

**CONSULTATION REPORT** 

# Report on the public consultation regarding the Terms and conditions for balance responsible parties (T&C BRP)

17 December 2020

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#### Contents

1.	Introduction	3
2.	Feedback received	3
3.	Instructions for reading this document	3
4.	Comments received during the public consultation	5
4.1	General comments	5
4.2	Specific comments related to Transfer of Energy	9
4.3	Specific comments not related to Transfer of Energy 1	1
5.	Next steps1	4
6.	Attachments 1	4

# **1.Introduction**

Elia organized a public consultation from 22 October 2020 to 22 November 2020 regarding the proposal of amendment of the terms and conditions for balance responsible parties (hereafter referred to as the T&C BRP) in the context of the implementation of Transfer of energy (ToE) for the day-ahead and intraday markets and the requests formulated by the CREG and the VREG in earlier decisions.

The purpose of this report is to consolidate the feedback received from the public consultation, while at the same time reflecting Elia's position on these reactions.

# 2. Feedback received

In response to the public consultation, Elia received the following non-confidential replies from the following parties:

- FEBEG
- Febeliec
- Fluvius

All responses received haven been appended to this report. These reactions, together with this consultation report, are available on Elia's website.

## 3. Instructions for reading this document

This consultation report is structured as follows:

- Section 1 contains the introductory context,
- Section 2 gives a brief overview of the responses received,
- Section 3 contains instructions for reading this document,
- Section 4 discusses the various comments received during the public consultation and Elia's position on them,
- Section 5 discusses the next steps,
- Section 6 contains the annexes of the consultation report.

This consultation report is not a 'stand-alone' document, but should be read together with the proposal submitted for consultation, the reactions received from the market participants (annexed to this document) and the final proposal.

Section 4 of the document is structured as follows with additional information on the content per column below.

Subject/Article/Title	Stakeholder	Comment	Justification
А	В	C	D

- A. Subject matter covered by the various responses received.
- B. Stakeholder providing the comment.
- C. Description of the comment received.
- D. Elia's arguments as to why a comment was or was not included in the final proposal.

## 4. Comments received during the public consultation

#### 4.1 General comments

This section provides an overview of the general reactions and concerns of market players that Elia received to the documents submitted for consultation.

SUBJECT	STAKEHOLDER	FEEDBACK RECEIVED	ELIA'S VIEW
Consultation Pro- cess	FEBEG	FEBEG regrets the whole debate around ToE DA-ID is imposed in a way that Elia & CREG disregard nearly all of the comments shared in the past. As mentioned at many previous accounts, FEBEG considers that the way the ToE issue has been handled/discussed/consulted in the (recent) past is problematic and is hoping that the all the stake-holders will, in the steps still to be taken, duly consider the problems and issues raised by other stakeholders and market parties.	Elia takes note of and regrets that FEBEG is not satis- fied with the process. However, Elia is of the opinion that it has taken suffi- cient actions to consult the different market parties in- cluding FEBEG, and has provided explanations and justifications for its decisions. Specifically for ToE for DA/ID, 3 public consultations were held (study in 2019, consolidated design note during the summer of 2020 and the current public consultation of the ToE Rules and the T&C BRP) and several workshops were orga- nized. Elia emphasizes that all comments were taken into consideration and that a reaction to all comments provided by market parties has been provided.
Transfer of En- ergy for DA and ID markets	FEBEG	Most of the comments on Transfer of Energy DA-ID have already been shared in previous position papers2. FEBEG considers this market design is biased, not technology-neutral, ideological, discriminatory and imposed top-down.	Elia reminds that it duly justified (see study of 2019) the reasons to implement ToE for DA/ID with a cost- benefit analysis, concluding with the recommendation

