

CONSULTATION REPORT

Report on the public consultation regarding the *T&C BSP mFRR in the framework of the MARI project as well as on the Balancing Rules in the framework of the MARI and PICASSO projects and of the transfer towards the T&C BRP of the provisions regarding the imbalance tariff*

October 18, 2023



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1. Introduction

In accordance with Article 20 of the Regulation 2017/2195 establishing a guideline on electricity balancing (hereafter “EBGL”), all European TSOs must develop a European platform for mFRR Energy exchanges (in the framework of the “MARI project”). To make a connection to this platform in Belgium possible, the T&C BSP mFRR and the Balancing Rules need to be adapted to the future situation.

In accordance with Article 10 of the EBGL, ELIA organized a public consultation from July 28, 2023¹ to August 30, 2023 on the T&C BSP mFRR adapted in the framework of the MARI project as well as on the Balancing Rules adapted in the framework of the MARI project, of the PICASSO project and of the transfer of the provisions regarding the imbalance tariff towards the T&C BRP.

The connection to this mFRR Platform requires a thorough review of the service design to ensure that the local and European levels are well matched. The new processes were first described in a design note published and extensively discussed with market parties. This note has been updated several times to reflect developments resulting from discussions between ELIA and the various stakeholders. A last update of this note has been made available to the market during July 2023 in support of the public consultation.

In accordance with the roadmap drawn up in consultation with the Balancing Working Group of Elia's Users' Group, the implementation of the service changes made for ELIA's connection to the European mFRR platform has been divided into two steps:

- **Step 1** (planned for Q1 2024): This step concerns the Local Go Live of service changes. The changes result mainly from the alignment of the mFRR service with the standard energy product as defined by European regulations. This includes the generalization of the explicit bidding of mFRR energy, new timings for the submission and activation of bids, and new activation profiles.
- **Step 2** (planned for Q2 2024): This step involves connection to the European mFRR Platform. This connection affects the selection of the mFRR energy bids and the determination of the price for the activated mFRR energy bids. It makes it possible to activate energy bids abroad to meet ELIA's mFRR needs, and to activate bids in Belgium to meet the mFRR needs of other European TSOs. The remuneration of the activated bids is then determined by the European platform.

The documents that have been subject to consultation, constitute an updated version of the T&C BSP mFRR and of the Balancing Rules that include the evolutions foreseen for Step 1 and Step 2. The Balancing Rules also incorporated changes reflecting the sequence of connection to European platforms for the exchange of mFRR and aFRR, and changes linked to the transfer of provisions relating to the imbalance tariff to the T&C BRP. The “Part I – General Conditions” of the T&C BSP mFRR was the subject of a public consultation in

¹ From July 5, 2023 to August 30, 2023 for the English versions and from July 28, 2023 to August 30, 2023 for the Dutch and the French versions.

November 2021, common to all ancillary and system services, and was approved by CREG in March 2023. Consequently, these General Conditions were not part of the present public consultation.

The purpose of this report is to consolidate the official answers received during the public consultation period, while at the same time reflecting ELIA’s position on these reactions.

2. Feedback received

In response to the public consultation, ELIA received non-confidential replies from the following parties:

1. Centrica
2. FEBEG
3. FEBELIEC

All the answers received are available in the Annexes (section 7) of this report.

3. Instructions for reading this document

This consultation report is structured as follows:

- Section 1 contains the introductory context;
- Section 2 gives the list of the parties who sent a response to the public consultation;
- Section 3 contains instructions for reading this document;
- Section 4 summarizes the various comments received during the public consultation and ELIA’s position on each of them;
- Section 5 includes a list of minor changes limited to necessary clarifications, corrections of errors and alignments with other contracts;
- Section 6 describes the next steps that will follow public consultation;
- Section 7 contains the annexes of the consultation report.

This consultation report is not a ‘stand-alone’ document but should be read together with the proposal submitted for consultation (and its accompanying notes), the reactions received from the market participants (annexed to this document) and the final proposal submitted for validation to the CREG.

The section 4 of the document is structured as follows:

Subject/Article/Title	Stakeholder	Comment	Justification
A	B	C	D

- A. Subject covered by the question(s)/feedback(s) received.
- B. Stakeholder having provided the question/feedback.
- C. Question/feedback received by the stakeholder.
ELIA’s answer to the question/feedback received, including the reasons why ELIA has or has not taken the stakeholder’s feedback into account in the final proposal.

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 the market players that ELIA received to the documents submitted for consultation.

SUBJECT	STAKEHOLDER	FEEDBACK RECEIVED	ELIA'S VIEW
<p>Consultation process</p>	<p><i>Centrica</i></p>	<p>We would like to raise serious concerns regarding the timeline of the consultation process. In January 2022, Elia informed stakeholders that the consultation of the T&C mFRR was expected in September 2022. However, despite the additional time provided due to delays with the European platforms, we are disappointed by the approach taken by Elia in handling this important consultation:</p> <ul style="list-style-type: none"> • Elia chose to initiate the consultation at a very late stage, nearly one year after the initial planning, which limits stakeholder's time to react and adapt their implementation projects in case of last-minute changes to the T&Cs. • The consultation is conducted simultaneously with nine other ongoing consultations launched by Elia and CREG, adding unnecessary complexity, and making it challenging for market participants to focus adequately on each one of them. • All ten consultations are scheduled during July-August, commonly known as the summer break, further impeding participation from stakeholders who might have limited availability during this period. <p>While we understand the challenges Elia may have faced, including resource constraints and project delays, we strongly believe that such an essential consultation should have been handled more carefully, allowing for sufficient time and attention from stakeholders. Therefore, we respectfully request Elia to reconsider the consultation process and take measures to ensure more effective and inclusive stakeholder engagement in future consultations.</p>	<p>First of all, ELIA would like to thank the market parties who responded to its public consultation in the context of mFRR. Indeed, especially during these intense times, ELIA highly values the feedbacks received from the market parties.</p> <p>ELIA is conscious of the challenges associated with the MARI design changes. That's why ELIA started the discussions very early (with design notes publication and workshops organization) and took the time needed to make it easier for the market parties to understand the new rules and to clarify the different elements of the design.</p> <p>ELIA is well aware of the difficulties market parties may have faced during the summer months related to the number of consultations. ELIA's ambition is to avoid the summer months as much as possible for public consultations. However, because of the roadmap validated with the CREG and the market, ELIA couldn't do otherwise this time. This is why ELIA set an "unusually " long deadline for the consultation period (8 weeks instead of the minimum duration of one calendar month, in accordance with Article 10 of the EBGL).</p>
	<p><i>FEBELIEC</i></p>	<p>Febeliec would like to thank Elia for this latest consultation on its T&C BSP mFRR. Febeliec would like to refer to the very lengthy discussions on this topic during the meetings of the WG Balancing and confirms that the proposal by Elia is a good reflection of the compromise reached during those discussions. Febeliec nevertheless, insists that the ultimate goal is to enable as much participation (and thus liquidity) as possible to the mFRR market, both in capacity and in energy, and thus urges Elia to continue to evaluate the impact of the proposed changes on this ultimate goal.</p>	<p>ELIA agrees with FEBELIEC's feedback and confirms that, as of the local Go-Live, ELIA will closely monitor the participation to the mFRR market as well as the volumes submitted in order to take the appropriate actions in the event of declining participation and/or volumes.</p> <p>ELIA will also continue striving to further develop the liquidity on the mFRR and other balancing markets.</p>

<p>Grid User Declaration</p>	<p><i>Centrica</i></p>	<p>We advocate for enhancements in operational processes outlined in section II.4.5 of the T&C mFRR. Specifically, we propose the establishment of an online Grid User Declaration (GUD) database maintained by Elia. Such a database would enable providers to independently sign their GUD for various TSO services, including balancing reserves and the CRM.</p>	<p>ELIA is fully aligned with Centrica’s observation on the interest of digitalization. It is in line with ELIA’s ongoing efforts to minimize paperwork as much as possible by digitizing and/or automating the common processes. Such a digitalization of documents (e.g., the Grid User Declaration) would require internal & external alignment as well as IT adaptations and a cross product approach and cannot be treated lightly. As such ELIA cannot commit on a planning for implementation but will consider it in its roadmap towards a more digital approach for all contracts in the balancing market and in the CRM market.</p>
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4.2 Specific comments received during the public consultation regarding the Balancing Rules

This section provides an overview of the specific reactions and concerns of the market players that ELIA received to the Balancing Rules submitted for consultation.

<p>SUBJECT</p>	<p>STAKEHOLDER</p>	<p>FEEDBACK RECEIVED</p>	<p>ELIA’S VIEW</p>
<p>Activation Trigger</p>	<p><i>FEBEG</i></p>	<p>The trigger to launch the activation of mFRR energy bids is not detailed in the balancing rules. FEBEG believes that mFRR energy bids - certainly the cheap ones – should be activated before a part of the (more expensive) available aFRR energy bids, especially since aFRR is increasingly delivered by technologies with high activation prices while much cheaper mFRR energy bids are available. Activating those aFRR bids before mFRR comes with a cost to the market which will eventually be passed through the end consumer. FEBEG asks ELIA to give more transparency on the definition of mFRR demand for both activation types and also to present the most cost-efficient activation methodology.</p>	<p>The Balancing Rules state that mFRR Energy Bids will be activated in Scheduled Activation so as to cover ELIA’s best estimate of the System Imbalance for the next quarter hour. The purpose is to regulate the ACE to zero and/or to relieve aFRR. Assuming the System Imbalance forecast is correct, aFRR will therefore only be activated to cover any deviation towards this best estimate of the System Imbalance of the ELIA LFC Block within the quarter-hour, thereby limiting the frequency of activation of end of the merit-order aFRR bids.</p> <p>This means that sequentially, the target is to activate mFRR first to cover any foreseeable imbalance and aFRR will then be used for remaining intra-QH variations for which an mFRR activation would not be suited. This target is fully consistent with the new aFRR dimensioning methodology, where the average System Imbalances are covered with mFRR and the intra quarter-hour variations are covered with aFRR.</p> <p>In addition, aFRR and mFRR are different products with different properties that aim to cover different situations. Considering this, ELIA does not intend to make a cost optimisation between aFRR and mFRR as it would not make sense according to the above-mentioned considerations. Nevertheless, with the current proposal, ELIA makes sure to make the best use of the balancing platforms (as MARI uses the ATCs first and so should bring more price convergence) so as to access the cheapest bids for each product.</p>

