

CONSULTATION REPORT

**Report on the public consultation
regarding *Task Force Scenarios:*
*Terms of Reference***

18th of May 2021



1. Introduction

Elia organized a public consultation from *March 24th 2021* to *April 14th 2021* regarding *Task Force Scenarios: Terms of Reference*. The note submitted for consultation has been discussed with the market parties during the kick-off meeting of the Task Force. 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*
- *Belgian Offshore Platform*

These reactions, together with this consultation report, will be made 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 contains the next steps.

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 (available on the website) and 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
A	B	C	D

4. Comments received during the public consultation

4.1 General comments received during the public consultation

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

SUBJECT	STAKEHOLDER	FEEDBACK RECEIVED	ELIA'S VIEW
Goals	Belgian Offshore Platform	<p><i>“We welcome the active involvement of stakeholders and the evidence based approach in the creation of scenarios and storylines, as well as the creation of unique set of scenarios that will be used throughout all future Elia studies.</i></p> <p><i>In our view, one main goal of this task force is missing: i.e. to enhance the common understanding, support and acceptance of the scenarios which form the basis of the future Elia studies. In this respect, the stakeholder participation is important, but even more crucial is the consensus building between all stakeholders. We request to add this to the goals of the task force.</i></p> <p><i>Furthermore it should be described in the ToR that throughout the process, the taskforce, under supervision of the chairman, will strive for consensus as much as possible. Under section ‘5. Annual process’ it is only mentioned that Elia will clarify whether the data was achieved through consensus or dissension. It should be a priority for the chairman to actively try to achieve consensus over major discussion points. And only if opposing opinions remain after extensive debate, Elia can</i></p>	<p>The task force serves primarily a role as a forum to discuss scenarios, learn from each other, and increase mutual understanding along the way. This said, while consensus is the best possible outcome, Elia does not believe consensus should be prioritized over the timely delivery of the scenario report and consequent studies. We clarify that consensus is the desired outcome, but we will refrain from acting as negotiator in aligning opposing viewpoints ad nauseam. Elia proposes to put the focus on engaging in content-wise discussions with stakeholders, making sure all voices are heard and taking up the role as convener / summarizer. Elia is open to re-evaluate the results of the first year early at the start of the 2nd cycle to determine whether more rigorous governance rules are truly required.</p>

	<p>Febeliec</p>	<p><i>make a final proposal for approval by CREG. The different views and arguments of the stakeholders are to be properly documented.”</i></p> <p><i>“On the decisions making process for the delivery of the Belgian scenario report, Febeliec would like to better understand how Elia intends to organise the decision making process towards such (draft) report to be put forward for public consultation. Febeliec takes note that Elia indicates that after consultation, a final report will be drafted by Elia (and decided by Elia, without any further involvement of other actors?), where Elia will clarify “for the sake of transparency and future reference” “whether the data was achieved though consensus or dissension” but not on the selected scenario(s) themselves. In general, Febeliec insists that the decision making process is much more extensively described, including on how Elia wishes to treat the comments from the different stakeholders, also linked to the comment on the composition of the task force and the weight that is attributed to the different participants.”</i></p> <p><i>“Febeliec insists on the importance of working towards consensus in the future Task Force, which requires open discussions and exchange of arguments, of course always with respect for stakeholders expressing diverging opinions. Febeliec also wonders how the chairman will ensure that the guidelines are respected, as it is unclear how the task force will be governed and which powers the president will have.”</i></p>	
<p>Goals</p>	<p>Febeliec</p>	<p><i>“Febeliec can only support the wish of Elia to increase stakeholder participation, transparency and improve coherence, improve data quality</i></p>	<p>The text as written by Elia may be misunderstood. Compliance with legislation is to be seen as a requirement, not a</p>

