

# TF CRM #14 – Minutes

Thursday 9 July 2020

14h00 – 16h00

## Agenda

- Implementation planning 2020
- Secondary market process Q&A – Nicolas Koelman
- Transparency Q&A – Julie Van Steen
- Next steps

## Present

<b>Name</b>	<b>Organisation/Company</b>
<b>Benquey Romain</b>	Centrica Business Solutions
<b>Bobula Adrian</b>	Dils Energie
<b>Bruninx Jolien</b>	BASF
<b>Catrycke Mathilde</b>	Electrabel
<b>Chafaqi Laïla</b>	Luminus
<b>Coppin Xavier</b>	ENGIE
<b>Debrigode Patricia</b>	CREG
<b>Harlem Steven</b>	Luminus
<b>Ramm Peter</b>	Dils Energie
<b>Schjelderup Ina</b>	RWE
<b>Spilkov Raycho</b>	Advanced Power
<b>Van Bossuyt Michaël</b>	Febeliec
<b>Van der Biest Piet</b>	Siemens
<b>Van de Pol Lorenzo</b>	VoKa
<b>Vandersyppe Hans</b>	COGEN Vlaanderen

<b>Verrydt Eric</b>	BASF
---------------------	------

## Minutes

Elia welcomes the audience. Patrik Buijs chairs the meeting of today, replacing Thibaut who is on holiday.

### Implementation planning 2020

Elia gives an update on the planning for 2020, in particular elaborating on the agenda of the next TF implementation of August 19<sup>th</sup>.

### Secondary market process Q&A – Nicolas Koelman

Febeliec asks whether the transaction period concerns the transaction period of the secondary market, or the transaction period from the primary market. Elia replies that the transaction period terminology is common to both the primary and secondary market. This is a concept that is linked to the transaction itself, i.e. the period during which the obligations and rights apply, which may result from – and is therefore not necessarily linked to – the primary or secondary market. For the primary market, the transaction period may correspond to one or more delivery periods.

Febeliec follows up on the question, asking whether this means that in case of a transaction period of 15 years resulting from the primary market, that, within those 15 years, a transaction period can be different when obligations are transferred to another CMU (for instance because of maintenance). And additionally Febeliec wonders if, when this secondary market transaction ends, there is a return to the original transaction or if a new transaction period starts. Elia clarifies that the transaction period remains fixed for the primary market transactions. For instance, if you get a 15 year contract, the transaction period is 15 years, regardless of the contracted volume that may be fluctuating over time, for instance because of secondary market transactions.

ENGIE comes back on the stop-loss, stating there should also be a stop-loss on the penalties linked to the availability obligation like in the primary market. Elia proposes to take note of this comment for now and to come back on it later. ENGIE further adds that it would be necessary to ensure consistency.

Regarding the opening of the secondary market, ENGIE asks if bilateral transactions – if any – made before the opening of the secondary market (2023) can be part of the mitigation plan of the pre-delivery process. Elia replies that this is a good question, but it rather relates to the pre-delivery control. Therefore, ELIA proposes to have a further look at the question, considering both secondary market and pre-delivery control, and to get back later with an answer in a next session. ENGIE adds

that also here it would be a necessity to ensure consistency between the different CRM topics.

Regarding the contract escalation penalties, ENGIE asks if the availability test on §205 of the functioning rules is only applicable in case of secondary market transactions. Elia clarifies that in case you have at least one secondary market transaction for the period in which there is missing capacity, the contract escalation could be activated.

### Transparency Q&A – Julie Van Steen

Elia indicates that so far no feedback was received on the updated proposal, but emphasizes that for Elia (as well as for CREG) also feedback on this item is welcomed, on both the proposed rules as well as a wider reflection on the level of detail and scope.

Febeliec highlights that for them, also the ex-post (e.g. on auction, secondary market, fulfilment of obligations) transparency is important. Some comments on that aspect have been provided by Febeliec during the public consultation on the design note, but it is not yet clear whether this feedback has already been taken into account in V2 of the functioning rules. Regarding ex-post reporting, Elia clarifies that this aspect is not included in the updated version V2. However, this is not to be misinterpreted. From an Elia perspective, we are willing to foresee it, but probably not in this version. In order to make a good proposal on what can actually be provided in terms of ex-post transparency, Elia believes a better proposal can be made once there is a better view on implementation. Therefore, Elia proposes to make a good proposal closer to the first delivery period. Elia further clarifies that what is included in the V2 functioning rules on transparency relates to a.o. prequalification, opt-out and auction, i.e. the steps of the process first encountered in reality.

### Next steps

On minutes of the implementation TF CRM meeting of May 28<sup>th</sup>, Elia has not received any comments so Elia considers them as approved and will publish them.

On minutes of the implementation TF CRM meeting of June 18<sup>th</sup>, these have only recently been shared, so Elia is open to receive further comments from market participants until July 24<sup>th</sup>.

As one last point, ENGIE comes back on a topic discussed in the TF CRM session of July 9<sup>th</sup> in the morning and already briefly discussed at earlier stage. ENGIE mentions that the cost of an availability test for some technologies test is not integrated in the calibration of the intermediate price cap, following the reasoning

presented by Elia that the availability test remains a last resort measure in case they cannot monitor some capacities and ensure the obligations are fulfilled. ENGIE would like to recommend Elia to further clarify this reasoning in the functioning rules, such that the rules for the launch of the availability testing reflect this principle of “last resort”. Elia replies that this point is well taken. In any case, as Elia has always said, this is the proposed design philosophy. It will be verified whether this philosophy could be better reflected in the rules. Of course, testing should always remain as a surprise and there should be a sufficient threat for everyone, but be reasonable as a function of for instance the market visibility as pointed out.

Febeliec asks when the full V2 functioning rules will be available. Elia indicates that these will be made available when the public consultation starts.