<p>CRI Filtering</p>	<p><i>FEPEG</i></p>	<p>Art 10. Tackles the filtering of balancing bids. FEPEG wants to share that in case of medium CRI with a cap (upward or downward), balancing rules consider allocating the remaining capacity in priority to aFRR energy bids and then to mFRR. FEPEG believes that the remaining capacity (hence the bids not filtered out) should be allocated to the cheapest FRR energy bids (hence a cheap mFRR bid should have priority on a more expensive aFRR one).</p>	<p>ELIA reminds that aFRR and mFRR products are different products with different properties that aim to cover different situations. Although aFRR could replace mFRR, the opposite is not true. It is therefore necessary – when Balancing Energy Bids must be filtered due to congestions – to ensure that aFRR Energy Bids are kept in priority (as they are the most “polyvalent” reserves) until the volume of dimensioned aFRR reserves (i.e., the aFRR contracted volume) is available in the LFC Block of ELIA.</p> <p>ELIA does agree that from a conceptual point of view, once the aFRR contracted volume is guaranteed, it would make sense to use a common merit order with aFRR and mFRR. However, this is much more complicated from an implementation point of view (e.g., creation of a common merit order list, communication between IT tools that do not communicate today, impact on the performance of the filtering algorithm, short timing between the filtering and the submission of the merit order lists to the European platforms, etc.).</p> <p>Therefore, changing the implementation plan before the MARI go-live would not be possible. In addition, a change request may not be justified considering the currently expected rare occurrences of an inefficient filtering and the significant implementation efforts.</p> <p>Considering the above, ELIA proposes to analyse the impact of the proposed filtering and related inefficiencies within a year from the local mFRR go-live and monitor the performance of the filtering algorithm. Then, following an in-depth analysis of the monitored data, ELIA will come back to the market parties through the Working Group Balancing and, if the conclusions of the analysis recommend it, propose an adaptation of the CRI filtering rules. Indeed, ELIA considers that a return on experience is necessary to further assess the need and feasibility of a common merit order of aFRR and mFRR for filtering purposes, above a certain volume.</p>
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<p>CRI Filtering</p>	<p><i>FEPEG</i></p>	<p>Art 17 & 18 deals with the Publication along with the reporting and monitoring. FEPEG expects the inclusion of paragraphs addressing the CRI related requests as specified earlier in this document.</p>	<p>ELIA agrees on the fact that CRI levels and its impacts have to be reported and monitored. The rules regarding the reporting are in fact defined in the Rules for Coordination and Congestion Management. And, as stated in those rules, ELIA intends to publish:</p> <ul style="list-style-type: none"> • on its website in real-time (for information purpose only), the CRI level and Zonal Active Power Cap of each Electrical Zone; • to the concerned BSP, the information regarding whether the CRI level of the zone(s) including the Delivery Point(s) of its bid(s) is high or medium for a particular hour of a day; • once a year to the CREG and the market parties, the relevant indicators concerning the determination of the CRI levels and the impact on the Balancing Energy Bids as well as the updated list of Electrical Zones and Monitored Grid Elements. <p>For more information, please refer to the Rules for Coordination and Congestion Management and the slides of the Workshop organized on the CRI filtering on 08/05/2023.</p> <p>Due to the link to the impact on the Balancing Energy bids, ELIA proposes to move part of the 3rd above-bullet point (i.e., “the impact on the Balancing Energy Bids”) from the Rules for Coordination and Congestion Management to the Balancing Rules. ELIA will also specify in the Balancing Rules that a new report explaining the reasons for real-time filtering of aFRR will be published on a quarterly basis to the CREG.</p> <p>In addition, as per article 9.7 of the mFRR Implementation Framework (mFRR IF), “when changing the bids pursuant to paragraph 2, the connecting TSO [...] shall provide to the mFRR platform the reasons for such changes [...]”. And as per article 9.9 of the mFRR Implementation Framework (mFRR IF), “the information pursuant to paragraph 7 shall become [...] published in accordance with Article 12(3)(b)(v) of the EB Regulation”. It means that, more generally, MARI has to publish the bids set to unavailable for activation (e.g., among others reasons, for CRI filtering purpose) via ETP.</p>
<p>Imbalance calculation</p>	<p><i>FEPEG</i></p>	<p>FEPEG takes note that several consultations are taking place at the same moment. We propose to address the points concerning the imbalance calculation (which is obviously a very important topic for FEPEG) in its reaction to the BRP contract consultation. This seems the most relevant approach as the large majority of the elements FEPEG wants to react on are moved to the BRP contract. ELIA should certainly not consider absence of comments on the formula as an implicit approval by FEPEG of the ELIA proposals or approach regarding the imbalance price formula.</p>	<p>ELIA takes note of FEPEG’s comment and refers to its report for the public consultation of the T&C BRP where it addressed all the comments regarding the Imbalance Price calculation.</p>

4.3 Specific comments received during the public consultation regarding the T&C BSP mFRR

This section provides an overview of the specific reactions and concerns of the market players that ELIA received to the T&C BSP mFRR submitted for consultation.

SUBJECT	STAKEHOLDER	FEEDBACK RECEIVED	ELIA'S VIEW
Acknowledgement messages	<i>Centrica</i>	<p>We want to draw attention to a concerning new requirement introduced by Elia regarding the communication process for an activation in Annex 10 of the consulted T&C mFRR.</p> <p>Under this new requirement, all Delivery Points included in the second acknowledgement message ('confirmation message') must already be included in the first acknowledgement message ('acceptation message'), which needs to be sent at the latest 5 minutes after the activation request.</p> <p>We strongly disagree with this addition, as it restricts the BSPs ability to request additional Delivery Points during later stages of an activation, especially for prolonged activations. This limitation poses significant challenges and could hinder operational flexibility.</p> <p>We see no valid reason for this new requirement, especially considering that it was not part of the existing T&Cs. Therefore, we urgently request Elia to reconsider and remove this restriction, allowing BSPs the freedom to include Delivery Points in subsequent acknowledgement messages if required. Otherwise, BSPs will be compelled to include all Delivery Points in the first acknowledgement message for any activation.</p>	<p>ELIA understands the problematic identified by Centrica and proposes to change the obligation into a "best effort". ELIA has no intention to completely delete this rule because the Delivery Points of the 1st acknowledgement message have to be transmitted to the BRP_{source} in the framework of the Transfer of Energy. It is therefore important that the BSP makes its best effort to include the right Delivery Points as of the 1st acknowledgement message. However, ELIA understands that, in some situations, the BSP should have the flexibility to adapt its portfolio at a later stage of the activation.</p>
Activation control	<i>FEPEG</i>	<p>In general, FEPEG can understand that ELIA applies activation control because it allows to update bids closer to delivery (25') and in some cases even after GCT. In this regard, FEPEG wants to thank ELIA for the efforts made to facilitate BSPs to modify mFRR energy bid volumes after Gate Closure Time (GCT) for a set of valid reasons. However, FEPEG wants to raise the attention that it is not always possible to offer perfectly accurate mFRR energy bids.</p> <p>Wind parks production highly depends on effective wind speed. Offering accurate energy bids (and schedules accordingly) requires perfect weather forecasts which is not possible.</p> <p>For wind assets we continuously deviate from the program, even if we renominate new schedules/programs based on the latest intraday forecasts. This implies that the volume of flexibility offered for mFRR may decrease in real time if we produce less than expected. A rigid activation control is in this case unfortunate as BSPs do not have the means to be more accurate and suffer from an obligation from the Federal Grid Code to offer the entire flexibility. Being charged large penalties is therefore regretful and we consider it to be too strict and unfair towards the BSPs.</p> <p>Furthermore, applying a rigid activation control with Full Activation Time of 12.5' and mFRR still being a manual activation will likely be at the expense of the market liquidity.</p>	<p>The implementation of the European target model for the activation of balancing energy through the European platforms implies that balancing energy bids are firm. This assumes that the balancing energy bids are also reliable. The proposed scheme aims at providing an incentive for the BSP to strive for such reliability, by avoiding at least that the failed activation of a bid would be financially neutral for the market participant.</p> <p>Moreover, the remuneration for mFRR is market-based, with marginal pricing. There is therefore a clear financial interest in participating in the service (a fortiori with MARI). Without any "base penalty", the BSP may be encouraged to offer a volume in mFRR even if it is not confident that it will be able to deliver it in case of activation. Therefore, ELIA doesn't find engaging enough for the BSP to just lose only its remuneration when the service is not delivered. The purpose of the base penalty is not to correct arbitrage opportunities where the BSP would have a perverse incentive to <u>not</u> deliver the energy (such</p>

