30 June 2025

Consultation on the amended T&C BSP FCR, aFRR, and mFRR

Dear Elia,

Centrica welcomes the opportunity to provide feedback on your consultations on the three amended Terms and Conditions for Balancing Service Providers (T&C BSP FCR, aFRR, and mFRR). Our overarching feedback is structured around the following areas:

- We support the self-billing process and request sufficient time and training for BSPs to onboard new processes and systems.
- We welcome the declarative FCR baseline and the adapted normalisation factor, and highlight the need to further align FCR and aFRR designs.
- We support continuous monitoring and activation control, and raise concerns on slower-reacting assets and outer frequency bands.
- We welcome the improvement of aFRR/mFRR and FCR/aFRR combos, insisting on the need for transparent error allocation.
- We support the reduced time window for prequalification tests in mFRR.
- We support the migration to RTCP/Flexhub and request clarification regarding low-voltage (LV) assets, the EMS, and the activation indicator DP_FCR.
- We urge Elia to preserve the possibility to aggregate flexibility from LV assets when switching to the LV Delivery Point Group concept.
- We request a detailed roadmap with concrete go-live dates and sufficient time for implementation.

We are aware of the complexity of these developments and trust that Elia will consider the industry's different points of view. We look forward to further discuss these matters with you and are happy to provide additional information.

Yours sincerely,

Patrick Adigbli
Regulatory Affairs Manager, European power markets
Centrica

We support the self-billing process and request sufficient time and training for BSPs to onboard new processes and systems

We support the introduction of the self-billing process outlined in the T&C BSP FCR, aFRR, and mFRR, as it promises to streamline operations and reduce payment timelines.

However, we emphasize the need for data accuracy, a robust dispute resolution process to avoid incorrect settlements, and sufficient time to onboard new processes and systems. The implementation workload for BSPs to be ready by Q4 2025 is significant and includes onboarding EPIC, training, implementation of approval and rejection processes, testing, and parallel runs.

We welcome the declarative FCR baseline and the adapted normalisation factor, and highlight the need to further align FCR and aFRR designs

We support the introduction of the declarative FCR baseline proposed in the T&C BSP FCR, which will facilitate the simultaneous delivery of FCR and aFRR, as well as continuous activation control.

We also support the adapted normalization factor for the baseline test as described in the T&C BSP FCR and aFRR, which facilitates the participation of assets with a reference baseline close to zero, such as batteries.

Finally, we emphasize the need for a common baseline test for both aFRR and FCR to ensure consistency. We also call for the introduction of a calculated real-time baseline in FCR to align with the aFRR design, where this option already considers the variability of certain assets.

We support continuous monitoring and activation control, and raise concerns on slower-reacting assets and outer frequency bands

We support the continuous monitoring and activation control proposed in the T&C BSP FCR, which increases transparency and reduces the risk of significant penalties due to random sampling.

However, we raise concerns about the potential complexity introduced by derogations for slower-reacting assets (‘Additional Properties’) and disparities between the monitoring of inner and outer frequency bands. We invite Elia to provide detailed guidelines and examples to better evaluate the impact of the new monitoring and activation control rules, covering various use cases.

We welcome the improvement of aFRR/mFRR and FCR/aFRR combos, insisting on the need for transparent error allocation

We welcome the extension of the aFRR/mFRR combo from DP_SU to DP_PG, which offers new optimisation opportunities and is expected to have a positive outcome on market liquidity.

We also welcome the improvements to the FCR/aFRR combo and understand that Elia proposes to allocate errors primarily to aFRR, revise the design of the tolerance bands, and use the Tetris algorithm for volume allocation.

However, we insist on the need for fair and transparent error allocation in case of FCR/aFRR combo activations and welcome concrete examples evidencing that contributions of each service are accurately reflected, that BSPs are not unfairly penalized compared to a separate delivery of the services, and that availability tests triggered for one service do not impact the other.

We support the reduced time window for prequalification tests in mFRR

We support the reduced 4-hour time window in the T&C BSP mFRR, which is expected to unlock flexibility in the capacity auction by removing the 24-hour availability requirement to perform prequalification tests.

We support the migration to RTCP/Flexhub and request clarification regarding low-voltage assets, the EMS, and the activation indicator DP_FCR

We support the migration to RTCP and Flexhub and the harmonization of data granularity in the T&C BSP FCR, which will lower costs and reduce entry barriers.

We invite Elia to clarify the expected impact of the new data granularity on low-voltage assets, which currently provide data with a specific granularity, as well as the expected impact of the DP_CH-DCH removal on the EMS.

Finally, we highlight the possible presence of more volatile assets in the portfolio which deliver FCR in case of extreme frequency deviations and should not lead to penalties during small frequency changes. We ask Elia to confirm the introduction of an activation indicator DP_FCR to identify which DPs to consider for activation control, similar to the aFRR design.

We urge Elia to preserve the possibility to aggregate flexibility from low-voltage assets when switching to the LV Delivery Point Group concept

We believe that Virtual Delivery Points are key to providing aggregated flexibility from LV assets. The switch to the LV Delivery Point Group concept suggested in the T&C BSP FCR must preserve this possibility.

We also question whether the removal of the 1.5 MW volume limit could impact the reliability of FCR delivery from BSPs relying on central frequency measures and control logic (e.g., in case of communication failure or frequency splits described in the Additional Properties and SOGL).

We request a detailed roadmap with concrete go-live dates and sufficient time for implementation

Elia's proposed changes are significant and require extensive implementation efforts. Technical, operational, and commercial readiness of market participants is essential for a successful go-live.

While acknowledging the need for change, we express concerns about the unclear timeline and phased approach. To enable effective planning and avoid any operational disruption, we emphasize the need for a detailed roadmap with concrete go-live dates and sufficient time for implementation. We also require the timely publication of technical documentation needed to estimate IT costs and to plan developments.