

Subject: Elia Public Consultation : Exemption obligation to procure separately up and down balancing capacity for aFRRR  
Date: 4 October 2024  
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This note presents the reaction of FEBEG and its members to the public consultation organised by Elia regarding a proposal of exemption from the obligation to procure upward and downward balancing capacity for aFRR separately.

### *1. General feedback*

FEBEG would like to thank Elia for conducting this public consultation on the exemption of obligation to procure separately up and down balancing capacity for aFRR. The answer is not confidential.

Generally speaking, we do not have fundamental remarks on the documents under consultation. Elia framed the discussion in a correct manner, and also made a consistent proposal that is acceptable for the FEBEG members.

### *2. Specific comments*

One of the main arguments of Elia, to ask for an extension of the exemption, is the procurement cost. Elia points out that units with must-run costs are still selected for a non-neglectable percentage of the time. Consequently, if Elia would contract separately aFRR up and down, this would result in a higher procurement costs. Indeed, we understand that Elia could very well pay 2 times the must-run cost for the same unit if it is procured separately in up & down. FEBEG agrees with this conclusion and believes it would be an undesirable side effect of the separate contracting of reserves.

Furthermore, FEBEG considers that the current rules governing the aFRR capacity bidding and awarding have a very limited to no impact on the BSP's that only have the possibility to offer asymmetrical bids. Indeed, the asymmetrical capacity offers per 4 hours (per-CCTU) will be combined to form a fictive 24h (all-CCTU) capacity offer and this latter will compete with the capacity offers per 24 hours (regular all-CCTU).

Ultimately, the BSPs traditionally offering 24h capacity bids – even though Elia expects combined offers for up and down volumes at the same time – are equally obliged to offer all other combinations with null volume in one direction and/or non-null volume in the other direction. Therefore, we don't see an urgency in moving towards

asymmetrical bidding. One could even consider asymmetric bidding to be implemented with the safeguards put in place by Elia.

### *3. Conclusion*

FEBEG supports the conclusion of Elia because the current methodology helps minimizing the procurement costs and, at the same time, does not hamper the BSPs.

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