are published on the concerned Elia website consultation pages.

- Public consultation of general conditions for balancing services (T&C FCR, T&C aFRR, T&C mFRR), restoration services (T&C RSP), voltage and reactive power services (T&C VSP), and services related to congestion management (T&C OPA, T&C SA) organized from 16 September to 16 October 2019³, including “Part I – General Conditions” of the T&C BSP FCR and subject to a separate consultation as applicable to the T&C of all ancillary services.
- Public consultation on the Market functioning rules for the compensation of quarter-hour imbalances (“Balancing Rules”) organized from 26 March to 24 April 2020⁴.

³ Consultation webpage: https://www.elia.be/en/public-consultation/20190916_public-consultation-of-general-conditions-for-balancing-services-t-c-fcr-t-c-afrr-t-c

⁴ Consultation webpage : https://www.elia.be/en/public-consultation/20200326_public-consultation-on-the-market-functioning-rules-for-the-compensation

2. Regarding T&C BSP FCR

2.1. Whereas

Febeliec feedback

In the whereas, DSOs are mentioned several times. It would be good to clarify explicitly whether or not CDSOs are also to be considered as DSOs, as could be inferred from the European legislation referred to. In whereas (9), Febeliec notices a reference to the rules for suspension and restoration of market activities and wonders whether these have already been approved in the Belgian context. In whereas (16), Febeliec also notices that in case of differences and/or contradictions between the balancing rules and the T&C BSP FCR, the latter shall prevail. However, Febeliec is surprised that in such case a contract would have prevalence over the general balancing rules. Moreover, Febeliec hopes that the utmost care is taken to ensure that both documents are aligned in order to avoid any doubt or conflict.

Elia response

A whereas section has the objective of providing information about the scope in which the proposition is situated. In this section, DSOs are only mentioned as part of the citation of the relevant articles of the EBGL (copy paste of article 18(3) and 18(5) of the EBGL), and as such this reference cannot be changed. Whether CDSOs are also to be considered as DSOs has been defined in article 38 of the Electricity Directive (EU) 2019/944. Please note that in the contractual part of the T&C BSP FCR, both a CDS Operator or "CDSO" and a Public Distribution System Operator or "DSO" have been defined and as such the distinction between both has been made.

With regard to the remark about whereas 9, Elia submitted a first proposal of rules for suspension and restoration of market activities to the CREG in December 2018. In September 2019, the CREG decided not to approve this proposal. In the forthcoming months, Elia intends to build on the comments made by the CREG to draft and submit a new version of these rules.

With regard to the remark about whereas 16, Elia would like to clarify that both the T&C BSP FCR and the Balancing Rules are on the same legal level and should not contain any contradictions. Given the fact that this indeed could lead to confusion, Elia has removed whereas 16.

2.2. Implementation

Febeg feedback

FEBEG suggests that Elia introduces a transition period for the modifications related to the communication requirements for the following reasons:

- the Corona crisis has an impact on the availability of resources and staff at BSP's side and their sub-contractors. At this moment it is not clear if BSP's will be able to perform the physical interventions, i.e. modification settings, testing,..., on the assets to implement the communication changes requested by Elia (especially for the availability tests) in due time;
- the technical specification documents describing the (new/changed) messages to be exchanged in real-time (with the Elia SCADA system or via electronic messages), and to nominate the FCR Energy Bids on BMAP are only available since 10/04/2020;
- these modifications are independent of the modifications in the procurement process (regional platform, 4 hours-product, symmetric 200 mHz product only,...) which can go live on 1st of July 2020.

Elia response

Elia takes note of the BSP's comment and appreciates the efforts made by all BSPs to implement the changes to the FCR Service during these difficult times.

Nevertheless, Elia cannot grant a transition period as this will require developments on both the old and the new communication procedure and will therefore only further increase the workload for the BSP and Elia.

In addition, the changes made to the communication of data and BMAP are considered as small and necessary in order to comply with the BSP Contract FCR. As for the communication for triggering availability tests, this has been aligned with aFRR to avoid unnecessary differences between products and to ease implementation for BSPs.

2.3. Implementation date

At the moment of drafting the consultation report, the go-live date of the BSP Contract FCR is maintained on the 1st of July 2020. However, the entry into force is conditional to the introduction on the regional platform of the 4 hour balancing capacity products for FCR, as defined in article 2 of T&C BSP FCR.

3. Regarding Part I – General Conditions

3.1. Liability cap

Febeliec feedback

On the General Conditions, Febeliec refers to its comments on the consultation on these general conditions by Elia. In the framework of FCR and balancing in more general, Febeliec takes note of the liability cap of €12,5 million per year and per party, which seems high but in light of the possible €13.500/MWh for imbalances (and even possible higher caps in the future, as currently being discussed), this might not prove sufficient and could leave the consumers exposed to large excess liabilities. Febeliec would like to ask Elia and CREG to justify the proposed amount, but also to indicate which procedure will be used to revise this cap in the future in light of any evolutions.

Elia response

Article I.6.4 about the caps is an article in the General Conditions. Please note that the General Conditions have been subject to a separate public consultation given that these will apply for all Terms and Conditions. Consequently, the articles of the General Conditions were not open to comments anymore, but only elements where it would be necessary to deviate in Part II (Specific Conditions) from one or more articles of the General conditions of Part I given the specific context of the contract concerned, could still be addressed.

The comment about the height of the cap is a comment that is not specific to the FCR product, but applies for all balancing services. As such a deviation from this general article I.6.4 in the Specific Conditions is not appropriate.

Please note that the procedure to be used to revise this cap in the future in light of any evolutions will be the normal procedure to modify the general conditions. This procedure can be launched in accordance to article 6 of the EBGL and will be subject to a public consultation before requesting approval of the request for amendment to the T&Cs to the CREG.

4. Regarding Part II - Specific Conditions

4.1. General feedback on new FCR design

CBS feedback

Centrica Business Solutions (CBS) identified several key changes in the proposed T&Cs, which would have a significant and structural impact on existing and new volumes engaged in FCR if implemented.