		<p>One can only ask BSPs to offer what they can reasonably expect to deliver without running the risks of stringent penalties.</p> <p>A strict activation control with tolerance can only exist under 2 conditions: (i) the ability to update energy bids after GCT and (ii) the absence of a stringent penalty regime (will be further elaborated below).</p>	<p>correction, as suggested by FEBEG, applies independently from the base penalty), but to incentivise a BSP to submit reliable bids. The introduction of such incentives for the BSPs to deliver balancing service is explicitly foreseen e.g. in the article 44(1)(h) of EBGL and is common practice in Europe, as illustrated e.g. in ACER's Wholesale Electricity Market Monitoring 2021².</p>
	<p><i>FEBEG</i></p>	<p>FEBEG members cannot recall ELIA ever presenting a report or analysis demonstrating incorrect performance of mFRR energy bids by BSPs. Therefore, the introduction of penalties appears unjustified, opportunistic, and lacks a proper justification. FEBEG insists that ELIA provide a transparent and comprehensive analysis to support the need for penalties.</p> <p>The inclusion of penalties is likely to prompt BSPs to include provisions for penalties in the pricing of energy bids, therefore, the total costs will increase for all market parties. FEBEG proposes countermeasures to balance ELIA's harsh penalty scheme, although these proposals should not be interpreted as an implicit agreement on the existence of penalties. FEBEG suggests that penalties should only be applicable in cases where there is an incentive for the BSPs to not execute the activation, such as when there is an opportunity for the BSP to profit from the imbalance price. In situations where not executing the activation request already penalizes the BSP due to imbalance exposure, adding a financial penalty (via the Penalty Factor) would be unnecessary and result in double penalization. The mere removal of benefits when the deviation occurs in favour of the SA would take away all possible incentive to not deliver the RD bid.</p> <p>FEBEG finds the proposed Penalty Factor of 25% applied to mFRR energy bids to be very excessive, it also lacks justification and has never been demonstrated to be necessary by ELIA. FEBEG asks that both the Penalty Factors and tolerance bands should be implemented as parameters in the Terms and Conditions (T&C), allowing ELIA the flexibility to calibrate them only after thorough analysis has indicated and demonstrated clear needs. As a matter of principle, they should be set at to 0% at go-live date and until the moment ELIA managed to demonstrate it would be essential to increase them (on a data set of 12 months at least) if no other alternative measure is possible.</p>	<p>In addition, in the event that a BSP does not deliver the requested volume, an imbalance will occur (ACE will increase), and ELIA will potentially request the activation of more aFRR; possibly at the detriment of overall system costs. With the new aFRR dimensioning methodology, the aFRR capacity reserves could also be impacted by such deterioration of the ACE and therefore progressively increase. Without a sufficient incentive for the BSP to offer reliable bids, the lack of reliability of the BSP could lead to costs that are socialised, without any significant impact on the BSP itself. This is considered inadequate.</p> <p>Based on all of the above-mentioned arguments and considering the current level of performance of BSPs observed in the activation control³, ELIA considers that the proposed penalty mechanism (with a penalty factor for the base penalty of 25%) was justified. Nevertheless, considering the remarks of FEBEG and the CREG, ELIA agrees to lower the base penalty to 10% and to re-evaluate the penalty calculation rules and their repercussions/consequences on the BSPs and the grid (e.g., on the ACE) at the latest in 2025, in close consultation with the market and the CREG. This will allow ELIA to readjust the rules if deemed necessary.</p>

² See ACER's Wholesale Electricity Market Monitoring 2021 – Prequalification processes for the provision of balancing services, slide 24 "Penalty for BSPs for non-delivery of balancing energy" (Simplifying prequalification processes (europa.eu)).

³ As presented during the "info session" of 12/10/2023 (on MARI & iCAROS public consultations), during the year 2022, around 20% of the mFRR volume requested for non-contracted bids is not actually delivered; knowing that this percentage does not include the activations rejected by the BSPs.

	<p><i>FEBELIEC</i></p>	<p>Concerning penalties, Febeliec insists that a good balance is maintained between ensuring that balancing services are reliable and not creating an undue financial burden. Febeliec considers it in light of the future evolution of balancing needs important that activated volumes are actually delivered, in order to avoid ever-increasing contracted volumes if previously activated volumes could not be counted upon to deliver. Moreover, Febeliec wants to avoid a free lunch, at the detriment of system stability and overall system costs, for any participants upon non-compliance, while at the same time not creating a barrier for entry, implying striking a fine balance regarding penalty schemes. Febeliec in any case considers a smart penalty system essential to guarantee that the above objectives are reached.</p>													
<p>Activation control</p>	<p><i>FEBEG</i></p>	<p>Formulas in Annex 12.C (ramping factor) and 12.D (mFRR ENERGY SUPPLIED PER QUARTER-HOUR) are highly complex and hard to implement. Settlement tolerance should be foreseen for the early days post go-live. Examples of settlement files using those use cases would be highly appreciated.</p>	<p>ELIA understands FEBEG’s concerns as well as the challenges associated with these design changes, but the rules have been extensively discussed with the market. They are needed to provide the right incentive to the BSP to deliver the service, while guaranteeing that no incorrect penalties are applied to the BSP who correctly delivered the service.</p> <p>The volumes activated by ELIA/MARI need to be delivered as of the go-live because the consequences in case of under-delivery (cf. above-answer) are the same whether we are close to the go-live or operational since a longer period. An overall exoneration of penalties during go-live can therefore not be granted by ELIA.</p>												
<p>Availability Test</p>	<p><i>Centrica</i></p>	<p>Section II.16.4 and Annex 14.C address the modification of $mFRR_{max}$ following two consecutive failed availability tests. Our understanding is that the new $mFRR_{max}$ value is calculated by subtracting the minimum ‘Missing MW’ value between the two missed availability tests from the old $mFRR_{max}$ value.</p> <p>However, we find the rules concerning the restoration of $mFRR_{max}$ to its original value unclear. The section mentions that a new prequalification test is required, but it does not specify which Delivery Points should be included in this test. We kindly ask Elia to clarify this point.</p>	<p>In case of 2 consecutive failed availability tests, the BSP decides on which Delivery Points does the $\min [mFRR \text{ Missing } MW_{test 1}; mFRR \text{ Missing } MW_{test 2}]$ applies.</p> <p>Knowing that, if $\min [mFRR \text{ Missing } MW_{test 1}; mFRR \text{ Missing } MW_{test 2}]$ is higher than the $DP_{mFRR,cb,up}$ of the Delivery Point chosen by the BSP, a second Delivery Point will have to be selected by the BSP (and so forth). Then the new prequalification test(s) will have to include the concerned Delivery Point(s).</p> <p>Please see two examples below:</p> <table border="1" data-bbox="1464 1107 2134 1396"> <thead> <tr> <th></th> <th>Example 1</th> <th>Example 2</th> </tr> </thead> <tbody> <tr> <td>mFRRmax</td> <td>20 MW</td> <td>20 MW</td> </tr> <tr> <td>The BSP has prequalified the following DPs via multiple PQ tests: - DP1: $DP_{mFRR,cb,up} = 11$ MW - DP2: $DP_{mFRR,cb,up} = 4$ MW - DP3: $DP_{mFRR,cb,up} = 5$ MW</td> <td>/</td> <td>/</td> </tr> <tr> <td>An Availability test is organized in February on a bid including DP1 & DP2</td> <td>Test is failed Missing MW = 5MW</td> <td>Test is failed Missing MW = 10MW</td> </tr> </tbody> </table>		Example 1	Example 2	mFRRmax	20 MW	20 MW	The BSP has prequalified the following DPs via multiple PQ tests: - DP1: $DP_{mFRR,cb,up} = 11$ MW - DP2: $DP_{mFRR,cb,up} = 4$ MW - DP3: $DP_{mFRR,cb,up} = 5$ MW	/	/	An Availability test is organized in February on a bid including DP1 & DP2	Test is failed Missing MW = 5MW	Test is failed Missing MW = 10MW
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Availability Test	<i>Centrica</i>	<p>Centrica is actively engaged in a significant implementation project focused on backup delivery points, including their use for availability tests. This project was initiated following Elia's announcement in January 2021 and further confirmed in the amended mFRR design note published in January 2022.</p> <p>The need for backup delivery points has become critical due to the existing 100 MW bid cap mentioned in Annex 9.B of the T&C mFRR. While this cap was introduced by Elia in 2018 to address certain operational challenges, it has had notable drawbacks for market parties. Indeed, it hinders portfolio effects and exposes BSPs to the risk of unwarranted penalties.</p> <p>Elia acknowledges these issues and has shown a commitment to improving the situation progressively. Significant progress has already been made, and Elia has introduced the concept of alternative (or 'backup') delivery points as facilitation for BSPs.</p> <p>However, we urge for further clarification in Section II.13.4 (i.e., II.13.4 The BSP can only use the Delivery Points included in the activated contracted mFRR Energy Bid(s) for the provision of the availability test.) of the consulted T&C mFRR, which currently restricts BSPs to use only the Delivery Points included in the activated contracted mFRR Energy Bid(s) for the availability test. Similarly, Annex 11B should be revised to provide clear guidance.</p>	<p>ELIA understands Centrica's issue. However, the purpose of an availability test is to ensure that the volume offered in a contracted bid is available and that a lack of volume cannot be compensated through volume offered in another bid. By allowing the possibility to use any other Delivery Point being part of the Supporting mFRR Providing Group, ELIA would not be able anymore to verify the above.</p> <p>With an availability test, ELIA wants to make sure that a BSP does not offer more capacity than what it is actually capable of delivering. However, to verify the above, ELIA has only two options:</p> <ul style="list-style-type: none"> - Test of the entire BSP's portfolio: This would be too expensive for the BSP and too risky for the grid. - Test one (or more) bids by asking the BSP to deliver the energy with the Delivery Point(s) it included in its submitted mFRR Energy Bid(s): This is the solution preferred by ELIA. <p>ELIA also wants to remind that as soon as the BSP notices a Forced Outage leading to an unfeasible delivery of the volume offered in its mFRR Energy Bid(s), it is obliged to notify ELIA by updating the concerned bids. And once a full Forced Outage has been properly declared by the BSP, no availability test will be launched by ELIA. In case of partial Forced Outage, ELIA will respect the updated volume to plan an availability test.</p>												
Availability Test	<i>FEPEG</i>	<p>We would like to reiterate that the penalties applied on the availability tests (in Annex 11) are very punitive and somehow disproportionate compared to the income a BSP can make. Furthermore, it is lacking continuity. Failing 2 availability tests out of 100 activations per year is not the same as failing 2 tests out of 3 activations per year. FEPEG asks ELIA to recalibrate this penalty formula. In this sense we welcome the foreseen workshops, and we will actively participate in the discussions.</p>	<p>ELIA understands and wants to remind that this was already discussed as part of the Workshop on the "prequalification & penalties for aFRR and mFRR" incentive. During those discussions, ELIA understood that the penalties have the right amount but that the occurrence should be reviewed. The review of "test recurrence" has been specifically</p>												

