A new answer to consultation "20220429_Public consultation on a proposal for amendment to Elia's LFC block operational agreement" has been submitted on our website.

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Organization	YUSO
Comments/suggestions to the consultation	Note: this reply complements and replaced the one previously submitted

YUSO welcomes this consultation and would like to thank Elia for creating this opportunity for all stakeholders to provide feedback on the amendment to Elia's LFC block operational agreement. YUSO is a BRP and BSP and intends to bring multiple MWs in utility-scale battery storage to the market by 2023. This capacity is currently under construction and will be able to provide aFRR balancing capacity at a competitive price and with zero carbon intensity. We note that the updated methodology would result in a reduction of the procured aFRR capacity by Elia to 117MW. YUSO believes that the reduction in the aFRR balancing capacity for the Belgian zone will not be beneficial for the integration of renewable production on the Belgian grid. The methodology is based on historical observations, which are not reflective of the future Belgian energy mix and balancing needs. The expected increase in wind and solar will require more flexibility in the Belgian system and a higher capability for Elia to automatically balance the Belgian zone. Additionally, by retaining a smaller portion of the capacity providers for aFRR, the activation prices and activations on mFRR might increase causing higher imbalance costs for the system which ultimately drive up the electricity bill of the end-consumer. Finally, we like to point out that the decrease in volume needed for aFRR would also have a negative impact on the investment climate and business case for carbonfree resources such as large-scale batteries to provide a sustainable alternative for ancillary services.

Answer confidential? Completely non-confidential