Given the nature of the contract change, the absence of a track change document is understandable. Nevertheless, the consulted T&Cs contain structuring modifications compared to the existing General Framework Agreement, which in our judgement have insufficiently been highlighted in the design note and explanatory document provided by Elia. It must be emphasized that in this context spotting such critical changes within a sizeable and technically complex contractual document is very difficult and creates a real risk to oversee some of them.

CBS therefore asks Elia to thoroughly consider the key points and points of attention raised during the consultation process, regardless of the fact that T&Cs are consulted at a late stage in the implementation process. Furthermore, CBS asks Elia to foresee the possibility of rapid changes of the T&Cs to solve impactful points which would not have been identified by market parties during the consultation process and would arise in the meantime.

Elia response

Elia takes note of the feedback of CBS. The most important design changes, being the harmonization of the penalties of aFRR and FCR, the update of the penalty for FCR missing time and the introduction of the frequency bands are described in the supporting document. The optimization of the prequalification process is not seen by Elia as a major change in the process. Elia will of course analyze the comments received from CBS with great attention, as it does for all received comments from the BSPs.

Elia also wants to emphasize that for the next consultation of the T&C BSP FCR, Elia intends to only consult the changes in the T&C BSP FCR and in this way, Elia should be able to work with track changes.

The legal framework to modify an approved version of the T&C BSP aFRR consists of several formal steps. Such a procedure can be launched in accordance to article 6 of the EBGL and will be subject to a public consultation before requesting amendments to the T&Cs to the CREG. This is indeed a process that might take a few months. Considering the heaviness of the formal process and in order to limit the need of future changes to the extent possible, Elia has consulted upon the new design and explained it during WG Balancing meetings before launching the formal consultation of the T&C BSP FCR.

Febeg Feedback

FEBEG welcomes the continuous efforts of Elia to improve the FCR design with the objective to

Response Elia

Elia confirms that the objective of Elia for all the balancing products is to foster the liquidity in the

attract new technologies and new players. Nevertheless, FEBEG observes that some assets – which have been delivering FCR for years – are encountering technical and operational difficulties to comply with the new design discouraging them to participate to the FCR market. Such evolution is contrary to the objective of Elia to increase the liquidity in the market and to have a technology-neutral market design. Therefore, FEBEG calls upon Elia to take his impact into account in the development of the FCR market, to strike a fair balance between these evolutions and to build in sufficient flexibility in the design. FEBEG also welcomes the simplifications and uniformization by creating a unique contractual structure applicable both to DPpg and DPsu and allowing for more efficient BMAP renominations within a single portfolio.

market by removing entry barriers and developing a technology-neutral market design. With the T&C BSP FCR, the FCR services is open for all types of technologies without having different requirements per type of technology.

Elia acknowledges the positive feedback regarding the simplification and uniformization.

4.2. Conditions for BSPs

4.2.1. General

Annex 2	CBS feedback	Elia response
	<p>Overall procedure to bring DPs and MWs to the market is lengthy: it can and should be optimized CBS asks Elia to parallelize processes and reduce to the extent possible the duration in working days of all the different verifications needed to add DPs and prequalify MWs. Examples:</p> <ul style="list-style-type: none"> • reduce the 10 working days both before and after the commissioning test • reduce delays once a DP is accepted or a prequalification validated to 1 day, instead of 5 before being able to bid 	<p>The procedure to allow new delivery points to participate to the FCR market has been aligned with the aFRR and mFRR market. This duration describes a maximum duration and in practice Elia does it utmost to shorten this time.</p>

Annex 2.A	<p>CBS Feedback</p> <p>Reference to the supplier’s consent in the Grid User Declaration should be removed</p> <p>As raised in its response provided to the consultation on aFRR T&Cs, CBS asks Elia to remove the reference to the “supplier” in the Grid User Declaration, as the supplier contract should not foresee any reason to forbid a consumer to engage with a BSP.</p>	<p>Response Elia</p> <p>Elia needs to have the confirmation by the grid user that he will be able to participate to the FCR Service. Therefore, the grid user should not have any impediments imposed by any third party and the Grid User should confirm this to Elia.</p>
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4.2.2. Portfolio management

	<p>CBS feedback</p> <p>Combination of CIPU and non-CIPU opportunity requires further adjustments to not create distortions</p> <p>In Elia’s current proposal, the combination of CIPU (DPSU) and non-CIPU (DPPG) assets seems possible, in contrast to mFRR. However, CBS notes there are still remaining barriers, such as the precondition for BSP to also be BRP for the DPSU Units, until iCAROS is implemented. This incomplete design favours BSP-BRPs compared to independent BSPs. CBS therefore asks Elia to either remove the BSP=BRP requirement for FCR, or to maintain the separation of DPSU and DPPG until the implementation of iCAROS.</p>	<p>Elia response</p> <p>The condition for the BSP to also be the BRP in case of DP_{SU} comes from Art. 377 of the Federal Grid Code.</p> <p>The evolution to a complete independency of the roles is subject to the iCAROS implementation. Elia does not want to block a design evolution because of an additional condition on the BSP.</p>
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4.2.3. Private measurement requirements and commissioning test

Annex 2.B	<p>CBS feedback</p> <p>Private metering requirement for DSO connected assets should not be handled in DSO-BSP contract</p> <p>Elia proposes to govern private metering by the DSO-BSP contract. In line with CBS’ response to</p>	<p>Elia response</p> <p>The requirements for the private measurement/metering devices for the assets connected to the DSO grid are the responsibility of the DSOs, according to the Grid Code for Distribution.</p>
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	<p>SYNERGRIDs recent consultation of the BSP-DSO Contract, CBS asks Elia to remove this proposal and align with DSOs in order to:</p> <ul style="list-style-type: none"> • apply harmonised rules for existing meters to all reserves covered by the FSP-GRD contract and Elia's T&Cs • bring the technical specifications for sub-metering into line with market opportunities, in order to remove remaining obstacles for flexibility 	<p>Elia has clarified this in the T&C BSP FCR in annex 3.B</p>
<p>Annex 2.C</p>	<p>CBS feedback</p> <p>Private meter commissioning test process requires clarification</p> <p>CBS asks Elia to clarify the content of the private meter commissioning test, which is a new proposal, as it is currently unclear which data Elia will actually compare to validate it.</p>	<p>Elia response</p> <p>The private measurement commissioning test aims at verifying the data received by Elia through the communication channel. This principle was already used in practice but was not yet described in any document. Elia wanted to standardize the procedure and has therefore included it in the T&C.</p> <p>Elia has clarified in the T&C which data will be used.</p>
<p>Annex 3</p>	<p>CBS feedback</p> <p>Accuracy requirements for Virtual DP should explicitly apply at aggregated level</p> <p>CBS asks Elia to clarify whether the accuracy requirements apply at aggregated Virtual DP level. For such DPs, the individual assets composing them are indeed likely to be less accurate, in particular when it comes to residential. Looking at the aggregated accuracy, the rule of large numbers will help reaching accuracy levels that are more in line with expectations for individual larger assets.</p>	<p>Response Elia</p> <p>Elia will not make an exception for virtual delivery points regarding the criteria of worst accuracy. As mentioned in Annex 3, a precision of 1% or better is required for the whole measurement chain, which in case of virtual delivery points consist of multiple units and their respective measurement devices. All parties need to have measurements which are as accurate as possible.</p>