	<i>FEPEG</i>	The availability tests (Art II.13.2) could be executed and published in a more transparent way. For instance, units often activated and performing well throughout the year should not be tested in the same manner as units being seldomly/never activated. It does not provide learning and it creates useless emissions (for thermal means). FEPEG asks ELIA that the trigger to launch an availability test should follow a transparent and published methodology.	included in the Smart Testing incentive (cf. incentive study of 2020 and related implementation plan), which will be implemented in 2024. ELIA also wants to remind that the purpose of the activation control is to check that the right volume is delivered. As the activation control is now portfolio-based, the BSP has always the choice to use other DPs than the ones included in its bid to deliver the requested volume. The purpose of an Availability test is different: it is to ensure that the volume offered in a contracted bid is available and that a lack of volume cannot be compensated through volume offered in another bid.
Baseline update	<i>FEPEG</i>	FEPEG already mentioned to ELIA that the misalignment of GCT in T&C Scheduling Agent (45' before RT) and T&C mFRR (25' before GCT) can lead to inaccuracies in the control of activations and consequently to unjustified penalties. Art II.10.15 invites BSPs to update their baseline by sending a new update of the schedule. For the avoidance of doubt, this new update (of the bid and the schedules) should be used in the control of activations (if any), and it is up to ELIA to decide how to use it in the context of iCAROS (T&C Scheduling Agent). We appreciate this, but we like to stress that by no means it should lead to penalties under iCAROS.	As indicated in the T&C BSP mFRR, "The Baseline, updated in the framework of an mFRR Energy Bid update after RD GCT will be used by ELIA as part of the activation control and, does not replace in any way, the Daily Schedule communicated by the Scheduling Agent and used by ELIA in all the processes described in the SA Contract. The sole purpose of this update is for the BSP to have a correct Baseline for the mFRR activation control." For more information regarding iCAROS's processes, ELIA invites FEPEG to go through the consultation report and the regulated documents published in the framework of the public consultation for the iCAROS project.
	<i>FEPEG</i>	In annex 9.E.1, ELIA elaborates on the baseline updates after GCT. This seems to be a parallel process alongside (but not impacting) the schedule updates requested in T&C Scheduling Agent. Obviously, FEPEG members did not test yet this functionality neither can they comment on its user-friendliness. We draw ELIA's attention to the fact that this process must avoid yielding unwarranted penalties in the framework of T&C Scheduling Agent. In normal circumstances, a baseline update triggers the submission of a new schedule which should be accepted by ELIA as the last ID schedule of SA.	
Block approach	<i>Centrica</i>	We want to emphasize our strong recommendation to Elia to consider a perimeter adjustment during all quarter hours based on the assumed activation profile. This suggestion is in line with comments we will submit on 31 August 2023 regarding Elia's ongoing consultation on the BRP perimeter adjustment study. While we understand the complexities involved in implementing such a solution, we firmly believe that adopting this alternative approach, as opposed to the 'block approach' in the presently consulted T&C mFRR, will effectively mitigate significant and undue financial impacts on the BRPFSP.	Centrica's and FEPEG's requests regarding the "block approach" are out the scope of this public consultation. Indeed, for the T&C BSP mFRR, ELIA followed the last validated (and currently in force) rules regarding the BRP perimeter correction (and the block approach has been left unchanged). ELIA would like to point out that an incentive study on the BRP perimeter correction is ongoing. The outcome of this study will determine whether the BRP perimeter correction method will need to be amended. In such case, ELIA will implement the necessary amendments in a next version of the T&C BSP mFRR.
	<i>FEPEG</i>	FEPEG recognizes that the price formulas put forth by ELIA are aligned with the concept of remuneration based on marginal bid prices, a principle that FEPEG can endorse as a crucial and integral aspect of market design. However, we consider the balancing perimeter correction (as per Art II.11.10 with block approach) to no longer be appropriate since ELIA is pushing to have a decorrelation of the CBMP and the imbalance price when the Belgian system imbalance is in the opposite direction compared to the rest of the EU system imbalance.	

		<p>Regarding the correction of the balancing perimeter, FEBEG maintains as key principle that a proper activation should not result in any financial exposure (and penalties as described in next section). Concretely, FEBEG requests that ELIA changes the design to ensure that for an upward mFRR energy bid, the settlement of each quarter-hour of ramping should be the maximum value between the imbalance price and $CBMP_{up,SA,DA}$, while for downward RD, the settlement of ramps should be the minimum value between the imbalance price and $CBMP_{down,SA,DA}$.</p>	
<p>BSP facilitation</p>	<p><i>Centrica</i></p>	<p>We appreciate the additional possibilities offered by the 'BSP facilitations' i.e., the Maximum Activation Time (MAT) and Neutralization Time (NT) described in Section II.10.6. However, we believe the validation process warrants revision and suggest the following improvements:</p> <ul style="list-style-type: none"> • Clear criteria should be defined to assess whether a BSP request is considered satisfying or not. • Elia should involve CREG by notifying them if a BSP's justification is deemed unsatisfactory before dismissing the request. <p>Additionally, we find that the impact of the MAT and NT on contracted mFRR Energy Bids remains unclear. Footnote 14 refers to 'relevant technical documentation' without providing further specifics.</p> <p>Although delegating technical provisions to documents outside of the T&C mFRR offers flexibility to amend or add new functionalities to the BSP facilitations, we recommend making references to external documentation more explicit.</p> <p>Finally, we noticed that the Maximum Energy Level (MEL) is not included in the T&C mFRR. While we understand that the MEL is expected to be introduced at a later stage, we seek further confirmation from Elia regarding the exact timeline. MEL is a critical aspect of BSP facilitations, as it specifies the maximum energy an mFRR Energy Bid can deliver. While we understand that further details can be addressed in separate technical documentation, we strongly believe that the consulted T&C mFRR should, at the very least, mention the concept and key features of MEL.</p>	<p>ELIA confirms it has introduced the reference to the Maximum Energy Level (MEL) in the final version of the T&C BSP mFRR and also slightly adapted the definition of the Maximum Activation Time for a better alignment with the Rules for Coordination and Congestion Management.</p> <p>On the request to include CREG in the suspension process, ELIA agrees to add in the T&C that in case ELIA does not consider the justification provided by the BSP on its use of the MAT sufficient, the MEL and/or the NT, ELIA will discuss the justification with the CREG before refusing this use to the BSP.</p> <p>ELIA is however, not in favour of adding clear criteria and rules (e.g., by creating a list of (un)authorized use cases) for the BSP facilitation tools in the T&C. For the time being, there is a lack of experience on the use of the mechanisms. Setting rules at this stage will either create an unnecessary barrier for market parties or leave a risk on the correct delivery of the service. Moreover, the possibility for ELIA (or CREG) to refuse the use of the "BSP facilitation" tools come from the fact that it is important to be able to avoid – amongst other reasons – market manipulation or disrespect of some obligations of the BSPs. In this regard, ELIA would also like to remind that, as defined in the Bid Structure and Linking document, the complex bids are aiming to model actual technical and economical behaviours of energy assets and the purpose of the BSP facilitation tools is to support the BSP in using complex bidding.</p> <p>ELIA also wants to indicate that the MAT/MEL/NT, the “merged bids” and the conditional transfer of obligation are facilitation tools voluntarily developed by ELIA to support the BSPs to reflect more easily their assets behaviour (as indicated in the Working Groups Balancing of</p>
	<p><i>FEBELIEC</i></p>	<p>In the framework of balancing T&Cs, Febeliec also most strongly wants to make the reference to Elia's proposed bidding facilitation services, in particular those regarding mimicking a neutralization time or a maximum activation time. Febeliec considers the deployment of these bidding facilitation services a condition sine qua non for the implementation of the new T&Cs BSP, as it considers them a package deal in order to alleviate the many concerns by its members regarding the abolition of the mFRR Flex product. In the framework of these bidding facilitation services, Febeliec also wants to insist that once a market party has provided correct input in the new Elia tool for these services, that all responsibility for correctly translating this input into the corresponding mFRR Standard bids lies with Elia, as it is clear that market parties are not involved in the</p>	

		underlying process and as such cannot take any responsibility of the correct translation by Elia.	28/10/2021 and of 27/01/2022). The way these functionalities work is described in the technical guide (available for all market parties). When a BSP uses the facilitation tools and the outcome is not in line with the description of the technical documentation (i.e., in case of malfunction of the IT tool), then ELIA will of course not hold the BSP liable in case of incorrect delivery.
	<i>FEBELIEC</i>	Febeliec also takes note that Elia included a provision (art II.10.6) stating that Elia may request a justification for the use of a maximum activation time and/or neutralization time for mFRR bids, and can even refuse the application of these facilitations. Febeliec wants to better understand why such provision is foreseen, which use cases Elia has in mind and unless a valid argumentation is given (e.g. to avoid market manipulation), Febeliec opposes such provision as it is not up to Elia to decide how market parties should bid their flexibility.	The possibility for a BSP to associate to its mFRR Energy Bids a Maximum Activation Time, a Maximum Energy Level and/or a Neutralization Time as well as the possibility to merge the Redispatching and the mFRR Energy Bids, is expected to be available with the entry into force of the new version of the T&C BSP mFRR in Q1 2024. On the other hand, considering the significant implementation impacts, ELIA cannot commit on having implemented the concept of “conditional transfer of obligation” (in order to facilitate the participation in the balancing capacity market of units with Neutralization Time constraints) by the go live – although submitted for approval to the CREG as part of the request for amendment of the T&C BSP mFRR – but will endeavour to have it available as soon as possible.
BSP facilitation	<i>FEBELIEC</i>	Considering the conditional transfer of obligations, Febeliec supports the provision of such framework as it would clearly enable unlocking the participation of more flexibility to mFRR (capacity) markets and would thus increase market functioning and have a positive impact on overall system costs. Febeliec can also agree with the provision foreseen on possible negative impact of this on market functioning, as it is of course important to ensure that this should not negatively impact market functioning. Considering the proposed suspension, Febeliec insists that it remains possible to enter into discussion with Elia and/or CREG prior to any such suspension to ensure that only those BSPs/delivery points would be suspended where there is an intentional aim to negatively influence market functioning.	ELIA wants to clarify here the fact that if ELIA suspends the mechanism or its use by a BSP, it is only in case ELIA receives this instruction from the CREG. So, ELIA does not foresee a moment to discuss the point with BSP as it will be a CREG's instruction. It is up to the CREG to take contact with the BSP to obtain the information they deem necessary to assess on the possible market functioning impacts.
Combo RD-mFRR (remuneration RD)	<i>FEBEG</i>	Annex 12.F on combo activation with allocation of the energy firstly to RD and to mFRR afterwards seems unjustified. Actually, a combo activation in the same direction indicates that the grid is effectively long/short, and that the reason for activation is not restricted to a given location. RD should be remunerated at the CBMP in this case as the issue is broader than the electrical zone and is activated for balancing purposes. In such a case, the proposed activation control in Annex 12.F would become acceptable. This would avoid the incentive to activate RD instead of mFRR.	ELIA does not agree with FEBEG and reminds that a redispatching activation is only used to solve operational security issues following the rules defined in the Rules for Coordination and Congestion Management or, for exceptional situations, in the LFC BOA. A redispatching activation is always location-based as it is intended to solve a local operational security issue. In addition, redispatching activations are most of the time requested ahead of real-time when the balance of the zone in real-time is of course not known. A combo will most of the time result from an additional balancing activation