		FEBEG already expressed its concerns regarding the biased regulated price imposed	to implement ToE in DA/ID but to postpone the deci-
		by CREG which undoubtedly favor the BSP's. This is further exacerbated as BRP's are	sion to implement some features that were considered
		imposed a volume/ deviation risk resulting of the baseline method, something that is	as less efficient.
		only applicable to DPpg to our knowledge. FEBEG is also disappointed that the technol-	
		ogy-neutrality principle is not applied consistently throughout all market designs.	A detailed response to each of the elements listed by
		FEBEG regrets the absence of a decent cost benefits analysis which should be a sound	FEBEG is presented in Section 4.3.
		prerequisite to any project. Comparable market design such as the mFRR non-reserved	
		bids for DPpg did not deliver (yet) any value to the market. Consequently, FEBEG be-	
		lieves that market designs should be the result of rational decisions (CBA) and not ideo-	
		logical ones. Balancing projects recently implemented indicate that market parties are	
		limited in resources. FEBEG believes that Elia should target projects with high added-	
		value and deprioritize those with limited benefits, especially if the required workload for	
		market parties is very high or sometime even impossible to deliver in the required/sug-	
		gested timeframe.	
		Even more worrying, FEBEG members fear to be discriminated because of the lack of	
		level-playing field between technologies and the costs imposed to them. The members	
		will bear costs as a result of the volume risks involved by the baseline method and the	
		biased regulated price formula. They will bear costs resulting in the potential implemen-	
		tation of this project as well. Pushing a market design with very limited value is one	
		thing, imposing costs to BRPs is another thing. Consequently, FEBEG urges Elia to do	
		its best efforts to foresee (if deemed useful for the market) an implementation where no	
		costs are imposed to BRPs.	
Transfer of En-	Febeliec	Febeliec would to thank Elia for this consultation on the proposal of amendment of the	Elia thanks Febeliec for its appreciation and takes note
ergy for DA and		T&C BRP following the introduction of Transfer of Energy for the DA and ID markets	of the position of Febeliec regarding the importance of
ID markets		and following requests of the CREG and the VREG.	ToE in DA/ID markets and the valuation of the success
			of ToE.
		Febeliec would like to stress that it considers the roles of the BRP as quintessential to	
		the functioning of the electricity market and to ensure that the residual imbalance to be	

		covered by the TSO is as small as possible, which also has an impact on the overall	
		cost for consumers through the tariffs of the TSO. As such, Febeliec welcomes the work	
		done on the T&C BRP to align them with all the evolutions in the market, in particular	
		also now the opening up of ToE for the day ahead and intraday market timeframes.	
		Febeliec in this framework would also like to refer to its answers to the Elia consultation	
		on the rules for the organization of ToE, which closed a few days before this consulta-	
		tion, in which Febeliec pointed out that ToE in DA/ID is important to ensure that all mar-	
		ket parties, in particular consumers, are able to capture as much value from market par-	
		ticipation as possible ,which according to Febeliec implies that the success of ToE in	
		DA/ID does not necessarily lie in the market volume that is applying this ToE solution,	
		but rather in the better bargaining position that it gives consumers in order to be able to	
		valorise their flexibility.	
Combo and Multi-	Febeliec	Febeliec also pointed out that it strongly regrets that Elia will not implement the activa-	Elia takes note of the comments made by Febeliec re-
ple FSP function-		tion combo which would allow for a delivery point to provide two services within the	garding the Combo and the Multiple FSP functionality.
ality for DP <sub>PG</sub>		same quarter hour, as by this omission, Elia forces market players with demand side re-	As this is out of the scope of the consultation on the
		sponse to chose between markets, whereas such limitation does not exist for genera-	T&C BRP, it is not discussed here. However, a detailed
		tion facilities. As a result, Febeliec indicated that it cannot accept this discrimination and	response to the comments provided by Febeliec is pre-
		market barrier and thus ask explicitly to remove it by allowing an activation combo.	sented in the report on the public consultation regard-
		Febeliec also provided a similar reasoning in that consultation on the omission of a mul-	ing the Rules organizing the Transfer of energy and the
		tiple FSP functionality on a single delivery point, which also forces market players with	FSP Contract DA/ID. <sup>1</sup>
		demand side response to select only one FSP in the only market (see above) they are	
		allowed to valorise their flexibility, even more limiting their ability to valorise their flexibil-	
		ity as this does not allow them to select for every product that FSP that would give them	
		the best value, but rather would have to select one single FSP for all products which	
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<sup>1</sup> The report on the public consultation regarding the Rules organizing the transfer of energy and the FSP Contract DA/ID can be consulted on the following link: https://www.elia.be/en/public-consultation/20201019 public consultation on-the rules on the organization of the transfer of energy.