4.2.4. Limited Energy Reservoirs

Annex 2.D	CBS feedback	Elia response
	<p>In Annex 2D, Elia prohibits the use of the imbalance market as a Charging Strategy. CBS reiterates that in the existing market design, this is the only option to structurally manage and guarantee the SoE level of a battery or other LER in FCR. CBS therefore asks Elia to remove this prohibition, and alternatively consider constraining the lead time of the imbalance recharge and/or its ramp-rate. Indeed, CBS understands and does support the fact the imbalance recharge should not lead to cancel the FCR provided by the BSP: as it has already been proven successful in existing projects and other countries, asking the BSP to either have a 5-minute lead time before recharging, or recharging with a ramp-constraint can achieve this objective, while maintaining a viable recharge strategy for the BSPs.</p>	<p>In the market design that is applicable today, the use of only the imbalance market as charging strategy is not allowed, but a combination of the imbalance market and other measures, such as the use of external resources is allowed. Elia has adapted the T&C BSP FCR accordingly.</p> <p>Elia takes note of the proposal of CBS, but according to Elia, it cannot be ensured that the charging strategy does not have a negative impact on the system imbalance. It is not excluded indeed that the charging (or discharging) of a battery could reinforce the concerned system imbalance. This is a situation that Elia wants to avoid. Therefore, the BSP should also foresee another solution for (dis)charging the battery.</p>
Annex 2.D	CBS feedback	Response Elia
	<p>Clarify that standalone LER must reserve some power for recharge purposes</p> <p>Elia clarified the energy management for standalone energy limited assets in previous slides presented in 2018. This included the fact that for standalone assets, which can only rely on their capacity to manage their state of charge, some power must be reserved for recharge, meaning that not 100% of the capacity can be sold in FCR. CBS believes this point does make sense, and therefore asks Elia to clarify this principle in the T&Cs.</p>	<p>This is clarified in the document "FCR Energy Management Strategy Requirements" that Elia has published on the website on the 27th of April 2020 and which is referred to in Annex 2.D of the T&C BSP FCR.</p>
Annex 2.D	CBS feedback	See above
	<p>Ad hoc energy management document that is referred to in the T&Cs is not available on the Elia website</p>	<p>Elia has published the document "FCR Energy Management Strategy Requirements" on 27th of April 2020 on its website.</p>

CBS notes that the document referenced in the Annex 2, “FCR Energy Management Strategy Requirements” could not be found on Elia’s website: as such a document should contain important information and details on the energy management strategy allowed in FCR, CBS asks Elia if the document can be published to all market parties.

Art II.11.6	Next Kraftwerke feedback	Response Elia
	<p>We find the definition of the Available Margin for assets with limited energy reservoirs confusing. Such assets have a margin in both upward and downward direction (until fully charged or until fully depleted). Which one should be communicated? Today, Elia requires the BSP to communicate the State of Charge (SOC), which gives insight in the margin in both directions in one number. We therefore think communicating the SOC makes more sense.</p>	<p>The BSP will calculate the available margin in upward and downward direction and communicate the lowest of both values to Elia. The sign indicates whether the margin is applicable for the upward or downward direction. In that way, the information to be exchanged in real-time between BSP and Elia is limited.</p> <p>The available margin gives more accurate information than the state of charge since it takes into account the margin that cannot be used for the FCR services.</p> <p>Elia has adapted the T&C BSP FCR to clarify this point.</p>

4.2.5. Frequency bands

Art II.3.7	Febeg feedback	Elia response
	<p>It should be possible to have a DP with 0 MW in each Frequency Band, being there only in order to sustain a LER DP by delivering power together with the LER DP when its state of charge is low (but not charging or discharging the reservoir of the LER).</p>	<p>Elia allows the use of delivery points with 0MW in order to support the FCR pool of the BSP. If such a delivery point is listed in a FCR energy bid, it will be considered for activation and availability controls for the duration of the FCR energy bid. Elia has withdrawn the concept of frequency bands as explained below.</p>
Annex 4.A	CBS feedback	Response Elia
	<p>Either further refine or completely remove the 50MHz Frequency Bands concept</p>	<p>Elia takes note of the feedback of CBS and Next Kraftwerke. The initial idea of the frequency</p>

In principle, CBS welcomes Elia’s new approach to allocate DPs to specific 50mHz frequency bands in which they are capable of providing FCR Power, and is supportive of such an approach in its intention to add flexibility for BSPs and reduce risks during settlement of activations. However, the proposed implementation is insufficient to address this objective and rather creates risks than adding flexibility:

it does not well apply to complex pools, where assets are not necessarily used in front line to react to frequency deviations directly, but rather at as supporting assets behind the front line.