			requested in (close to) real-time on the same unit independently on the previously requested redispatching activation.
Communication test	<i>Centrica</i>	<p>Section II.6 and Annex 5 of the T&C mFRR outline the communication test modalities, allowing Elia and the BSP to request the test at any time to check communication channels' functionality.</p> <p>However, we find the 20 Working Days timeframe for conducting the test to be unnecessarily lengthy.</p> <p>To promote responsiveness, we strongly recommend aligning the timing with the prequalification test, which takes 10 Working Days after the request's reception, as described in Annex 6.</p> <p>In Annex 5, Elia moreover retains the unilateral right to modify message contents. In such instances, Elia informs the BSP with a minimum notice period of 20 Working Days. We find this timeframe to be insufficient, particularly if there are no limitations on the types of modifications that Elia can introduce in the message contents. We therefore kindly request Elia to reconsider the notice period to offer more preparation time for market parties, especially in cases where modifications would result in longer implementation times.</p>	<p>Regarding the timing between the test organization and the test request, ELIA agrees to align it with the one defined for a prequalification test and thus sets it at 10 working days.</p> <p>However, ELIA is not in favour of adapting the minimum timing between an adaptation of the communication requirements and the moment at which this adaptation becomes effective. ELIA wants to keep the possibility to impose a “short” timing if the modification is minor and/or urgent. ELIA also wants to remind that a major modification will always lead to discussions with the market parties. ELIA will always give the market sufficient notice – by presenting a roadmap – so that it has time to anticipate changes on its side.</p>
CRI filtering	<i>FEBEG</i>	<p>FEBEG members appreciate the commitments made by ELIA to limit as much as possible any situation where FRR energy bids would be filtered out. We also want to remind that FRR bids filtering is the result of congestions on the grid and this falls under the prerogative of the TSO. Pushing back the cost of those congestions to the BSPs is not putting the incentive at the right party because BSPs cannot do much (or anything) about congestions.</p> <p>In this context, we are eager to read tangible elements regarding the monitoring, reporting, and transparency of the amount of bids filtered out (in terms of MWh and Euros).</p> <p>Additionally, we attach great importance to any initiatives aimed at reducing the necessity for such filtering. (e.g. more frequent CRI updates, receive schedules from large industrial customers, etc.). FEBEG considers an action plan is necessary to reduce such occurrences, along with a feedback loop to adjust criteria in cases where CRI is misused. Eventually, if the occurrences of filtering are too frequent, ELIA should reconsider remunerating the BSP for the missed opportunity.</p> <p>We also refer to the consultation relating to the improvement for data used in the prediction of congestions where FEBEG provided an extensive feedback.</p> <p>Art II.10.24 invites BSP to reallocate mFRR contracted energy bids on a best efforts basis in case of medium or high CRI. It is worth noting that ELIA should also be encouraged to make their best efforts in restricting the utilization of high and medium CRI.</p>	<p>ELIA acknowledges FEBEG's feedback but wants to remind that it is also in ELIA's interest to get as few occurrences of high/medium level of CRI and as few volumes of filtered balancing energy bids as possible, to have enough liquidity (i.e., to have the maximum number of bids available) to operate the grid in real-time. ELIA has already worked hard to propose rules that reduce filtering occurrences and volumes as much as possible, which should sufficiently demonstrate it already endeavours to restrict the use of high and medium level of CRI.</p> <p>In the framework of the iCAROS project, ELIA worked for example on the following to reduce the bid filtering to its strict minimum:</p> <ol style="list-style-type: none"> 1) Implementation of a new computation process to determine CRI levels based on a structural methodology and quantitative yearly process. This computation provides: <ol style="list-style-type: none"> a. Results better in line with real-time situation; and b. Less high and medium CRI than the red zone computation. 2) Structural update of CRI levels 3 times during the execution day. 3) Unlike the current situation where, in a zone with an equivalent of medium CRI (i.e., red zones with MWcap), ELIA filters all

			<p>mFRR Energy Bids including a Delivery Point DP_{SU} located in this red zone; regardless of the bid volume or the DP_Pmax, the new filtering methodology uses this MWcap.</p> <p>4) A specific filtering process is implemented to not filter aFRR Energy Bids unless strictly necessary.</p> <p>In conclusion to the above, the new filtering process is a clear improvement of the current situation with the red zones. As a result, for an equivalent situation, ELIA will filter significantly less volumes than is currently the case.</p> <p>Regarding the cost impacts for BSPs, ELIA acknowledges that a BSP may miss an opportunity because of a filtering and proposed improvements to limit the filtering as much as practically possible. ELIA is working constantly at limiting internal congestions but in specific situations (e.g. outages of grid elements for maintenance or infrastructure projects), congestion issues may still occur.</p> <p>As also said when responding to the questions on the CRI filtering rules of the Balancing Rules, ELIA will re-evaluate the filtering rules one year after the go-live. This will also include an assessment of the impact of the filtering of all mFRR energy bids that can be activated in Direct Activation already during the quarter-hour preceding the actual congestion. This evaluation will allow ELIA to adjust the rules if deemed necessary. Some rules even already allow adaptations in case of high occurrence of high/medium level of CRI in a zone. Indeed, in such a case, ELIA considers to re-organize the Electrical Zones or split them.</p> <p>For the sake of transparency, as indicated above when responding to the questions on the CRI filtering rules of the Balancing Rules, ELIA will publish reports on the filtering.</p>
<p>Forced Outage</p>	<p><i>Centrica</i></p>	<p>Sections II.10.12 and II.10.17 introduce new provisions regarding the declaration of Forced Outage. We note that these changes introduce significant alterations to existing operational processes.</p> <p>The removal of the option for BSPs to inform Elia via email as soon as they notice a Forced Outage raises concerns about the efficiency of communication. Instead, BSPs are expected to submit updated mFRR Energy Bids with decreased volumes or, if the gate closure time has passed, submit a request to decrease the volume of their mFRR Energy</p>	<p>ELIA takes note of Centrica's comment but refers to the discussions in the context of the incentive on the prequalification process and the penalties for aFRR & mFRR.</p> <p>In any case, the consequences of a Forced Outage declaration have not changed. The purpose is still to exempt the BSP from any penalty of the availability control during a period of 4 hours.</p>

		<p>Bid. These changes have direct repercussions on operational procedures, potentially leading to challenges in responding promptly to Forced Outages.</p> <p>Furthermore, we strongly believe that considerations on Forced Outages should be included in discussions on the incentive on penalties for the mFRR service, which began in May 2023 and are expected to conclude with a final report in December 2023. Given the direct operational impact of the proposed changes and the unresolved link between Forced Outages and the ongoing penalty discussion, we urge Elia to put the new provisions on hold until the mFRR penalty scheme is finalized.</p>	<p>Regarding the procedures to be followed for declaring a Forced Outage, the AS-IS process is the following:</p> <ul style="list-style-type: none"> - The BSP sends an email to ELIA to declare a Forced Outage; - The BSP enters BMAP and updates its impacted mFRR Energy Bids. <p>The TO-BE process is the following:</p> <ul style="list-style-type: none"> - The BSP enters BIPLE and updates its impacted mFRR Energy Bids. <p>Actually, ELIA decided to simplify & automatize the process by merging two parallel processes into one and by only requesting an update of the concerned mFRR Energy Bids.</p> <p>ELIA also wants to remind that this process already applies for aFRR since the Local Go-Live of the PICASSO aFRR design in early 2023.</p>
Full Activation Time (FAT)	<i>FEPEG</i>	<p>While nothing can be done in the frame of the T&C mFRR, FEPEG wants to reiterate that the move to a FAT of 12.5 min will lead to less capacity offered in general.</p>	<p>ELIA takes note of FEPEG's comment. However, as well stated by FEPEG, the FAT of 12.5 minutes has been defined at European level in the context of the harmonisation of the mFRR product in order to guarantee a maximum duration of 15 minutes (i.e. the "time to restore frequency" as defined in annex III of the SO Regulation) between the sending by the TSO of its demand for mFRR to MARI and the full activation of the bid by the BSP.</p>
mFRR activated for RD	<i>FEPEG</i>	<p>Art II.18.10 mFRR energy bids can be activated for RD purposes. In such a case they should be remunerated according to the provisions explained in annex 13B. For the sake of consistency, if ELIA activates during the same QH a direct mFRR energy bids in the upward direction, the remuneration of the energy bid activated for RD purposes should be the following: $\text{Max}(\text{Energy bid price}; \text{MP}_{\text{SA,qh}}; \text{MP}_{\text{DA,qh}})$</p>	<p>As set in the T&C BSP mFRR, "each mFRR Energy Bid activated in the framework of an activation for redispatching follows the profile of the Scheduled Activation". As the profile is the one of a Scheduled Activation and following the European rules, the remuneration depends on the maximum between the bid price and the concerned $\text{MP}_{\text{SA,qh}}$ (and therefore not on the $\text{MP}_{\text{DA,up,qh}}$).</p>
mFRR Energy Bidding	<i>FEPEG</i>	<p>Art II.10.6 does not include the bid characteristic 'Maximum Energy Limits' (MEL) which is needed for certain technologies;</p>	<p>ELIA confirms it has included the MEL in the final version of the T&C BSP mFRR.</p>
mFRR Energy Bidding	<i>FEPEG</i>	<p>The bid characteristic 'Parent-child' forces the parent to be cheaper than the child. Note that thermal units will often have an indivisible Pmin (parent) that is more expensive than the capacity between Pmin and Pmax (child). We understand it is a requirement enforced by MARI but still want to make the remark that it will lead to strange pricing effects.</p>	<p>ELIA understands FEPEG's comment and agrees that it makes it difficult to properly reflect the cost structure of certain assets using this bid characteristic. Unfortunately, the constraint that the parent must be cheaper than the child is imposed by the algorithm used in MARI (and TERRE).</p>