died and adapted in these T&C BRP.	
strongly jeopardize market participation of delivery points, and as such should be reme-	
not exist for other sources of flexibility. For Febeliec, this is not acceptable as this could	
on a unilateral decision by Elia to not develop a combo activation capability and does	
12 months of the first occurrence) seems extremely punitive for Febeliec as it is based	
month from the DA/ID flexibility service or even 3 months if another occurrence within	
adapted to this effect. Febeliec reiterates that the proposed penalty (exclusion for one	
not exist for other flexibility (see above) and urges that these T&C BRP are duly	
sation of flexibility and according to Febeliec is even an undue market barrier that does	
taneous participation to balancing and DA/ID markets, as this severely limits the valori-	
Febeliec furthermore opposes the proposed exclusion for a given quarter hour of simul-	
formation is done on those markets), also in these T&C BRP.	
clude delivery points completely from the market, which would be an aberration as price	
SDR (and even more strange not to a combination of DA/ID and SDR, which would ex-	
delivery points could participate to DA/ID and balancing, but not to any combination with	
Febeliec also most strongly continues to urge Elia and CREG to remove the exclusion of simultaneous participation to SDR and balancing services, as it would be strange that	
Fabelias also most strangly continues to urga Flip and CDFC to remove the aveluaion	
remove these market barriers and duly adapt the T&C BRP to this effect.	
tion, Febeliec most strongly urges Elia but also CREG to reconsider these positions and	
to the detriment of their revenue but also to market functioning. In light of this consulta-	
would not necessarily allow them to optimize and maximize their flexibility valorisation,	

#### 4.2 Specific comments related to Transfer of Energy

SUBJECT	STAKEHOLDER	FEEDBACK RECEIVED	ELIA'S VIEW
Counterbalancing	FEBEG	Individual Balance Responsibility BRPs have an obligation of means	Elia first of all emphasizes that providing aggregated information is re-
and notifications to		to be balanced in real-time. This market design will hence decrease	quired to respect confidentiality in line the principles outlined in Art.
the BRP		the means of the BRPs as they will loose control of the volumes con-	19ter of the Electricity law. In addition, Elia stresses that the current pro-
		cretely activated within their portfolio. Indeed, the confidentiality of the	posal of the ToE Rules does not contain a change to these principles.
		DPpg performing the activations will decrease the visibility of the	
		BRP's RT deviations. BRPs have no way to take or not take corrective	Elia furthermore reminds that it is the responsibility of the BRP to man-
		measures such as counter-balancing. Do BRPs need to understand	age his balance responsibility and to perform the necessary actions to
		that this obligation of means will be less important in the future?	do so. These actions include taking the measures required to get a
			clear view on the RT position of its balancing perimeter. In this regard,
		FEBEG has expressed many times that aggregating the activations	Elia has recently also did significant efforts to facilitate BRPs to get a
		per BRP source will prevent him from taking corrective measures	better view on the DSO allocations by publishing the last infeed meas-
		such as avoiding counter-balancing. BRP source do need a break-	urements to the Belgian DSOs and by providing quasi real-time estima-
		down per DPpg on top of this aggregated volumes activated. FEBEG	tions of DSO allocations. Elia thus considers that the planned notifica-
		regrets that Elia justifies this for the sake of "a more user-friendly and	tions, containing information regarding the total (i.e., aggregated) im-
		clear overview of the total impact" As such, this sentence disre-	pact of activations of $DP_{PG}$ in the perimeter of the BRP, are sufficient to
		gards previous comments shared by FEBEG and also disregards the	enable the BRP to meet its balancing responsibility.
		importance of BRPs taking the correct measures for the grid.	
			Finally, Elia also reminds that, in line with Art. 16.2 of the BRP Contract,
			BRPs have the right -under certain conditions- to deviate from a bal-
			anced position to support balancing the zone. As such, Elia observes
			that the global position of the zone and the imbalance tariff provide im-
			portant incentives for the real-time actions taken by BRPs. These incen-
			tives are independent of the position of the perimeter of each BRP.

