

## **Answer to the Public consultation on the scenarios, sensitivities and data for the CRM parameter calculation for the Y-4 Auction with Delivery Period 2026-27**

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### **10.1 Technology List**

In fact, we do not agree with the assumption followed by Afry that the fixed O&M cost would significantly decrease (-30%) in case the running hours would be divided by 2. This is not in line with the reality. Given the fact that the capacity needs to be available at all times, most of the costs still need to be supported (insurance, staff, ...): this is the reason why those costs are categorized under 'fixed'. In addition, even if the running hours decrease, the number of start-ups may likely remain or even increase, which would imply that some overhauls cannot be postponed.

### **10.3. Balancing revenues**

It is impossible to predict the revenues on balancing markets at the 2026-27 horizon. First of all, the design features of these markets will still evolve in the coming years, potentially impacting the competitive positions of some assets. Secondly, the offer on these markets might completely change by then, potentially impacting the revenues for conventional assets. For instance, should important share of DSM be contracted in the CRM for the DY 2025-26, this may impact the positioning of other assets on the mFRR market if this extra DSM also partly participates to this market. Thirdly, the maturity of these markets (becoming shorter and shorter in terms of procurement) and integration of balancing markets on regional/multi-zones' platforms does not allow to properly estimate the revenues four years in advance.

For these reasons, it is not opportune to consider balancing revenues for conventional assets for the computation of the IPC that will be applicable for the T-4 auction in 2022 (with delivery year 2026-27).