

Subject: FEBEG's comments on ELIA's public consultation on the rules on the organization of the Transfer of Energy and the FSP Contract DA/ID

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FEBEG thanks ELIA for having the opportunity to answer ELIA's Public consultation on the proposal of amendment of the T&C BRP¹.

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 papers². **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.

¹ https://www.elia.be/en/public-consultation/20201021_public-consultation-on-the-proposal-of-amendment-of-the-tc-brp

² 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.

Art 20.8.2 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?

Individual Balance Responsibility 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?

Data Exchange 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.

Data exchange aggregated information 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 for the grid.

Art 5.3 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.

Art 7.3.

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 energie-uitwisselingen niet gekend is door Elia en redelijkerwijs niet gekend kan zijn door Elia”