Removal asym-	FEBEG	Art 20.8.2 Balancing perimeter corrected on volumes delivered and	First, Elia reminds that the removal of asymmetric imbalance adjust-
metric imbalance		not requested.	ment (AIA), for DA/ID markets was proposed by BRPs during the work-
adjustment		The removal of the cap raises some questions to FEBEG. Is the notifi-	shops in 2019 to avoid that over delivery can have a negative impact on
		cation process still consistent and useful for BRPs if BSPs may devi-	the BRP-Supplier in case of a DA/ID activation (this would be the case if
		ate from the volumes they initially intended to activate? How can	the direction of the activation is not helping to restore the balance in the
		BRPs (not) take measures if the volumes provided within the notifica-	zone). The removal of AIA is thus needed to fully neutralize the impact
		tion messages are not accurate? Why does Elia allow a deviation be-	of the activation on the BRP-Supplier. In addition, the removal of AIA is
		tween requested and delivered volume while Elia introduced the pos-	needed to ensure an identical treatment of an over delivery for $DP_{SU}$
		sibility to exclude BSPs that are not performing correctly? How will the	and DP <sub>PG.</sub>
		difference between requested and delivered volumes managed at Elia	
		side as multiple parties will bear this risk?	Second, Elia reminds that even with asymmetric imbalance adjustment
			(i.e., the removal of the cap, corresponding to the requested volume of
		The data exchange needs to be further elaborated if the market de-	flexibility, in the calculation of the delivered volume of flexibility), there
		sign foresees that the delivered volumes are not capped by the re-	can be a difference between the requested and the delivered volume,
		quested volumes. BRPs are likely to fear that the volumes communi-	for instance in case of under delivery. Furthermore, the removal of
		cated through the data exchange are misestimated with all the neg-	asymmetric imbalance adjustment does not relax the FSP's responsibil-
		ative consequences already mentioned.	ity for providing the notifications and should thus not impact the notifica-
			tion accuracy.
			Finally, Elia reminds that the delivered volume of each delivery point is
			still capped by its $DP_{max,up/down},$ and that based on this, BRPs will still re-
			ceive information regarding the maximally activated flexibility volume
			(aside from the information regarding the estimated activated volume).
Definition delivery	Febeliec	For the definition of delivery point, Elia refers to a point offering bal-	First, Elia notices that the term "Delivery point" is not used in the T&C
point		ancing services, strategic reservice services or ToE DA/ID, yet Febe-	VSP and the contract for black-start services.
		liec wonders whether this should not include all ancillary services, in-	
		cluding a.o. blackstart services and reactive power services.	In addition, the term "Delivery point" is used in the BRP Contract only in
			the context of the perimeter corrections, which is not applicable for volt-
			age services and restoration services.

Given the above, Elia believes that extending the definition of Delivery
point in the BRP contract to include voltage and/or restoration services
would mainly result in the need to make more exceptions in the article
related to the perimeter corrections, and therefore negatively impact the
readability of the contract.

#### 4.3 Specific comments not related to Transfer of Energy

SUBJECT	STAKEHOLDER	FEEDBACK RECEIVED	ELIA'S VIEW
Invoice objection	FEBEG	Art 5.3 the amendment to this clause considers that both parties	Elia first of all would like to clarify that Art. 5.3 relates to an objection of
		would have the same interest. However, as already voiced to CREG	the BRP to an invoice for the imbalances received by Elia. Hence, the
		and Elia, FEBEG considers that the price formula for ToE compensa-	terms "both parties" refer to Elia and the BRP. Although the comment
		tion is unilaterally in the advantage of the BSP. Also, it breaches some	makes a link to the Transfer of Energy framework, Elia would like to
		principles such as uncertainty at the moment of the activation, price	stress that this article has a significance regardless of whether a market
		formula should be in the disadvantage of all parties, etc. FEBEG ex-	situation with Transfer of Energy applies. In addition, Elia does not re-
		pects that BSPs participating to ToE DA-ID (if any) will very likely not	spond to the part of the comment related to the price formula as the de-
		want to land on a negotiated price formula. As a result of that, the	termination of the default transfer price is a competence of the CREG.
		sentence added in Art 5.3 imposing that a mistake needs to be	
		acknowledged by both parties at the same time does not make sense.	Elia believes to understand from this comment that FEBEG has a general
			concern regarding the fact that, due to confidentiality reasons, BRPs can-
			not verify (and hence object) the perimeter corrections performed in the
			context of the activation of $DP_{PG}$ for which a market situation with Trans-
			fer of Energy applies. However, Elia reminds that respecting confidenti-

