



Procurement process for the Reactive Power Service

Contract period 2025-2026

This procurement will proceed according to Article 30 of the law of 23 October 2022 amending the Belgian law of 29 April 1999 concerning the organization of the electricity market transposing Directive (EUs) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU.

Version for Public Consultation



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1 General information

1.1 Definitions

The definitions contained in the contract type for Reactive Power Services (T&C VSP) approved by the CREG and published on Elia's website ([Becoming a Voltage Service Provider \(elia.be\)](https://www.elia.be)), apply to these Procurement Procedures.

1.2 Goal

The goal of this document is to inform candidates, interested in delivering the Reactive Power Services (VSP candidates), of the tendering process and awarding rules, to:

- Select qualified providers who can make one or more Reactive Power Service proposals;
- Select Reactive Power Service proposals to deliver the Service;
- Award Reactive Power Service proposals of the VSP candidates through signature of the VSP Contract;

1.3 Contractual period

The period for which Elia is looking for Voltage Service Providers (VSPs) is from 01/01/2025 until 31/12/2026.

1.4 Open qualification procedure

The VSP candidate shall comply with the conditions set forth in the Open Qualification Procedure. The tendering process ELIA applies, for awarding the Reactive Power Service, is the negotiated procedure with prior call for candidates as defined in Art. 120 of the law on public tendering of June 17th 2016.

2 Selection of qualified providers

Prior to submitting Reactive Power Service proposals a VSP candidate should apply to become a qualified provider. The conditions to become a qualified provider are listed hereunder:

- Provision of the application form;
- Provision of a declaration (referred to as “sworn statement”) in which the VSP candidate declares the fulfilment of the obligations related to payment of social security contributions in accordance with the legal provisions, fulfilment of the obligations related to payment of taxes in accordance with the legal provisions, and situation of non-bankruptcy;
- Proof of a sound financial and economic situation of the VSP candidate;

The application form and template for the sworn statement can be downloaded on ELIA website ([Becoming a Voltage Service Provider \(elia.be\)](http://elia.be)) or requested by e-mail, pursuant to 6 Communication.

A VSP candidate can apply before the deadline mentioned in 7 Timings.

ELIA will assess the applications and inform the qualified providers and non-qualified providers, before the deadline mentioned in 7 Timings, by email, of their (non-)qualification. In case of non-qualification, ELIA will add the justification for the non-qualification.

3 Submission of Reactive Power Service proposals

Qualified VSP candidates can submit a Reactive Power Service proposal by providing ELIA following information:

1. A letter in which the qualified provider:
 - a) Agrees with the provisions of the T&C VSP;
 - b) Indicates the validity of the offer until the day before the start date of the Reactive Power Service contractual period, as mentioned in Section 1.3;
2. In accordance with Art. 222 § 1 of the Code of Conduct, the VSP is the Grid User of Technical Units providing the Service or a third party appointed by the Grid User as VSP. In case of the designation by the Elia Grid User of a third party, the VSP must provide Elia with a copy of the Elia Grid User Declaration as figuring in Annex 11 of the T&C VSP signed by the Elia Grid User and the VSP;
3. The technical characteristics of each Technical Unit the VSP candidate wishes to offer for the Reactive Power Service by completing annex 1 of the T&C VSP.
4. A justification for technical units which are not offered, motivating the reason(s) of inability to provide the Reactive Power Service, even though they are subject to an obligation pursuant article 221 of Code of Conduct;
5. The offered prices for each Technical Unit that the VSP candidate wishes to offer, by completing the concerned template(s) in annex 12 of the T&C VSP. The offered price should be composed out of following distinct elements, if applicable, accompanied by a justification of the price:
 - a) All activation prices are expressed in euro/MVArh and are conform the rules set out in Annex 12 of the T&C VSP The price is either a fixed amount in euro/MVArh for each calendar year in the requested contractual period as mentioned in 1.3 or a formula. This formula will need to comply with the following elements:
 - i. The structure of the formula needs to be as follows:
$$\text{Price} = X * (\text{price index}) + Y$$
With both X and Y as fixed values with an accuracy of 2 decimals
 - ii. The price index needs to be one of the following:
 1. Belgian bidding zone day-ahead reference price
 2. ICE Endex Belgian power base futures ([Belgian Power Base Futures \(ice.com\)](https://www.ice.com)) on a monthly or yearly basis
 - iii. In case a futures index is used, the reference price will be the average of the futures index of the month before the start of the delivery period of the chosen product associated with the reference price (e.g. for a yearly reference price for 2025:

in December 2024 the average of the daily notations of the futures index, in this case the CAL25, will be used as the reference price.

e.g. for a monthly reference price for March 2025: in February 2025 the average of the daily notations of the futures index, in this case the MAR25, will be used as the reference price.)

- b) The VSP candidate may also request a compensation of his costs related to an increase of the tariff for power put at disposal for offtake (PPAD) due to the delivery of the Service. This compensation should be integrated in the offer of the tenderer with a detail of the additional supported costs as stated in Art.II.8.5 of the VSP Contract.

All Reactive Power Service proposals including the required documents need to be submitted by e-mail, pursuant to 6 Communication, before the deadline mentioned in 7 Timings.



4 Selection of Reactive Power Service Proposals

Elia justifies the selection of the Reactive Power Service Proposals that comply with the stated minimal technical requirement to the CREG in the tender report based on the prices and the local needs for the Reactive Power Service.

The selection for the activation of the assets for the Manual Service is done based on a techno-economic assessment in real time.

5 Awarding of the Reactive Power Service

A VSP Contract will be awarded to the selected VSPs following the decision of the CREG regarding the reasonability of the prices proposed in the submitted offers. In case their prices have been judged to not be manifestly unreasonable, Elia will use the offered price as the price in the VSP Contract. In case their prices have been judged to be manifestly unreasonable, Elia will use the price imposed by the CREG via a public service obligation as the price in the VSP Contract.

6 Communication

For the goal of this tender and questions related to this tender, ELIA can be contacted through:

- Email: **XX**

And, if applicable, the Key Account manager.

7 Timings

Following deadlines apply to this tendering process.

Who	What	Deadline
VSP candidate	Application qualified provider	
ELIA	Informing qualified and non-qualified providers	
VSP candidate	Submission Reactive Power Service proposal(s)	
ELIA	Submission of tender report to the CREG;	
CREG	Assessment of the reasonability of the proposals;	
ELIA	Awarding of VSP contracts;	