<p>mFRR Energy Bidding</p>	<p><i>FEPEG</i></p>	<p>Annex 9.A.2 suggests that a DP_{SU} must be offered in divisible bid if the daily schedule is greater or equal to Pmin. FEPEG wants to mention that some assets cannot run at all below Pmin and hence, will need to submit indivisible downward bids in such a case. Similarly, FEPEG disagrees with the sentence 'only non-started DPSU can be included in (partially) indivisible mFRR Energy Bids'. In many cases, only a stop (indivisible) bid can be offered because it is technically not possible to deliver the energy bid if requested partially by ELIA. By no means, this annex 9.A.2 forcing BSP to submit divisible bids should lead to penalties while indivisibility is necessary in the situations explained above.</p>	<ul style="list-style-type: none"> - ELIA understands FEPEG's comment and proposes therefore to remove all restrictions on the divisibility of the mFRR Energy Bids (i.e., section 9.A.2 will be deleted from the T&C BSP mFRR).
<p>mFRR Energy Bidding</p>	<p><i>FEPEG</i></p>	<p>We are still struggling with the understanding of netted upward activation in annex 12.A? Netted does not seem to be defined.</p>	<p>ELIA understands FEPEG's comment and proposes to add the following in footnotes of the T&C BSP mFRR:</p> <ul style="list-style-type: none"> - A netted upward activation means that the sum of all the mFRR energy to be supplied for the concerned quarter-hour is higher than 0 (zero) MWh; taking into account the fact that for an upward (respectively downward) activation of the mFRR Service, this value is positive (respectively negative). - A netted downward activation means that the sum of all the mFRR energy to be supplied for the concerned quarter-hour is lower than 0 (zero) MWh; taking into account the fact that for an upward (respectively downward) activation of the mFRR Service, this value is positive (respectively negative).
<p>mFRR Energy Bidding</p>	<p><i>FEPEG</i></p>	<p>FEPEG regrets that pooling DP_{SU} on contracted energy bids is not authorized. This undermines the level playing field with DP_{pg}. We believe that the criteria should be the size of the DP irrespective of its technology. For instance, each delivery point – no matter if it is DP_{SU} or DP_{pg} – may be pooled if smaller than 25 MW.</p>	<p>ELIA wants to remind that, in case of activation of an mFRR Energy Bid submitted for a quarter-hour QH and including a DP_{SU} representing a Technical Facility A, it is always possible for the BSP, to use another DP_{SU} representing any other Technical Facility B in case this DP_{SU} is:</p> <ul style="list-style-type: none"> - included in the Supporting mFRR Providing Group submitted for this quarter-hour QH; and/or - included in any other mFRR Energy Bid submitted for this quarter-hour QH. <p>In this way, and as a general rule for a portfolio-based activation, the BSP can use a DP_{SU} from a Technical Facility to deliver the volume requested by ELIA during an activation of an mFRR Energy Bid not linked to this Technical Facility.</p> <p>The rule is mainly to avoid that the CRI filtering has a too big impact on the volume available for MARI; while the link between the availability of different Technical Facilities is questionable. Indeed, the filtering of a bid including two (or more) Technical Facilities just because one of the DP_{SU} included in the bid is in a zone with a high CRI, could highly impact the liquidity.</p>

<p>mFRR Obligation</p>	<p><i>Centrica</i></p>	<p>Section II.10.19 outlines that the following sum of mFRR Energy Bid volumes must be equal to the BSP's mFRR Obligation at the latest 7.5 minutes before the start of the concerned quarter-hour:</p> <ul style="list-style-type: none"> • All contracted bids which are neither conditionally linked nor included in an exclusive group. • All contracted bids which are conditionally linked and considered available for activation. • The largest offered volume among all contracted bids in each exclusive group. <p>We recommend revisiting this definition and accounting for exceptional situations which are beyond the control of market participants. For instance, it is important to consider legitimate cases of conditionally linked bids, where one bid might be categorized as 'available for activation' but remains practically unavailable due to a high Congestion Risk Indicator (High CRI). In such scenarios, it would be unfair to subject market participants to renomination penalties.</p>	<p>ELIA agrees with Centrica's comment and therefore adapted the Art. II.10.19 of the T&C BSP mFRR submitted to the CREG for more clarity. ELIA has no intention to penalize the BSP in the availability control for situations which are beyond the control of market participants (e.g., when a bid is filtered because of a high level of CRI, when a bid set to unavailable for MARI because of an Availability test, etc.). Only the following volumes will not be considered in the mFRR Made Available determination:</p> <ul style="list-style-type: none"> - The volume of all contracted mFRR Energy Bids being conditionally linked to another mFRR Energy Bid and considered by this conditional link, as unavailable for activation; and - The volume of all contracted mFRR Energy Bids having been set to unavailable for activation because the bid was erroneous (cf. Art. II.10.30).
<p>SA+DA activations</p>	<p><i>FEPEG</i></p>	<p>The obligation to offer mFRR energy bids does not specify which activation type. Given that (i) ELIA clearly mentioned during the WS that scheduled activations would be used in a large majority of the cases and (ii) that direct activations overlap on 2 QHs leading ELIA to consequently set some mFRR bids as unavailable (at the expense of market liquidity), FEPEG considers that the obligation to offer should only cover scheduled activation type (and not SA+DA).</p>	<p>As per article 242 of the Code of Conduct, all the available upward or downward active power available must be offered today by a BSP in the form of balancing energy bids for:</p> <ul style="list-style-type: none"> - power generation units with a maximum power equal to or higher than 25 MW; and - type C or D energy storage facility (defined in the article 35§2 of the Federal Grid Code). <p>This means that, for the above-mentioned units and as already foreseen in the current version of the T&C BSP mFRR, the BSP's flexibility must be offered to ELIA at all times in the form of mFRR Energy Bids available in both Scheduled Activation and Direct Activation (provided that this power is not already made available in the form of aFRR Energy Bids).</p> <p>This obligation to offer is highly important to ensure an efficient functioning of the balancing energy market by allowing ELIA to:</p> <ul style="list-style-type: none"> - maintain a sufficient degree of competition on the balancing energy market; - activate efficiently the flexibility that is not already dispatched by market participants and therefore ensure that all the available volumes are correctly reflected in the merit-orders; - avoid triggering exceptional balancing measures while sufficient flexibility is still available in the market. <p>The obligation for a BSP to make its best effort to offer in SA+DA, for its part, allows ELIA to use the offered volumes to comply with the 'time to restore frequency' imposed by the SOGL (i.e., 15") and to efficiently manage balancing reserves by properly considering the</p>
	<p><i>FEPEG</i></p> <p>Art II.10.28 ELIA has the ability to designate scheduled activations as "unavailable" in order to retain an adequate number of direct activations. This should prevent requiring the BSP to provide both scheduled activations (SA) and direct activations (DA) for non-contracted bids. The applicable conditions should be reviewed.</p>		

			<p>available flexibility without needing an ex ante reservation. This allows ELIA to:</p> <ul style="list-style-type: none"> - avoid contracting “mFRR down”; <p>evolve towards the partial procurement of reserves (cf. conclusions of the incentive study of 2022 on procurement strategies for a dynamic calculation of FRR means).</p> <p>ELIA therefore intends to maintain the status quo and to make the rules explicit it in the T&C BSP mFRR submitted to the CREG: The content of the article 242 of the Code of Conduct is included directly in the T&C to respect the article 219(2°) of the Code of Conduct and the article 18(7)b of the EBGL; A best effort principle for the obligation to offer in SA+DA is included in the T&C.</p>
Prequalification tests	<i>FEBEG</i>	<p>FEBEG regrets that the prequalification tests (Annex 6) are not properly adapted to cope with technologies with a profile. A random trigger on a 24-hour period does not help those profiled technologies (wind, solar, BESS,...) and it is at the expense of market liquidity.</p>	<p>ELIA takes note of the comments of FEBEG/FEBELIEC but refers to the discussions in the context of the incentive on the prequalification process and the penalties for aFRR & mFRR.</p>
	<i>FEBELIEC</i>	<p>Concerning prequalification and prequalification tests, Febeliec wants to refer to the ongoing discussions on this topic and insists that prequalification is reviewed in order to avoid that it remains a barrier for entry/switching BSPs for some participants. Febeliec will not repeat its comments on this topic in this consultation, but of course considers them valid also in the framework of the T&C BSP mFRR. Febeliec also considers the fact that every delivery point has to complete a new prequalification test every year as an undue burden and cost and considers that more intelligent solutions can be found to ensure that delivery points are still capable of delivering their required volumes. Again Febeliec refers to its comments on the specific discussion on prequalification.</p>	
REMIT obligations	<i>Centrica</i>	<p>We acknowledge the importance of introducing provisions regarding REMIT in sections II.2.6 and II.2.7. Surveillance for suspicious market behavior is essential, and we recognize the value of including these measures in the T&Cs.</p> <p>However, we are concerned about the current response time outlined in the document, which could lead to operational challenges, particularly in cases where market suspension is at risk. Therefore, we kindly ask Elia to reconsider the response time, proposing a more reasonable delay of 14 Working Days to provide sound justifications. This adjustment is in line with similar provisions for electricity wholesale markets (EPEX SPOT Exchange Rules, §49) and would strike a better balance between the need for market monitoring and the practicalities faced by market participants.</p>	<p>ELIA understands Centrica’s comment. However, in ACER’s REMIT guidance (§8.3.3), it is stated that PPAT (as ELIA) has a maximum of 4 weeks after the occurrence of the event to notify NRA. Within these 4 weeks, ELIA requires a lead time of 13 working days to be able to:</p> <ul style="list-style-type: none"> - properly identify the event; and - perform an in-depth analysis; and - send a request for explanations to the BSP; and - carry out a detailed analysis of the BSP’s response; and - notify the CREG. <p>This timing is necessary to allow ELIA to carry out appropriate and complete analysis through the whole process.</p>