			ality is one of the fundamental principles of the Transfer of Energy frame-
			work, and that the calculation of the delivered volume of flexibility is
			based on a transparent and objective methodology as presented in the
			Rules for the Organization of the Transfer of Energy.
Force majeure	FEBEG	The following paragraph, referring to a reason for "overmacht" seems	Elia clarifies that the term "Force majeure" and the conditions for a situa-
r oree majoure		rather "light" compared to the other examples listed (which refer to	tion to qualify as a Force majeure are presented in Art. 7.3 §2. Specifi-
		war, computer virus, or other extreme and rare events). The event	cally, it concerns an <u>unforeseeable or unusual</u> event, or an event over
		mentioned here seems not very extreme, and too vague to effectively	which the Party has reasonably no control and that is not caused by a
		evaluate. Maybe Elia could be more precise or add some elements to	<u>fault</u> of the Party, that with reasonable foresight and precaution <u>could not</u>
		specify the "extremeness" of an event that would be sufficiently dra-	have been prevented and that could not be resolved by measures of the
		matic to be valid as "overmacht".	Party that can be considered reasonable from a technical, financial or
		"de tijdelijke of voortdurende technische onmogelijkheid voor het net	economic point of view, and that has actually taken place and is objec-
		om elektriciteit uit te wisselen vanwege storingen binnen de regelzone	tively verifiable and resulting in the Party being temporarily or perma-
		veroorzaakt door elektriciteitsstromen die het resultaat zijn van ener-	nently not capable to meet his obligations resulting from the BRP Con-
		gie-uitwisselingen binnen een andere regelzone of tussen twee of	tract.
		meerdere andere regelzones en waarvan de identiteit van de markt-	
		deelnemers betrokken bij deze energie-uitwisselingen niet gekend is	In this regard, the (non-exhaustive) list of situations presented in Art. 7.3
		door Elia en redelijkerwijs niet gekend kan zijn door Elia"	§4 aims to provide certain examples that could qualify as a force majeure,
			but only if the conditions for a situation to be qualified as a force majeure
			as outlined in Art. 7.3 §2 apply. The occurrence of a situation correspond-
			ing to one of the situations listed in Art. 7.3 §4 thus does not necessarily
			qualify as a Force majeure. Indeed, the situations listed in Art. 7.3 §4 are
			to be interpreted in combination with the conditions listed in 7.3 §2, as
			explicitly stated in the BRP Contract.
			Elia acknowledges that the loop flows observed on a day-to-day basis do
			not meet the requirements outlined in Art. 7.3 §2 and hence would not
			not meet the requirements outlined in Art. 7.3 §2 and hence would hot

			qualify as a Force majeure. However, it is not excluded that an extreme situation might occur for which the conditions outlined in Art. 7.3 §2 would be met.
Suspension	Fluvius	<ul> <li>De bepalingen met betrekking tot schorsing beïnvloeden ook de distributienetbeheerder in zijn rol als noodleverancier. Immers zal schorsing van de BRP niet langer voldaan zijn aan alle voorwaarden voor toegang van de betrokken toegangshouder. Daarom vraagt Fluvius volgende bijsturingen: <ul> <li>Melding in een vroegere fase: nu is voorzien dat Fluvius geïnformeerd wordt bij de beslissing tot schorsing, vraag zou zijn om dit al bij de start van de schorsingsprocedure te doen</li> <li>Termijn van de schorsingperiode (10 à 35 dagen): vraag om deze af te stemmen op de periode die nodig is om een mass BRP switch uit te voeren (20 kalenderdagen)</li> </ul> </li> </ul>	<ul> <li>The general suspension procedure consists of 2 subsequent periods: <ol> <li>A first period in which the BRP is given the opportunity to resolve the issue that led to the start of the suspension procedure.</li> <li>A second period until the start of the actual suspension (if applicable)</li> </ol> </li> <li>The first period aims to provide the BRP the opportunity to resolve the issues without being exposed to naming-and-shaming. As such, in this period only the relevant regulators will be informed.</li> <li>To consider the impact of a suspension of a BRP on the DSOs, the second period was extended in the consulted version of the T&amp;C BRP (from 5-10 days up to 10-35 days). As such, the possible duration of this period can consider constraints faced by DSOs, for instance to perform a mass BRP switch.</li> </ul>
Missing references	Febeliec	Throughout the documents, some of the references are missing (reference source not found or referring to "0").	An additional check has been performed and all reference issues have now been resolved.
Key Account Man- ager	Febeliec	The contract still refers to David Zenner as Key Account Manager. Febeliec does not know if this is still correct and wonders in general whether this regulated contract should refer to a specific person at Elia or rather a specific function.	Elia has adapted the contract so that it only refers to a specific function. The responsible person(s) will be added to the contract at the moment of signature.