- it imposes additional constraints, freezing the expected reaction and power delivered by some assets beyond their initial band, rather than adding flexibility
- It does not state if/how Elia will use it only look at the DPs involved during activations and prequalification, i.e. linking the

In that context, CBS therefore asks Elia to either make this proposal an experimental voluntary scheme that BSPS could apply for with the intent to test it and further improve it in the view of future T&Cs version, or to remove it and maintain the providing group concept until it is refined and effectively adds flexibility.

bands was to check that the 200mHz product could be delivered by the nominated delivery points by verifying the frequency band and the concerned FCR contribution ($DP_{FCR,CB}$) of each delivery point. Elia does not take into account the frequency bands in the prequalification test, activation control and availability test. Based on the feedback of the stakeholders, Elia understands that the frequency bands adds complexity without having a significant added value. Moreover, Elia notes that it also creates ambiguities with regard to whether or not frequency bands are taken into account in the prequalification test, activation control and availability test.

Therefore, Elia has withdrawn the concept of frequency bands. The T&C BSP FCR are adapted accordingly.

Regarding the question of the identification of the delivery points that form a pool, Elia clarifies that it is no longer possible to define a group of delivery points in Annex 4. The BSP may instead decide for each energy bid which delivery points he pools together. This increases flexibility for the BSP as the combination of delivery points may differ for one energy bid to another, taking into account the rules set in Art.II.9.

Regarding the question of a test of a subset of delivery points, Elia will perform availability test on energy bid(s) and thus on all delivery points that are listed in the energy bid. It is up to the BSP to decide which delivery points he decides to "pool" together in an energy bid.

Annex 4.A Next Kraftwerke feedback

Evolution of providing groups

The current system of providing groups is overly complex and does not allow for frequent pool updates that reflect changing circumstances in a pool. We therefore support the transition to a simpler system without providing groups and with 8 frequency bands in which delivery points

can contribute to the provision of the standard production.

We would like to ask Elia to clarify or confirm the following points:

- How are delivery points that form a pool to deliver FCR together identified as being one pool in Annex 4?
- If Elia performs a test of a subset of delivery points, how will it make sure to include or exclude all delivery points that together form a pool?
- Are, in a Capacity Availability Test, Energy Availability Test, or Activation Control, only the delivery points that are marked in Annex 4 to participate in the frequency band relevant to the tested Frequency Deviation considered to evaluate the response?

4.2.6. Combinability conditions

Art II.4	Febeliec feedback	Elia response
	<p>Febeliec does not agree with the impossibility to combine delivery of FCR with aFRR and/or mFRR from a same delivery point unless it has the same BSP and requests to review this approach and release this constraint. Febeliec does also not agree on the exclusivity of participation to balancing and strategic reserve, especially in the framework of FCR which is a totally different product than aFRR and mFRR. Febeliec also does not understand the need for the limitation of combinability with any other balancing service if “any other delivery point, upstream or downstream of the delivery point supplying FCR service” (unless for mFRR if the same BSP is used, which according to Febeliec is a too stringent requirement, as mentioned above), especially again for the FCR product, as this might</p>	<p>First of all, Elia applies as general principle that only one BSP can be active on a specific delivery point because the behavior of one BSP can influence and impact the other BSP, particularly in case of simultaneous activation: for instance if, during a given quarter-hour, one BSP activates upwards (even if it is FCR) and the other downwards (lets imagine aFRR) Elia will measure the net impact of both activations with potentially a negative impact on the energy measured and settled to one of the two products. The same issue is even emphasized when two delivery points are the one behind the other “in cascade”. When it is the same BSP Elia tolerates the combination of FCR (energy neutral) & mFRR only when the concerned (unique BSP) clearly indicates renouncing to invoke any influence of one</p>

impose too stringent and undue limitations which can hamper participation and thus liquidity and in fine increase the cost for consumers, while the FCR product is inherently a different product than aFRR and mFRR. Febeliec proposes Elia to reformulate this point in case there would be a valid reason for introducing this limitation and provide a clear justification for it. In any case, Febeliec strongly wants to avoid that this point would hamper the functioning of industrial sites or CDSs and the free choice of supplier/BRP/BSP/...

product on the other one. This seems not realistic with two distinct BSPs.

With regard to strategic reserve, strategic reserves must be by definition out of the market. A tender for strategic reserve only involves the volume of strategic reserves. In this specific case, we would withdraw the resources from the Ancillary Services market in order to place them in the strategic reserve, leaving the shortage at system level. A unit that has therefore recently participated in Ancillary Services cannot be considered outside the market since there is no known reason why it should not be able to do so again in the future.

Finally, Elia would like to clarify that the sentence only refers to the principle that no cascade is permitted between two (or more) delivery points to avoid that one delivery point has an influence on the other one. In other words, all delivery points should be defined at the same level.

Elia has clarified this in a footnote.

Elia reminds that sub-metering solutions exist already today allowing different independent BSPs behind a same access point with separate delivery points.

4.3. Prequalification

Annex 6.B	CBS feedback	Elia response
	<p>Maintain current independent sequencing of profiles for the prequalification test, since the proposed unique sequence can have major impacts on existing MWs and was not discussed previously with market parties</p> <p>In Annex 6, Elia proposes to perform the prequalification test in one sequence (upward, then downward, and finally 4-h frequency follow-up),</p>	<p>Elia has integrated a reconstitution time of 2 hours after completing the synthetic profile to allow all delivery point to reconstitute their energy reservoirs before performing the real-time frequency follow-up, similar to what is written in Art.II.10.6.</p> <p>The upward and downward profile for the prequalification test are not changed, but since</p>

whereas until now each of the three sequence can be performed separately. This creates a structural change compared to the current process where the three sequences can be performed separately and can impact the participation of existing and future MWs. Even considering the new feature where DPs get allocated to certain 50MHz frequency bands only, the impact on how Elia would use this information for validation of the prequalification test is not specified. Therefore, CBS considers that given the stakes, such a modification would have needed to be clearly spotted and explained to market participants during the design note phase for them to assess consequences and anticipate them. Given this was not the case, we consider this change cannot be implemented.

Elia will only have the 200MHz symmetric product, it makes sense to carry out the test in the upward and downward directions directly after each other, as this situation is not different than what can occur on the grid.