Transfer of Obligation	<i>Centrica</i>	<p>Section II.9 and specifically Annex 8.A addresses the rules for the Transfer of Obligation which specify that a Transfer of Obligation can be initiated by a BSP until 1 hour before the beginning of the first quarter hour for which the Transfer of Obligation applies.</p> <p>To improve operational efficiency, we request Elia to consider allowing a BSP to initiate a Transfer of Obligation closer to the start of the quarter hours of concern. For instance, initiating a Transfer of Obligation 30 minutes before the beginning of the concerned quarter hour would still allow the Counterpart BSP to update its energy bids if necessary.</p>	<p>ELIA agrees to allow a BSP to initiate a Transfer of Obligation until 30 minutes before the beginning of the concerned quarter hour and will therefore adapt accordingly the T&C BSP mFRR that are submitted to the CREG.</p>
Editorial comments	<i>Centrica</i>	<p>“A Delivery Point part of an BSP contract mFRR can be included in a BSP contract FCR [...]” → Should read ‘part of a BSP contract’?</p>	<p>ELIA agrees with Centrica's comment and therefore corrected the typos in the version of the T&C BSP mFRR submitted to the CREG.</p>
Editorial comments	<i>Centrica</i>	<p>Art. II.5.2: “A Delivery Point DP_{PG} included in an mFRR Energy Bid cannot be included in an aFRR Energy Bid for the same quarter-hour and/or participate in an activation in the context of a FSP Contract DA/ID with ToE.” → The wording in this sentence is unclear, and it might be better to reformulate it as two separate sentences.</p>	<p>ELIA agrees with Centrica's comment and therefore split the sentence in two for the T&C BSP mFRR submitted to the CREG.</p>
Editorial comments	<i>Centrica</i>	<p>“All Delivery Points participating to the provision of the mFRR Capacity Product must complete a prequalification test at least every 5 years.” → It might be worthwhile keeping the reference to the relevant European legislation i.e., Art. 159(6) of the SOGL.</p>	<p>This adaptation was to avoid the confusion regarding the “prequalification test” defined in the T&C BSP mFRR and the “prequalification process” defined in the SOGL.</p> <p>ELIA therefore proposes to add the following sentence in the T&C BSP mFRR that are submitted to the CREG: “In the context of the prequalification process defined in article 159(6) of the SOGL, all Delivery Points...”</p>
Editorial comments	<i>Centrica</i>	<p>Art. II.14.2: “ELIA considers the activation control of a quarter-hour as non-compliant if the mFRR Energy Missing is greater than 0 (zero).” → In section II.13.9, the phrasing slightly differs: ‘mFRR Missing MW [...] is greater than zero’. It might be useful to align the nomenclature.</p>	<p>ELIA agrees with Centrica's comment and therefore adapted the Art. II.13.9 of the T&C BSP mFRR submitted to the CREG to align it with the Art. II.14.2.</p>
Editorial comments	<i>Centrica</i>	<p>“The price, in €/MW/h [...]” / “the mFRR energy requested [...]” → Bullet point lists throughout the document tend to differ regarding capitalization and punctuation (semicolon, period, no punctuation).</p>	<p>ELIA agrees with Centrica's comment and therefore adapted the T&C BSP mFRR submitted to the CREG as much as possible to have a better uniformity in the document.</p>

<p>Editorial comments</p>	<p><i>Centrica</i></p>	<p>Figure 7 (Scheduled Activation of an mFRR Energy Bid) of Annex 10.B: Shouldn't mFRR to be supplied = 80% * mFRR Requested? It seems that the block 'mFRR to be supplied' displayed on the chart is greater than 80%.</p>	<p>ELIA agrees with Centrica's comment: mFRR to be supplied should be equal to 80% of the mFRR Requested. ELIA therefore adapted the graph accordingly in the version of the T&C BSP mFRR submitted to the CREG.</p>
<p>Editorial comments</p>	<p><i>Centrica</i></p>	<p>Figure 8 (Direct Activation of an mFRR Energy Bid) of Annex 10.B: During QH+1, shouldn't the width of the block mFRR to be supplied = 90% * mFRR Requested? And during QH0, mFRR to be supplied = 90% * mFRR Requested = 90% * (15 - Δt)/15 * ¼ * mFRR Requested = 90% * (15 - 3)/15 * ¼ * mFRR Requested = 72% * mFRR Requested. However, the width of the 'mFRR to be supplied' displayed on the chart is greater than 72% of mFRR Requested.</p>	<p>The graph of Figure 8 includes the mFRR Requested (in MW) and the mFRR to be supplied (in MW), only. As, $mFRR\ to\ be\ supplied = RF \times mFRR\ Requested$, the orange rectangle represents 90% of the "mFRR Requested rectangle". In the T&C BSP mFRR, only the mFRR energy to be supplied (in MWh) includes the parameter Δt. The 72% would therefore apply in the determination of the mFRR energy to be supplied (in MWh) but not in the determination of the mFRR to be supplied (in MW).</p>
<p>Editorial comments</p>	<p><i>Centrica</i></p>	<p>Figure 11 (Example of consecutive activation of mFRR Energy Bids part of a same bid group) of Annex 12.C: Shouldn't the blue dashed ramp up phase of the Direct Activation start after a 2.5-minute-long flat period i.e., from t = QH2 (12.5min), which would mean that the ramp up phase only starts in QH3? Table 16 refers to the same example, with the correct calculation of 'mFRR Energy Requested'.</p>	<p>ELIA agrees with Centrica's comment and therefore adapted the example accordingly in the version of the T&C BSP mFRR submitted to the CREG.</p>
<p>Editorial comments</p>	<p><i>Centrica</i></p>	<p>Couldn't the formula of Annex 12.D be simplified as mFRR energy suppliedQH = sum (mFRR Energy SuppliedDP) limited to [0, mFRR energy to be suppliedQH]?</p>	<p>ELIA confirms that Centrica has the right interpretation of the formula as it amounts to the same thing. However, ELIA prefers to not adapt the T&C BSP mFRR to keep an alignment with the SA Contract which includes the exact same formula.</p>
<p>Editorial comments</p>	<p><i>Centrica</i></p>	<p>Annex 12.F: "In case ELIA activates an mFRR Energy Bid of which one (or more) of the Delivery Point DPSU listed in the acknowledgement message (as per Annex 10.A) is (are) also used to provide [...]" → Wording could be simplified by removing the brackets: 'In case ELIA activates an mFRR Energy Bid of which one or more of the Delivery Point DPSU listed in the acknowledgement message (as per Annex 10.A) is also used to provide [...]'</p>	<p>The suggestion of Centrica has been applied in the version of the T&C BSP mFRR submitted to the CREG.</p>
<p>Editorial comments</p>	<p><i>Centrica</i></p>	<p>Annex 13.A & Annex 13.B: "DETERMINTATION OF REMUNERATION" → DETERMINATION</p>	<p>ELIA agrees with Centrica's comment and therefore corrected the typos in the version of the T&C BSP mFRR submitted to the CREG.</p>

5. Complementary adaptations of the T&C BSP mFRR and the Balancing Rules

The adapted version of the Balancing Rules aims, among other things, at incorporating the changes associated with the transfer of the imbalance tariff provisions to the T&C BRP. To avoid any redundancy and/or interdependence between the Balancing Rules and the T&C BRP, ELIA has therefore the intention to use only generic terminology in the Balancing Rules and to refer to the T&C BRP for detailed provisions. In preparing the submission of the Balancing Rules, however, ELIA noted that Article 15 and Article 23 of these rules still referred to “marginal incremental price”, “marginal decremental price” and “alpha tariff component”, which are specific elements in the calculation of the imbalance tariff and are therefore not defined in the Balancing Rules. To avoid any confusion and in order to make the transfer of the provisions relating to the imbalance tariff to the T&C BRP as complete as possible, ELIA suggested deleting the explicit reference to the “marginal incremental price” and “marginal decremental price” in article 15 and to the “alpha tariff component” in article 23, and replacing them with more generic reference to “the main component” and “the additional component(s) of the imbalance price, as described in the T&C BRP”. This proposal to adapt the terminology used in the Balancing Rules in no way undermines ELIA’s belief in the merits and necessity of the additional alpha component as it exists today and should therefore in no way be interpreted as foreshadowing ELIA’s intention to modify or abolish this additional alpha component.

The definition of the mFRR Satisfied Demand has also been adapted by ELIA in the Balancing Rules because it has been changed in the T&C BRP for the reasons detailed in the consultation report of the T&C BRP.

In addition to the above-mentioned adaptation in the Balancing Rules, when preparing the submission of the proposal of amendments, ELIA identified some typos. Since it has no impact on the content of the proposal, ELIA corrected these typos in the version of the T&C BSP mFRR and the Balancing Rules submitted to the CREG without organizing a new public consultation.

Following a comment of FEBELIEC during the “info session” of 12/10/2023 (on MARI & iCAROS public consultations), ELIA noticed an error in Annex 11.D of the T&C BSP mFRR submitted for consultation: The formula for the determination of the mFRR Missing MW does not adequately consider the possibility for ELIA to partially activate an mFRR Energy Bid for an availability test. ELIA therefore suggests to correct this mistake for the next version of the T&C BSP mFRR, after due consultations with the market parties. During this transitional period, ELIA undertakes to activate the full volume of an mFRR Energy Bid during an availability Test; knowing that today, it is already the case most of the time.