## **5.Next steps**

On the basis of the reactions received from market players, as set out in this consultation report, Elia will finalize its proposal of amendment of the T&C BRP. The finalized documents are submitted to the relevant regulators on December 17<sup>th</sup> 2020. A non-confidential version of the consultation report will be published on Elia's website after the submission to the CREG.

After approval by the CREG, market parties will be informed regarding the final documents and the planned go-live.

### 6.Attachments



Contact

Elia Consultations Consultations@elia.be

Elia System Operator SA/NV Boulevard de l'Empereur 20 | Keizerslaan 20 | 1000 Brussels | Belgium



POSITION

Subject:	FEBEG's comments on ELIA's public consultation on the rules on the organization of the Tran of Energy and the FSP Contract DA/ID	sfer
Date:	23 November 2020	
Contact:	Jean-François Waignier	
Phone:	+32 485 779 202	
Mail:	Jean-francois.waignier@febeg.be	

FEBEG thanks ELIA for having the opportunity to answer ELIA's Public consultation on the proposal of amendment of the T&C BRP<sup>1</sup>.

The comments and suggestions of FEBEG are not confidential.

#### General comments

Most of the comments on Transfer of Energy DA-ID have already been shared in previous position papers<sup>2</sup>. **FEBEG considers this market design is biased, not technology-neutral, ideological, discriminatory and imposed top-down.** 

FEBEG already expressed its concerns regarding the **biased** regulated price imposed by CREG which undoubtedly favor the BSP's. This is further exacerbated as BRP's are imposed a volume/ deviation risk resulting of the baseline method, something that is only applicable to DPpg to our knowledge. FEBEG is also disappointed that the **technology-neutrality** principle is not applied consistently throughout all market designs.

FEBEG regrets the absence of a decent cost benefits analysis which should be a sound prerequisite to any project. Comparable market design such as the mFRR non-reserved bids for DPpg did not deliver (yet) any value to the market. Consequently, FEBEG believes that market designs should be the result of rational decisions (CBA) and not ideological ones. Balancing projects recently implemented indicate that market parties are limited in resources. FEBEG believes that Elia should target projects with high added-value and deprioritize those with limited benefits, especially if the required workload for market parties is very high or sometime even impossible to deliver in the required/suggested timeframe.

Even more worrying, FEBEG members fear to be **discriminated** because of the lack of level-playing field between technologies and the costs imposed to them. The members will bear costs as a result of the volume risks involved by the baseline method and the biased regulated price formula. They will bear costs resulting in the potential implementation of this project as well. Pushing a market design with very limited value is one thing, imposing costs to BRPs is another thing. Consequently, FEBEG urges Elia to do its best efforts to foresee (if deemed useful for the market) an implementation where no costs are imposed to BRPs.

 $<sup>^{1}\</sup> https://www.elia.be/en/public-consultation/20201021\_public-consultation-on-the-proposal-of-amendment-of-the-tc-brp$ 

<sup>&</sup>lt;sup>2</sup> 2020-11-19 FEBEG comments on the Rules of Transfer of energy and the FSP Contract DA-ID (final)



Finally, FEBEG regrets the whole debate around ToE DA-ID is imposed in a way that Elia & CREG disregard nearly all of the comments shared in the past. As mentioned at many previous accounts, FEBEG considers that the way the ToE issue has been handled/discussed/consulted in the (recent) past is problematic and is hoping that the all the stakeholders will, in the steps still to be taken, duly consider the problems and issues raised by other stakeholders and market parties.

#### The specific comments on the amendments of the BRP.

<u>Art 20.8.2</u> Balancing perimeter corrected on volumes delivered and not requested.

The removal of the cap raises some questions to FEBEG. Is the notification process still consistent and useful for BRPs if BSPs may deviate from the volumes they initially intended to activate? How can BRPs (not) take measures if the volumes provided within the notification messages are not accurate? Why does Elia allow a deviation between requested and delivered volume while Elia introduced the possibility to exclude BSPs that are not performing correctly? How will the difference between requested and delivered volumes managed at Elia side as multiple parties will bear this risk?