Annex 6.B	CBS feedback	Elia response
	<p>Remove the requirement on the 30-sec to ramp down to 0 after a prequalification sequence, since the proposal can have major impacts on existing MWs and was not discussed previously with market parties</p> <p>In Annex 6B, Elia added a specific sentence imposing a ramp down to 0 MW in 30 seconds, both after the upward and downward direction sequences of the prequalification test. This creates a structural change compared to the current process which does not have this requirement.</p> <p>Therefore, CBS considers that given the stakes, such a modification would have needed to be clearly spotted and explained to market participants during the design note phase in order for them to assess consequences and anticipate them. Given this was not the case, we consider this change cannot be implemented.</p>	<p>According to article 154(7) of SOGL, the full FCR capacity should be delivered at the latest after 30 seconds. Consequently, the BSP should also be able to de-activate the full FCR capacity within 30 seconds. The upward and downward profile for the prequalification test are not changed, but since Elia will only have the 200MHz symmetric product, it makes sense to carry out the test in the upward and upward directions directly after each other.</p>

Annex 6.C	<p>CBS feedback</p> <p>CBS identified a potential typo in a formula of the Annex 6. CBS believes that in the formula below a value “4” should be added before the “MIN” value. (see feedback Centrica)</p>	<p>Elia response</p> <p>Elia has adapted accordingly.</p>
Annex 6.C	<p>Febeg feedback</p> <p>Prequalification</p> <p>Annex 6.C (p58): a factor “4” is missing in the first term of the following expression:</p> <p><i>MIN Δ FCR Power supplied ≥ 0,9 * min {Max FCR Power supplied Up; Max FCR Power supplied Down}</i></p>	<p>Elia response</p> <p>Elia has adapted accordingly.</p>

4.4. Capacity tender

Art II.7	<p>Next Kraftwerke feedback</p> <p>Product harmonisation</p> <p>We support Elia’s move towards a single FCR product in line with the FCR product tendered in neighbouring countries and the decision to tender it on the common auction platform. We appreciate the transition towards a daily product with 4-hour blocks, making it easier for a wider variety of flexible processes and assets to participate in the FCR auction.</p>	<p>Elia response</p> <p>Elia acknowledges the positive feedback.</p>
Art II.7.7	<p>Febeliec feedback</p> <p>Febeliec supports point II.7.7 in case of observation of a bidding behaviour that might prejudice market rules and/or fair competition.</p>	<p>Elia response</p> <p>Elia acknowledges the positive feedback.</p>
Art II.7	<p>Next Kratwerke feedback.</p> <p>In the slides of the working group balancing of 18/02/2019, we note on slide 75: ‘Indivisible bids of max 25MW will be allowed on the regional platform in addition of divisible bids’. We cannot find any reference to divisibility or indivisibility in</p>	<p>Elia response</p> <p>The rule on indivisible bid is applicable and is described in article 6 of TSOs’ proposal for the establishment of common and harmonized rules</p>

the consulted document, nor in the documentation available on Regelleistung.com.

- We ask Elia to clarify if this rule is (still) in place.
- If so, we urge Elia to consider how it can revoke this rule for Belgian FCR providers. Indivisibility of bids would be very problematic.
- 25 MW equals the size of Belgium's core share, meaning that a single FCR provider with a portfolio of 25 MW or larger could monopolise the Belgian core share in the auction. This would lead to a decoupling from the common auction and maintain high prices in the Belgian FCR auction, at the cost of Elia and the Belgian grid users. The FCR market is non-competitive today due to the current bidding rules which strongly favour large pools. Allowing indivisibility in the new design would hinder introducing the much-needed competition.
- Already today, the FCR core share is mostly provided by battery systems. Their contribution will only increase in the future. There is no technical reason for such assets to have indivisible bids. Either way, Elia aims to introduce technology neutrality with this new design, so divisibility up to at least the bid resolution is quintessential!

and processes for the exchange and the procurement of balancing capacity for FCR⁵. The rule and allowing indivisible bids are commonly set in the FCR Cooperation and takes into account the constraints of all TSOs of the cooperation. Allowing indivisible bid offers the possibility to some assets to bid into the FCR auction and therefore increases competition.

As of the 1st of July 2020, the symmetric FCR 200MHz service will be procured on the regional platform only, which implies that the liquidity is pooled and competition is only at the FCR Cooperation level, and not partially on the Belgian market. The procurement of the FCR service will be performed according to the rules of the regional platform and the local procurement process will not be used anymore.

Therefore, the rules for the capacity tender are no longer described in the T&C BSP FCR.

⁵ https://www.elia.be/-/media/project/elia/elia-site/company/legal-framework/eu_network/20181018_1-fcr-proposal-after-rfa---article-33_1-ebgl---approved-181218.pdf?la=fr

4.5. Activation

Art II.10	Feblic feedback	Response Elia
	<p>On point II.10, Febeliec does not have any direct comments, but wonders how the service requirements are to be defined and fulfilled without knowledge of the elements described in both footnotes, especially as such decisions could come at any future point in time and could thus suddenly modify the requirements of an on-going contract.</p>	<p>The public consultation on the "all CE and Nordic TSOs' results of the cost benefit analysis of the time period required for FCR providing units or groups with limited energy reservoirs to remain available during alert state" is currently ongoing⁶. The consultation will end on the 30th of April and therefore, the outcome of the public consultation is not yet clear. After the public consultation, the TSOs will submit a proposal regarding the time period and an implementation plan to the NRAs. If needed, Elia will adapt the T&C BSP FCR once this result is available in line with the agreed the implementation plan.</p>
Art II.10.6	Febeg feedback	Response Elia
	<p>The BSP has to ensure the recovery of the energy reservoirs as soon as possible, within 2 hours after the end of the alert state". Can Elia clarify if it is needed to wait till the end of the alert state to start the recovery? Will Elia inform the BSPs of the end of the alert state?</p>	<p>Elia confirms that the recovery of the energy reservoirs can only start after the end of the alert state. Article 40(4)a of the Network Code on Emergency and Restoration imposes TSOs to communicate in case of emergency, black-out or restoration state. The article does not impose to communicate the alert state. Consequently, Elia will not inform the BSPs at the end of the alert state. However, the status is always back to the normal state if the frequency is back within 49,95 and 50,05Hz. This can be monitored by the BSP itself.</p>

⁶ https://www.elia.be/en/public-consultation/20200227_public-consultation-all-ce-and-nordic-tso-results-of-the-cost-benefit-analysis