		<p><i>and increase efficiency, and of course comply with (European) legislation, but wonders whether this implies that these goals were not yet at the centre of Elia’s analyses, as Elia several times mentioned it would take into account the recent European legislation “as much as possible”?”</i></p>	<p>goal. Elia has already proven in the past to integrate elements of new European legislation, even before the legislation was finished (e.g. early economic viability assessments, Alegro FB modelling before go-live...).</p>
Scope	<p>FEPEG</p> <p>Febeliec</p>	<p><i>“overall we agree with the scope, however, we wish to add the following regarding “evidence based data”: data should indeed be based on as many neutral scientific evidence as possible, however, in some cases it is important to have a reality check as science can not always match exactly with what is happening in the real world (innovation can go faster than expected, a short term problem can drastically change the assumptions on which the scientific study was based, ...). An expert debate can, and in our opinion must, add an additional element/layer to a pure data and science driven exercise.”</i></p> <p><i>“Febeliec notices that Elia is asking stakeholders to provide evidence based data, and wonders that this means that Elia itself will also be providing (quantitative) evidence based data for all its studies. In any case, it is not possible neither for Elia, nor for stakeholders to provide evidence based data for anything taking place in the future.”</i></p>	<p>Elia did not intend evidence to be limited to scientific study findings only. It can just as well be an analysis performed by the industry using real-life data. Furthermore, the term evidence should not be considered too strictly, as even scientific studies heavily rely on assumptions. The goal is to collect input that is preferably supported by a scientific method or data and not merely a reflection of intuition.</p>
Scope	<p>Belgian Offshore Platform</p>	<p><i>“For transparency reasons, could Elia provide an overview of the studies where scenarios are used and clarify what the main reasons are for up till now using different scenarios across different studies. As the electricity system will be become more and more integrated with the</i></p>	<p>Elia will detail what studies will use the scenario report as an input, and update/clarify this every year at the orientation task force (the first one of the annual process).</p>

		<i>(renewable) gas sector, we propose to specify that the scope of the scenarios is not limited to electricity (production, storage and demand), but will take sector coupling into account.”</i>	Sector coupling is a new and promising element in energy scenarios, yet currently difficult to quantify. Elia is striving to take sector coupling into account in its scenarios, however, this is not yet in scope of the 2021 deliverable.
Scope	Febeliec	<i>“Febeliec takes note that Elia is referring to long term storylines and wonders how these will be developed and how many and which variations will be included, although this of course could be exactly the role of the task force itself.”</i>	The discussion on storylines, how they are established, which variations are included... is indeed part of the scope of the task force. In this respect Elia thinks it is useful to dedicate a workshop to storyline creation. This will be further discussed in the task force. It is however paramount to at least have storylines that lean close to the European storylines as the quantification for Belgium is only a part of the entire scenario required in market studies, and hence coherence is required.
Composition	FEBEG Febeliec	<i>“we indeed support a balanced composition of the members of the task force. However, it is also crucial to have an overall balanced approach. For example, it would be detrimental to the process if one or a few participants, who would be more vocal than others, would dominate the discussions, as this would undo the efforts to have a balanced list of participants. The governance should be carefully determined to maintain the balance.”</i> <i>“On the composition of the task force itself, Febeliec takes note that Elia refers to a “balanced composition”, yet it is unclear who will determine whether the composition is balanced (and balanced compared to which benchmark) and who will guarantee that such balance is main-</i>	Elia will consolidate the submissions of the call for evidence and ask certain stakeholders to present their findings. This will be done in a balanced way guaranteeing that all voices get the proper time to speak. Furthermore, for discussions on certain topics during the workshops the group could be split up in smaller subgroups to further allow for a closer interaction between stakeholders. Regarding the composition, the aim is not to be limitative. At first, the task force and its significance need to generate 'traction' with industry stakeholders. Because of this, additional applications for this year can be done via the Elia webpage. After, Elia would allow additional members at