On the other hand, ELIA was also requested by CREG to include minor changes prior to the submission of the proposal for amendment of the T&C BSP mFRR and the Balancing Rules. These modifications do not change in any way the design of the mFRR Service and are limited to necessary clarifications and corrections of errors or to required alignments with other contracts. The two following tables include these requested changes:

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5.1 T&C BSP mFRR

SECTION	CHANGES	EXPLANATIONS
<p>Art. II.6, Art. II.9, Art. II.10, Art. II.13, Art. II.14, Art. II.16, Art. II.17, Art. II.18, Annex 10, Annex 14 & Annex 15</p>	<p>The term “penalty” has been replaced by “incentive” in all the articles of the T&C BSP mFRR that include the word “penalty”.</p>	<p>The CREG contested the applicability of penalties, due to, according to the CREG, its non-compliance with the requirements in the (new) Civil Code (art. 5.88) as to liquidated damages (“schadebeding”/“clause indemnitaire”). The CREG also pointed out that, to the extent the penalty would have a punitive purpose, there was no legal basis for that neither in the Electricity Act nor the Code of Conduct.</p> <p>In ELIA’s view, in the context of the T&C BSP mFRR, penalties have always been and still are to be used as an incentive to induce an adequate behaviour of BSPs and a legal basis can be found in article 44(1) of the EBGL. ELIA therefore replaced the term “penalty” by the term “incentive” in all the articles of the T&C BSP mFRR that include the word “penalty”, to make a better link with the applicable legal basis and avoid confusion with the above mentioned rules of the Civil Code concerning liquidated damages.</p> <p>Please note that, ELIA did not adapt the Art. I.6.1 of the General Conditions as the latter was not subject to the “MARI public consultation”. But the term “penalty” used in the Art. I.6.1 refers to the same thing as the term “incentive” now used in T&Cs.</p>
<p>Art. II.1 Definitions</p>	<p>The definition of CRI has been adapted as follows: <i>“As defined in the Rules for Coordination and Congestion Management; The three levels of CRI (i.e., low, medium and high) are defined in the Rules for Coordination and Congestion Management.”</i></p>	<p>High/Medium Level of CRI was not defined as such in the Rules for Coordination and Congestion Management. Therefore, for a better alignment between the T&C BSP mFRR, the Balancing Rules and the Rules for Coordination and Congestion Management, ELIA deleted the definitions of “High Level of CRI” and of “Medium Level of CRI” from the T&C BSP mFRR and adapted the definition of CRI Level.</p>
<p>Art. II.1 Definitions</p>	<p>The definitions of “High Level of CRI” and of “Medium Level of CRI” have been deleted from the T&C BSP mFRR.</p>	
<p>Art. II.3.3</p>	<p>Article II.3.3 has been adapted as follows: <i>“All Delivery Points, as mentioned in Art. II.3.1, are related to Access Point(s) included in valid Access Contract(s) or in the relevant document for the Delivery Points connected to the Public Distribution Grid, and are in the Perimeter of a BRP_{source} having a valid BRP Contract.”</i></p>	<p>The definition of Access Contract was not including the DSO-connected Delivery Points even though the article II.3.3 was also valid for DSO-connected Delivery Points.</p>

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<p>Art. II.3.12</p>	<p>A footnote has been added: “1 “<i>The reasons for rejecting a Delivery Point will always be based on the rules stipulated in the BSP Contract mFRR. Before any definitive rejection an update of Annex 4, ELIA will notify the CREG.</i>”</p>	<p>The purpose of this change was to first better clarify the fact that the only reason ELIA will reject a Delivery Point's participation in the mFRR service is because the BSP is not fulfilling its contractual obligations with that Delivery Point.</p> <p>In addition, ELIA wanted to specify that the CREG would be notified in case ELIA definitively refuse the addition of a new Delivery Point in a BSP's portfolio.</p>
<p>Art. II.6 & Annex 5</p>	<p>The title and the text of the Art. II.6 and the Annex 5 have slightly been adapted.</p>	<p>The aim was to make article II.6 and Annex 5 clearer by defining the communication test but also the communication requirements in general (i.e., to be respected for any activation request).</p>
<p>Art. 10.4 & Art. II. 10.5</p>	<p>The obligation turned into a best effort: “<i>The BSP makes best effort to submit contracted mFRR Energy Bids for possible activation on Day D, taking into account Art. Error! Reference source not found., at the latest in day-ahead (Day D-1) at 15:00 CET, according to the rules set out in Error! Reference source not found. mFRR Energy Bids can be submitted until mFRR Balancing GCT, in accordance with the rules set forth in Error! Reference source not found.”</i></p>	<p>The aim was to reflect that only a best effort is actually requested on the side of the BSP for the submission of the mFRR contracted bids before 15h D-1. Indeed, the GCT is the same for all types of bids: 25 minutes before the start of the quarter-hour.</p>
<p>Art. II.10.8</p>	<p>The sentence has been slightly adapted: “<i>Each time (the update of) an mFRR Energy Bid is submitted to ELIA, checks, as described in Annex Error! Reference source not found., are performed by ELIA. In case of non-compliance with the requirements of these checks, the concerned (update of) mFRR Energy Bid is automatically rejected by ELIA and the BSP is directly notified of the rejection as well as the reason for rejection.</i>”</p>	<p>For more clarity, ELIA specified that an update may also be automatically rejected by ELIA (and so not only a new mFRR Energy Bid).</p>
<p>Art. II.10.29</p>	<p>The sentence has been slightly adapted: “<i>In case, after mFRR Balancing GCT, ELIA considers an mFRR Energy Bid as manifestly erroneous, ELIA has the right to withhold (and therefore consider it as unavailable for activation) the mFRR Energy Bid. In such a case, ELIA provides a justification to the BSP and the CREG at the latest 15 Working Days after the event.</i>”</p>	<p>The purpose was for the T&C BSP mFRR to be fully compliant with the article 29(9) of the EBGL.</p>
<p>Annex 5</p>	<p>A sentence specifying the timing (10 Working Days) between the moment at which the test takes place and the moment at which ELIA sends the results to the BSP, has been added.</p>	<p>An alignment of the communication test with the prequalification test was needed regarding the maximum timing between the test and the communication of the results.</p>

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<p>Art. II.10.12</p>	<p>A footnote was added in Art. II.10.12: “If an mFRR Energy Bid submitted for a quarter-hour is activated, and if this bid includes a DPSU which is also included in a Redispatching Energy Bid activated for the same quarter-hour, then the BSP can reach out to ELIA to demonstrate why the delivery of the volume of the mFRR Energy Bid was not feasible; considering its possibility to update the concerned mFRR Energy Bid as per Art. II.10.12.”</p>	<p>As per Art. II.10.12, a BSP must make its best effort to update an mFRR Energy Bid submitted for a QH when it includes a DP_{SU} also included in a Redispatching Energy Bid activated for this QH. However, if the BSP made its best effort in updating this mFRR Energy Bid, but failed to do so and if this mFRR Energy Bid is activated (leading to an unfeasible delivery of the mFRR Requested), then ELIA specified in the T&C BSP mFRR that the BSP has the possibility to reach out to ELIA to demonstrate why the delivery of the mFRR Energy Bid was not feasible. By doing so, the BSP may avoid being financially penalized in the activation control.</p>
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5.2 Balancing Rules

SECTION	CHANGES	EXPLANATIONS
<p>Art. 10(3) & Art. 10(4)</p>	<p>The definitions of “High Level of CRI” and of “Medium Level of CRI” have been deleted from the T&C BSP mFRR.</p>	<p>High/Medium Level of CRI was not defined as such in the Rules for Coordination and Congestion Management. Therefore, for a better alignment between the T&C BSP mFRR, the Balancing Rules and the Rules for Coordination and Congestion Management, ELIA removed the capital letters for “High Level of CRI” and for “Medium Level of CRI” from the Balancing Rules.</p>
<p>Art. 10(3)c</p>	<p>ELIA replaced “Other mFRR Energy bids above the Cap are withheld by ELIA” by “Other mFRR Energy bids above the Cap are set to unavailable for activation by ELIA”.</p>	<p>As the filtering of the mFRR Energy Bids occurs after the mFRR GCT, the bids cannot be withheld (in the sense of the article 29(9) of the EBGL). They can only be set to unavailable for activation (by ELIA or MARI).</p>
<p>Art. 10(4)</p>	<p>ELIA will specify in the Balancing Rules that a new report explaining the reasons for real-time filtering of aFRR will be published on a quarterly basis to the CREG.</p>	<p>This adaptation results from a need for full transparency on the real time filtering of aFRR.</p>
<p>Art. 12(5)d</p>	<p>ELIA clarified that, when disconnecting from the aFRR-Platform, the consequences described in §5.c apply.</p>	<p>The purpose of this change is to clarify the article.</p>
<p>Art. 20</p>	<p>ELIA added the following sentence: “ELIA also foresees to transmit to the CREG the characteristics of all bids submitted for FCR, aFRR and mFRR.”</p>	<p>The purpose of this sentence was to put on paper a reporting process already in use between ELIA and CREG.</p>
<p>Art. 10(3)a</p>	<p>ELIA added a definition of the netted volume $mFRR_{DA,QH-1}$ and of the available volume $aFRR_{QH}$ and split the formulas of the effective Zonal Active Power cap in two.</p>	<p>The purpose was to clearly define all the parameters included in the formulas.</p>

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6. Next steps

Based on the reactions received from the market parties and its views (as per section 4) and minor changes to clarify some topics, correct errors or better align with other contracts, ELIA suggested some adaptations to the T&C BSP mFRR and to the Balancing Rules. The new proposal for amendments of the T&C BSP mFRR and of the Balancing Rules, together with the consultation report and all the responses received are submitted to the CREG.

After submission to the CREG, the new proposal for amendments of the T&C BSP mFRR and of the Balancing Rules, and the consultation report will be published on ELIA's website.

7. Annexes

The non-confidential reactions Elia received to the document submitted for consultation:

1. Centrica
2. FEBEG
3. FEBELIEC

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