<u>Individual Balance Responsibility</u> BRPs have an obligation of means to be balanced in real-time. This market design will hence decrease the means of the BRPs as they will loose control of the volumes concretely activated within their portfolio. Indeed, the confidentiality of the DPpg performing the activations will decrease the visibility of the BRP's RT deviations. BRPs have no way to take or not take corrective measures such as counter-balancing. Do BRPs need to understand that this obligation of means will be less important in the future?

<u>Data Exchange</u> This data exchange needs to be further elaborated if the market design foresees that the delivered volumes are not capped by the requested volumes. BRPs are likely to fear that the volumes communicated through the data exchange are misestimated... with all the negative consequences already mentioned.

<u>Data exchange aggregated information</u> FEBEG has expressed many times that aggregating the activations per BRP source will prevent him from taking corrective measures such as avoiding counter-balancing. BRP source do need a break-down per DPpg on top of this aggregated volumes activated. FEBEG regrets that Elia justifies this for the sake of "a more user-friendly and clear overview of the total impact..." As such, this sentence disregards previous comments shared by FEBEG and also disregards the importance of BRPs taking the correct measures <u>for the grid</u>.

<u>Art 5.3</u> the amendment to this clause considers that both parties would have the same interest. However, as already voiced to CREG and Elia, FEBEG considers that the price formula for ToE compensation is unilaterally in the advantage of the BSP. Also, it breaches some principles such as uncertainty at the moment of the activation, price formula should be in the disadvantage of all parties, etc. FEBEG expects that BSPs participating to ToE DA-ID (if any) will very likely *not* want to land on a negotiated price formula. As a result of that, the sentence added in Art 5.3 imposing that a mistake needs to be acknowledged by both parties at the same time does not make sense.



#### <u>Art 7.3.</u>

The following paragraph, referring to a reason for "overmacht" seems rather "light" compared to the other examples listed (which refer to war, computer virus, or other extreme and rare events). The event mentioned here seems not very extreme, and too vague to effectively evaluate. Maybe Elia could be more precise or add some elements to specify the "extremeness" of an event that would be sufficiently dramatic to be valid as "overmacht".

"de tijdelijke of voortdurende technische onmogelijkheid voor het net om elektriciteit uit te wisselen vanwege storingen binnen de regelzone veroorzaakt door elektriciteitsstromen die het resultaat zijn van energie-uitwisselingen binnen een andere regelzone of tussen twee of meerdere andere regelzones en waarvan de identiteit van de marktdeelnemers betrokken bij deze energieuitwisselingen niet gekend is door Elia en redelijkerwijs niet gekend kan zijn door Elia"



# Febeliec answer to the Elia consultation on the proposal of amendment of the T&C BRP following the introduction of Transfer of Energy for the DA and ID markets and following requests of the CREG and the VREG

Febeliec would to thank Elia for this consultation on the proposal of amendment of the T&C BRP following the introduction of Transfer of Energy for the DA and ID markets and following requests of the CREG and the VREG.

Febeliec would like to stress that it considers the roles of the BRP as quintessential to the functioning of the electricity market and to ensure that the residual imbalance to be covered by the TSO is as small as possible, which also has an impact on the overall cost for consumers through the tariffs of the TSO. As such, Febeliec welcomes the work done on the T&C BRP to align them with all the evolutions in the market, in particular also now the opening up of ToE for the day ahead and intraday market timeframes.

Febeliec in this framework would also like to refer to its answers to the Elia consultation on the rules for the organization of ToE, which closed a few days before this consultation, in which Febeliec pointed out that ToE in DA/ID is important to ensure that all market parties, in particular consumers, are able to capture as much value from market participation as possible , which according to Febeliec implies that the success of ToE in DA/ID does not necessarily lie in the market volume that is applying this ToE solution, but rather in the better bargaining position that it gives consumers in order to be able to valorise their flexibility. Febeliec also pointed out that it strongly regrets that Elia will not implement the activation combo which would allow for a delivery point to provide two services within the same quarter hour, as by this omission, Elia forces market players with demand side response to chose between markets, whereas such limitation does not exist for generation facilities. As a result, Febeliec indicated that it cannot accept this discrimination and market barrier and thus ask explicitly to remove it by allowing an activation combo. Febeliec also provided a similar reasoning in that consultation on the omission of a multiple FSP functionality on a single delivery point, which also forces market players with demand side response to select only one FSP in the only market (see above) they are allowed to valorise their flexibility, even more limiting their ability to valorise their flexibility as this does not allow them to select for every product that FSP that would give them the best value, but rather would have to select one single FSP for all products which would not necessarily allow them to optimize and maximize their flexibility valorisation, to the detriment of their revenue but also to market functioning. In light of this consultation, Febeliec most strongly urges Elia but also CREG to reconsider these positions and remove these market barriers and duly adapt the T&C BRP to this effect.