	<p>Belgian Offshore Platform</p>	<p><i>tained. It is also unclear to what extent this includes external consultants, interested individual persons, foreign participation, other governmental levels (regional or European)... Febeliec insists that this point is further elaborated, towards accreditation of participants.”</i></p> <p><i>“The ToR does not mention how changes in composition will be treated and how the ‘balanced composition of members’ will be monitored over the years. We suggest that the composition of the task force will be up for review and approval by the Elia Users’ Group at the start of each annual cycle.”</i></p>	<p>the start of the annual process, to guarantee a stakeholder can follow the entire process and not join in the middle of an ongoing process. At this point, Elia wants to ensure a balanced composition by making sure a stakeholder from one end of the industry is not over-represented in the ongoing discussions. However, Elia deems the probability it will have to intervene in the composition rather low and would rather welcome all possible candidates.</p>
<p>Annual Process</p>	<p>FEPEG</p>	<p><i>“The re-iteration approach is very interesting indeed, as the assumptions and precondition change over time. We would also like to stress the value and need of a feedback loop. An evaluation of the scenarios ex-post in order to improve the quality of future scenarios and in order to avoid repeating mistakes from the past is therefore crucial to end up with the most realistic scenarios. On the consolidation process, we think it would be interesting and important to ensure that scenarios are “contrasted”, in order to ensure that the “baseline” scenario is in the middle of a set of more extreme scenarios (a high RES and a low RES scenario for example). Internal coherence is also crucial to ensure valuable scenarios are put forward.”</i></p>	<p>Integrating the findings of the previous year can certainly help fine-tune the short-term assumptions. However, at this near future time horizon, there will be no need for multiple scenarios. For long-term scenarios (+10 to +30 years) one can compare the latest scenario with those of comparable storyline of previous years, but backtesting with real data becomes impossible. Elia should indeed aim for a diverse set of scenarios, as was also the feedback given to ENTSO-E by stakeholders in the latest TYNDP. Furthermore, it is important when aiming for useful scenarios that they reflect plausible storylines.</p>
<p>Annual Process</p>	<p>Belgian Offshore platform</p>	<p><i>“We would like to get a more detailed idea of the annual process to be able to estimate the work load and align the planning to all other working groups and task forces. We suggest to provide an initial milestone</i></p>	<p>An initial milestone planning will be provided in the kick-off meeting of the Task Force, which will take place in Q1 of</p>

	<p>Febeliec</p>	<p><i>planning and an estimated number of workshops for further discussion and tuning at the start of the Taskforce.”</i></p> <p><i>“On the meetings, meeting dates and agendas should be announced sufficiently long in advance, and in any case much sooner than one week before, in order to allow participants to organise participation as well as provide any potential relevant input or topic experts. In any case is the last bullet of point 6 of the terms of reference unacceptable for Febeliec, in particular the second part.”</i></p>	<p>every following year. This presentation will be made available on the Elia website. Specific meeting dates will be announced at least 3 weeks in advance.</p>
<p>Annual Process</p>	<p>Febeliec</p>	<p><i>“Concerning the (annual) process, Febeliec takes note that Elia states that “the recurrence of long term scenario creation will be linked to the recurrence of studies depending on these scenarios, whereas an updated quantification of the short term scenarios will be in scope every year”, but does not understand how this for example links to the yearly CRM process, which has to look at least towards the medium long term as it envisages auctions more than four years in the future with contracts potentially granted for a period of 15 years, thus looking forward at least 20 years in order to have a full picture.”</i></p>	<p>“By ‘short term’ Elia understands scenarios until Y+10, hence the horizons analyzed in the CRM framework are covered. In the framework of the yearly CRM calibration, only a Y+5 and a Y+2 reference scenario is selected by the Minister respectively for the auctions taking place 4 years and 1 year before the delivery period. Moreover, revenues can be calculated on years after Y+10 to calibrate the net-CONE. However, this assessment is performed by using existing long-term scenarios, as described in the associated Royal Decree.”</p>

5. Next steps

On the basis of the reactions received from market players and its views, as set out in this consultation report, Elia will finalize its note on the Task Force Scenarios: Terms of Reference.

Contact

Elia Consultations

Consultations@elia.be

Elia System Operator SA/NV

Boulevard de l'Empereur 20 | Keizerslaan 20 | 1000 Brussels | Belgium