Annex 10.C	<p>Febeg feedback</p> <p>DPFCR</p> <p>This binary value indicating whether a delivery point is participating for the provision of the FCR requested is only required for DPsu. Also in Energy Bids, the FCR Power the DP will provide has to be indicated only for DPsu. For which purpose(s) will these values be used? Only as information for Elia, or also in the activation controls and availability tests?</p>	<p>Response Elia</p> <p>Elia will use the communication of participation of DPsu for information of the dispatching in real-time. As for the FCR Power declared in an Energy bid for a DPsu, this value will be used in the calculation of the free bids for the mFRR-Service.</p> <p>In addition, if a DPsu is included in an energy bid, it will be considered for the activation and availability control, as these controls are monitored at the level of energy bids.</p>
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4.6. Availability test

4.6.1. General

Annex 11.B	<p>Febeg feedback</p> <p>Energy tests should be triggered in the direction opposite to the average frequency over 5 minutes before the test trigger.</p>	<p>Response Elia</p> <p>A BSP should continuously be able to offer FCR Requested in normal state and maintain an energy reservoir that is sufficient to comply with the 25 minutes requirement in case of an Alert State. The purpose of the energy availability tests is to verify the 25 minutes reservoir maintained by the BSP. Therefore Elia will choose the direction of an energy availability independently of the average frequency over the last 5 minutes.</p>
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Annex 11.G	<p>Febeg feedback</p> <p>Elia proposes to send the availability test start signal via electronic messages (XML) instead of via Scada systems as currently implemented. FEBEG requests that the current solution remains possible; the BSP should have the choice between both options.</p>	<p>Response Elia</p> <p>Elia has aligned the communication requirements of availability tests with the requirements for aFRR to avoid unnecessary differences between products. Moreover, an electronic message system offers more flexibility regarding communication possibilities.</p>
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Annex 11	<p>CBS feedback</p> <p>Clarify that communication issues during availability tests should not lead to failed tests</p> <p>CBS asks Elia to clarify that, in case of an issue in Elia’s communication interface leading to the</p>	<p>Response Elia</p> <p>A failure of communication (without fault by Elia) will be considered as a failed availability test as mentioned in article 12.7. In the opposite case, the test results will be ignored in case of a</p>
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availability test trigger signal not being received by the BSP, the test could not be considered as failed and therefore no penalties would be applied. Once the signal is technically received by the BSP, it becomes the responsibility of the BSP to deliver and succeed the test, but prior to that any technical issue that could occur should lead to cancel the test.

communication problem at the side of Elia. To minimize the risk of failure of communication, the BSP may request to perform a communication test on regular basis as mentioned in Art.II.5.5.

Annex 11

Feedback Revolta

ReVolta is developing a new concept of partitioning of batteries capacities. The principle is as follow: Batteries are installed to perform a main task (store energy from PV panels, peak-shaving). The capacity required to perform those tasks is not constant, and depend on the weather and other parameters. The unused capacity of the battery can therefore, during those times, be used to provide FCR services. The capacities partitioned for each task will operate independently from one another. This means that the capacity reserved for FCR will not change, and will not be affected by the other tasks of the battery. However this poses a new challenge, which is not yet solvable with the current terms and condition.

Availability test – compliance criteria

The baseline should include the new value, so that the power used for other tasks are not included in the baseline:

$$baseline = \frac{1}{20} \sum P_{meas} - CH/DCH \text{ Correction} \\ - CH/DCH \text{ non_FCR} \\ + FCR \text{ requested}$$

The power supplied should also include this new value:

$$Power \text{ supplied} = \max[baseline - (P_{meas} - CH/DCH \text{ non_FCR}) ; 0]$$

Response Elia

Elia takes note of the feedback of Revolta and acknowledges that this is an interesting case. However, Elia needs more time and information to investigate such cases. For example, it is not acceptable that the CH/DCH non-FCR parameter is communicated in real-time or ex-post since it would lead to gaming opportunities.

Since form the 1st of July on, volumes will be procured in blocks of 4 hours, this could give BSPs the possibility to a select 4-hour blocks where the battery is only used for participation at the FCR services and consequently, no correction factor is required. This way forward is maybe not ideal, but could give BSPs already some opportunities to participate to the FCR services.

Activation control

Similarly, the new value should be used in the computation of $P_{meas_{before}}$ and $P_{meas_{after}}$

- See consultation feedback of Revolta for full comment.

CBS feedback

Allow BSP to self-test their MWs

Elia performs capacity availability tests on a monthly basis. In the context of a smart testing approach, CBS asks Elia to investigate the possibility for BSPs to perform self-tests without being exposed to undue penalties, in order to further increase the quality of their delivery and monitor continuously the ability of the pools to deliver the required service, even in case of changes of configuration. Such self-testing, while being in the market, could be conditioned to certain limitations and prior notification to Elia.

Response Elia

When a BSP has an FCR obligation for a certain CCTU he is expected to provide the necessary FCR Requested. In case the BSP does not offer the FCR Requested, for example in case of self-testing his FCR-pool, he will be penalized.

As the FCR service is procured in blocks of 4 hours, a BSP may decide to not offer any FCR capacity for a CCTU (or not offer certain delivery points in an energy bids) and perform the self-testing at this time. The revenue loss of not offering for a CCTU remains limited.

4.6.2. Evaluation of an availability test

Annex 11.D	<p>Febeg Feedback</p> <p>In case Elia requests a (partial or full) activation of a FCR Energy Bid for an Availability test, the BSP should be allowed to choose which DPs listed in the concerned energy bid will perform the availability test.</p>	<p>Response Elia</p> <p>The FCR service is a pooled based product. In case Elia request an availability test on an energy bid, Elia will monitor all delivery points in the energy bid.</p>
Annex 11.D	<p>Febeg Feedback</p> <p>Correction of the baseline for the FCRrequested during the 20 seconds preceding the test signal: a tolerance band should be included in this correction as the FCR reaction is not instantaneous (cfr Art. II.10.3 : 50% of the FCR Requested must be reached after 15 seconds and 100% after 30 seconds).</p>	<p>Response Elia</p> <p>Elia acknowledges the feedback of Febeg and points out that the formula is already applied today. The exact calculation of the FCR requested during the last 20 seconds is not straight forward since 50% of the FCR capacity should be reached in 15 seconds and 100% of the FCR capacity should be reached in 30 seconds. Moreover, the BSP is also able to calculate its baseline</p>

itself and has 3 minutes to reach the FCR Capacity Requested, based on the calculated baseline. On top of that, a tolerance is already foreseen during the verification of the availability test for each direction, meaning that the availability test is only failed if 3 values or more of the 10 second average FCR Power supplied for a direction, are inferior to the FCR Capacity Requested (annex 11.D).