Febeliec also most strongly continues to urge Elia and CREG to remove the exclusion of simultaneous participation to SDR and balancing services, as it would be strange that delivery points could participate to DA/ID and balancing, but not to any combination with SDR (and even more strange not to a combination of DA/ID and SDR, which would exclude delivery points completely from the market, which would be an aberration as price formation is done on those markets), also in these T&C BRP.

Febeliec furthermore opposes the proposed exclusion for a given quarter hour of simultaneous participation to balancing and DA/ID markets, as this severely limits the valorisation of flexibility and according to Febeliec is even an undue market barrier that does not exist for other flexibility (see above) and urges that these T&C BRP are duly adapted to this effect. Febeliec reiterates that the proposed penalty (exclusion for one month from the DA/ID flexibility service or even 3 months if another occurrence within 12 months of the first occurrence) seems extremely punitive for Febeliec as it is based on a unilateral decision by Elia to not develop a combo activation capability and does not exist for other sources of flexibility. For Febeliec, this is not acceptable as this could strongly jeopardize market participation of delivery points, and as such should be remedied and adapted in these T&C BRP.

#### Specific comments:

- 1. Throughout the documents, some of the references are missing (reference source not found or referring to "0").
- 2. The contract still refers to David Zenner as Key Account Manager. Febeliec does not know if this is still correct and wonders in general whether this regulated contract should refer to a specific person at Elia or rather a specific function.

Febeliec vertegenwoordigt de industriële energieverbruikers in België. Zij ijvert voor competitieve prijzen voor elektriciteit en aardgas voor industriële activiteiten in België, en voor een verbeterde bevoorradingszekerheid in energie. Febeliec telt als leden 4 sectorfederaties (Chemie en life sciences, Glas, papierdeeg & papier en karton, Textiel en houtverwerking, Baksteen) en 35 bedrijven (Air Liquide, Air Products, Aperam, ArcelorMittal, Aurubis Belgium, BASF Antwerpen, Bayer Agriculture, Bekaert, Borealis, Brussels Airport Company, Covestro, Dow Belgium, Evonik Antwerpen, Glaxosmithkline Biologicals, Google, Ineos, Infrabel, Inovyn Belgium, Kaneka Belgium, Kuraray-Eval Europe, Lanxess, Nippon Gases Belgium, Nippon Shokubai Europe, NLMK Belgium, Nyrstar Belgium, Oleon, Proximus, Sol, Tessenderlo Group, Thy-Marcinelle, Total Petrochemicals & Refining, Umicore, Unilin, Vynova en Yara). Samen vertegenwoordigen zij ruim 80% van het industriële verbruik van elektriciteit en aardgas in België en zo'n 230.000 industriële jobs.



3. For the definition of delivery point, Elia refers to a point offering balancing services, strategic reservice services or ToE DA/ID, yet Febeliec wonders whether this should not include all ancillary services, including a.o. blackstart services and reactive power services.

# Fluvius

De bepalingen met betrekking tot schorsing beïnvloeden ook de distributienetbeheerder in zijn rol als noodleverancier. Immers zal schorsing van de BRP niet langer voldaan zijn aan alle voorwaarden voor toegang van de betrokken toegangshouder. Daarom vraagt Fluvius volgende bijsturingen: - Melding in een vroegere fase: nu is voorzien dat Fluvius geïnformeerd wordt bij de beslissing tot schorsing, vraag zou zijn om dit al bij de start van de schorsingsprocedure te doen - Termijn van de schorsingperiode (10 à 35 dagen): vraag om deze af te stemmen op de periode die nodig is om een mass BRP switch uit te voeren (20 kalenderdagen)