

Subject: FEBEG's comments on ELIA's Public consultation on Modifications of T&C BRP contract  
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FEBEG thanks ELIA for having the opportunity to answer ELIA's Public consultation on the modifications to T&C BRP<sup>1</sup>.

The comments and suggestions of FEBEG are not confidential.

## General comments

As a general remark, FEBEG supports all initiatives that improve the market functioning, and this at the different timeframes under consideration. All measures which strive towards simplification, and which can improve the liquidity of the market should be envisaged and are supported by FEBEG.

Overall, the comments made on the previous consultation<sup>2</sup> about **a relaxation of the DA Balance Obligation are still applicable**. FEBEG calls Elia for a **prudent approach** for the relaxation of the day-ahead balance obligation **as too rapid changes could negatively impact the market functioning**. FEBEG thus asks Elia to **work in cooperation with FEBEG's members to ensure a close follow up of the envisaged changes, based on a careful stepwise approach relying on BRP's feedbacks**.

## Specific remarks

FEBEG acknowledges that the track changes in the T&C BRP contract seem to be in line with the decision made after the public consultation on Day-ahead balance obligation of BRP's. It is therefore consistent with the decisions made by Elia.

**FEBEG wants to call Elia's attention on the following points:**

- **Limitation of the operational and implementation efforts**, considering (i) the highly busy roadmap for the coming months and (ii) the proposed short notification time going from 50% to 100% max allowed deviation in a first step and the confirmation to maintain 100% in a second step
- **The possibility to return to a previous situation instead of moving forward**. This could be needed if market circumstances demonstrate that the benefits of dropping the Day-ahead obligation do not materialise or issues related to higher system imbalances, peaks in

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<sup>1</sup> <https://www.elia.be/en/public-consultation/20210615-public-consultation-on-the-proposal-of-amendment-of-the-tandc-brp>

<sup>2</sup> FEBEG's comments on ELIA's Public consultation on Day-Ahead Balance Obligation of BRPs of 16/10/2020

imbalance prices, market access/competition are raised. As such, the quality of the average ACE and System Imbalance should not deteriorate with the relaxation Day-ahead Balancing Obligation. Despite the increased penetration of renewables, any increase in ACE or SI should be closely monitored with the go-live of Day-ahead balance Obligation relaxation and allow the possibility to come back to the previous situation.

- **Transparency is essential: new indicators** published by Elia should be thoroughly prepared and studied in detail. An aggregated view (per Qh) of the open positions, along with **the aggregation of the long and the short positions separately would provide more precise information** to the market.
- **The need to keep receiving (bilateral/confidential) information on the portfolio balance.** Currently, BRPs are receiving a signal from Elia should their portfolio not be (sufficiently) balanced in Day-ahead. We would like to keep this service as this is a valuable one, even if this would just be read as an information and not as request to action from Elia.
- **The proposed stepwise approach** with respectively 25%, 50% and 100% of BRP deviation seems reasonable. FEBEG wonders why the impact analysis will not be done at the end of the 3 months period allowing 25% deviation.
- Elia mentions in the T&C that it will make a **recommendation to CREG**. FEBEG invites Elia to be open to feedback from market parties in those recommendations.
- Elia **intends to communicate only one week upfront** to market parties whether the transition from 50% to 100%, and maintaining a 100% deviation tolerance will be validated. This seems very short notice as the impacts on daily operational processes should not be underestimated. FEBEG invites Elia to assess the possibility to communicate more upfront, one month would be preferable.
- Elia mentions that a BRP exceeding the max allowed deviation 3 times on a month could be prevented from accessing the Intraday market during 30 days. FEBEG acknowledges that it is important to respect the max allowed deviation. However, FEBEG believes that Elia should not apply this rule automatically (blindly). Exceeding the threshold could be (i) the result of operational processes not fully ready (especially considering that Elia will adapt the max allowed deviation only one week after notifying to the market parties) and/ or (ii) the result of minor deviations compared to the max allowed threshold (i.e. 50.5% iso 50%). It seems important to make the distinction between good faith mistake and opportunistic behaviours.

FEBEG does not have specific remarks on the modification in the notification process of BSP acknowledgement messages. The remarks on this topic have been made during (i) the consultation on the rules of the organisation on the transfer of energy DA/ ID and (ii) the former consultation of amendments T&C BRP contract.