Febeg feedback

Can Elia confirm that during an FCR availability test (capacity or energy), the BSP has to stop the delivery of the FCR and aFRR services during the test period and Elia will not charge any penalties related to the normal delivery of FCR and aFRR (i.e. no activation control) during the entire period of the test?

Response Elia

For the delivery points participating to the availability test, the FCR and aFRR delivery can be suspended. However, Elia keeps the right to require an availability test for another balancing product during the FCR availability test.

4.7. Activation control

Annex 12	<p>Feedback Febeg</p> <p>Can Elia clarify in Annex 12 that the activation controls are performed on all energy bids together?</p>	<p>Response Elia</p> <p>Elia has adapted accordingly.</p>
Annex 12.A	<p>Feedback Febeg</p> <p>The Pmeas,after should be computed over a period of 30 seconds as under the current rules, instead of 20 seconds.</p>	<p>Response Elia</p> <p>Elia has adapted accordingly.</p>
	<p>CBS feedback</p> <p>Maintain the rapid change clause for measurement corrections of the current GFA</p> <p>The measurement correction described in the current GFA under article 7.11 has been removed of the proposed T&Cs. CBS asks Elia to maintain this clause, since the baseline remains the same than in the GFA, with the risk of wipe-</p>	<p>Response Elia</p> <p>Elia first want to gain experience with the declarative baseline for aFRR. In a later phase, Elia could analyze whether this approach could also be used for FCR.</p> <p>Elia has reinstated the rapid change clause for activation control purposes.</p>

out still existing in case a DP happens to have a sudden change in its output not linked to FCR provision during the settlement on an activation. The 50MHz frequency bands concept could help to mitigate that risk, but not entirely, especially for DPs that would play a role in all frequency bands and could cause this risk.

In that context CBS, renews its ask to implement for FCR the same baseline forecast concept that is being implemented in aFRR, which remains the optimal approach to handle such outliers and the wipe-out risk, and also conveniently will allow a smooth settlement of joint FCR/aFRR activations thanks to the use of an identical baseline for both services.

4.8. Penalties

4.8.1. General

Annex 13	Feedback Febeliec	Response Elia
	<p>On annex 13 and the penalty regime, Febeliec appreciates that the proposed approach by Elia applies a penalty factor which increasingly penalizes but thus avoids that the proposed penalty is too penalizing and would create a barrier for entry for new entrants. Febeliec nevertheless urges Elia and CREG to follow whether the proposed penalty scheme maintains the right balance and does not lead to unwanted perverse effects that could drive up the cost for consumers.</p>	<p>Elia takes note of the feedback of Febeliec. Elia will monitor the application of the penalty system.</p>
Annex 13	Feedback Next Kraftwerke	Response Elia
	<p>As Next Kraftwerke has brought up several times in workshops organised by the FCR Regional Cooperation at ENTSO-E, we believe it is problematic to have a common auction, without a common prequalification and a common penalty</p>	<p>Although the capacity tender is already organized at regional level, there is on this moment not (yet) common rules in the FCR Cooperation regarding the monitoring and penalty schemes. The added value of such a harmonization is recognized by Elia, but the currently the TSOs are</p>

scheme. This creates an asymmetry in the market, where assets outside of Belgium can compete with Belgian assets to provide FCR to Elia, while being evaluated and penalised based on its local rules. We appreciate that Elia wants to work with a similar penalty system for its FCR, aFRR, and mFRR products, but they need to be reflective of the system requirements and circumstances such as cross-border competition.

still discussing the harmonization and there is not yet a commitment for an implementation date.

4.8.2. Penalty FCR made available

Annex 13.A

Febeg Feedback

Penalties for FCR Made Available

The severability of a non-compliance with the FCR Made Available 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 incidents (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 and no availability test).

Response Elia

Elia applies the aggravating factor (creating the non-linearity in the penalty) allowing to penalize BSP’s with frequent problems to make the capacity available in line with their FCR obligations more heavily than BSP’s dealing with a sudden non-reoccurring issue. This design was proposed (for aFRR and for mFRR) based on the feedback received from the stakeholders during a workshop organized in September 2019. The factor serves to be able to distinct structural problems (independently of the size of the missing volume) for a BSP to respect FCR Obligations from one-time non-compliances. The number of CCTU with non-compliance of FCR Made Available must be rather high to achieve a penalty of the same order of magnitude as the penalty for a failed availability capacity test, meaning that the BSP must frequently violate its contractual obligations when making the trade-off between both penalties.

Annex 13.A

Next Kraftwerke feedback

As we have indicated in the discussion on the mFRR penalty scheme introduced in February, and more recently the proposed aFRR penalty scheme, we believe the penalties for denominating power to be suboptimal. Situations that are equally problematic for the grid are penalised in different ways, depending on their distribution over time.

The main problem is the factor “#CCTU” in the formula which leads to a quadratic increase of

For portfolio bids the risks of having a delivery point unavailable is part of the BSP’s management of the portfolio and would not automatically lead to a penalty for MW not made available either.

the penalty with every additional denomination in a new CCTU- no matter how large the denominated volume. This leads to the following three problems:

- After a few denominations, the penalty becomes so high that the BSP will refrain from any additional denomination and rather opt for the risk of a test activation. This leaves Elia blind concerning the actual available power which might lead to serious problems in case of critical system situations.
- This #CCTU factor favours bulk losses, meaning short unavailabilities of large volumes. In comparison to these an unavailability of the same volume that is spread across various CCTUs is fined with a dramatically higher penalty. This cannot be in the interest of Elia, and it favours large assets over pools of aggregators.
- The non-linear increase of penalties makes it complex for aggregators to allocate penalties to pool participants if necessary. It makes it more difficult for aggregators to be transparent about penalties incurred.

We are aware that Elia expects parties to only bid power they will have available with great certainty. Nonetheless, things can happen from time to time that hinder the BSP to meet its obligations after GCT. With daily bids, it is difficult in practice to find last minute secondary market deals to resolve such issues. We believe it remains in Elia's interest to have knowledge about the unavailability.

For these reasons we think that this penalty should be reworked. We propose a simpler approach. The total penalty per CCTU should not depend on the number of CCTU's with denominations in the 29-days before. Instead, Elia could

make the penalty per CCTU with denomination much higher by introducing a (large) scaling factor. We leave it to Elia’s judgement what an appropriate level for this factor could be. It would however need to be set sensibly in comparison with the penalties related to failed Availability tests.

4.8.3. FCR missing MW

Annex 13.B	<p>Next Kraftwerke feedback</p> <p>Penalties for Capacity Availability tests (Missing MW)</p> <p>We think this penalty formula is fair and proportional. Nonetheless the scaling factor alpha might need to be revisited in the light of changes made to the penalty for Power Unavailable. It is important that penalties reflect the impact on grid security: it would be logical that actual failure to deliver is penalised higher than warning Elia, through a denomination, that an obligation to deliver in the future could potentially not be met.</p>	<p>Response Elia</p> <p>When defining the penalties for FCR made available and FCR missing MW, it was our intention to ensure that a BSP that occasionally cannot offer (some) MWs correctly would not be incentivized to hide this information from Elia as a result of high penalties.</p> <p>In the extreme case that the BSPs has a significant amount of CCTU with MW not made available and the penalty for FCR not made available would be close to the monthly remuneration, it is indeed valid that for the first failure of the availability test, the penalty would only be 75% of the monthly remuneration. For the second failed availability test, the penalty would already be 1.5 of the monthly remuneration. However, it should be emphasized that in this situation the BSP is facing large penalties for both FCR missing MW and FCR made available.</p> <p>Since the penalty scheme for the FCR product (as for aFRR and mFRR products) are new, Elia will monitor the application of this penalty closely.</p>
Annex 13	<p>Feedback Next Kraftwerke</p> <p>We want to make clear we are not against (high) penalties. We believe reserve power should be delivered with high quality and reliability, and failure to do so should be penalized proportionally! Our main concern is that some of the penalty formulas do not always seem to reflect the impact of the failure on grid security. Logically, failures with equal impact should be punished equally. That is not always the case.</p>	

4.8.4. FCR missing time

Annex 13.c	Feedback Next Kraftwerke	Response Elia
	<p>We think the penalty formula is fair and proportional in itself, but we do not agree with the way the parameter Failed Obligation is calculated. We are aware the same methodology for calculating this parameter is in place today, but it is suboptimal in our opinion. We believe Elia should take the current contract revision as an opportunity to adapt this.</p> <p>There are two main problems with the calculation of the 'FCR Missing Time' parameter:</p> <ul style="list-style-type: none"> • It only looks at the time for which the delivered power is not meeting the requested FCR power, not by how much. • The penalty calculates the missing time from the first time a 10 second period drops below the requested FCR power until the end of the test, no matter the performance after that 10 second period. That does not make sense. <p>Therefore, this penalty calculation punishes, just like the penalty for Power Unavailable, pools of aggregators compared to large assets, favours bulk losses over smaller but more frequent losses, and favours a loss at the end of the test compared to a loss at the beginning of the test.</p> <p>We propose to calculate the Failed Obligation simply as the ratio between the delivered energy (in MWh) during the 25 minutes of the test, and the requested energy (in MWh).</p> <p>➔ See consultation feedback of Next Kraftwerke for full comment.</p>	<p>Elia has integrated the concept of FCR Missing Energy in the energy availability test of the T&C. Elia calculates the under delivery of the FCR Power over the duration of the test.</p> <p>Elia has kept the focus of the penalty on the FCR Missing Time but has adjusted the scaling factor α, so that it takes into account the FCR Missing Energy.</p> <p>This new formula will keep penalizing an early under delivery harder than a late under delivery, since it is important in an alert state that the required energy is delivered immediately to minimize the duration of the alert state and return to a normal state as soon as possible. The formula takes now also the severity of under-delivery into account by adapting the alpha factor in function of the FCR missing energy.</p>

Annex 13.C	<p>Feedback Flexcity</p> <p>Definition of FCR Missing Time</p> <p>For Flexcity the definition of FCR Missing Time does not seem to reflect the quality of the delivered service. If the first 10 second interval in which the average FCR Power supplied is inferior to the FCR Capacity Requested is more at the start of the 25min period or more at the end should not necessarily the penalty will be different while not reflecting the qualitative difference between both. It would seem more logical to take, as definition of FCR Missing Time the total time in which the the FCR power supplied was inferior to the FCR capacity Requested.</p>
Annex 13.C	<p>CBS feedback</p> <p>Review the penalty formula for missed energy tests so it takes into account amount of MWs with missing time</p> <p>CBS has noticed that the current formula for settlement of missed energy tests only looks at missing time and does not consider how missing MWs have failed to deliver the required energy. This creates a risk to see an energy test considered as 100% failed even in the case where only 1 MW out of the total pool activated was unable to provide the required energy, and even though the rest of the pool provided the requested energy during the entire duration of the energy test. CBS believes that the penalty should also consider the amount of MWs that have failed, and therefore proposed an amended formula.</p> <p style="padding-left: 40px;">➔ See consultation feedback of CBS for full comment.</p>

5. Other

5.1. Duration of the Contract

Art II.18	Febeliec feedback	Response Elia
	<p>On point II.18, Febeliec takes note that this BSP contract will terminate on 31/12/2021 and wonders why this fixed deadline is introduced and which contract will be applicable after this period.</p>	<p>The procurement of the FCR service by Elia is subject to public procurement law. In that context, an unlimited duration is therefore not advisable. The duration of the contract is therefore linked to the duration indicated in the contract notice (see ref. 2018/S 222-509193) ending on 31 December 2021. After that, a new contract (subject to a new qualification procedure) will have to be signed.</p>
