

Minutes of Meeting

WG EMD Apr 23, 2019

Participants

Y. Boury (Yuso)
C. Cuijpers (CREG)
S. Harlem (EDF Luminus)
J. Le Page (EFET)
G. Maes (Engie)
F. Masurel (EDF Trading)
H. Robaye (Engie)
M. Van Bossuyt (Febeliec)

J. Matthys-Donnadieu (chairman, Elia)
F. Carton, B. Genêt, G. Etienne, M. Funck, B. Vanderveken, S. Van Campenhout (Elia)

1. AGENDA

1. General status intraday
2. BeDeLux update
3. Core Capacity Calculation Methodology: outcome ACER decision
4. Day-Ahead Capacity Calculation on Nemo Link
5. LTR curtailment on BE-FR border
6. Red zone statistics

2. REPORT

J. Matthys-Donnadieu opens the meeting by welcoming all participants. The proposed agenda is approved.

1. General status intraday

Elia recaps the capacity calculation process in CWE which is based on ATC extraction and increase/decrease process.

Engie asks if recalculation of the domain can avoid non-zero capacities. Elia explains that the situation as illustrated on slide 6 with hitting a corner of the domain can still occur after recalculation.

Questions are raised by Engie, Febeliec, EFET with respect to the background and application of the 300 MW. Elia clarifies:

- There has to be a cap since it is not a fully coordinated process;
- Initially this cap was set to 200 MW and Elia pro-actively made agreements with RTE and TenneT NL allowing Elia to ask for a 300 MW increase on the Belgian borders;
- Elia structurally asks for 300 MW increase, the acceptance rate is ~10%.

Febeliec requests more transparency about the justification of non-acceptance, and the reasons why not all TSOs structurally ask to validate an increase / decrease of ID capacity. Elia acknowledges improvements can be made to increase transparency, and refers to the process in CWE should the market parties wish to officialise this request.

CREG asks how the process is to be seen in the case of market suspension. Elia answers that:

- The general concepts apply, there are no specific rules attached to the increase/decrease process;
- In a theoretical case where one bidding zone enters into a market suspension setting, this should not block the market operation on a regional / European level. Practically Elia would set the ATCs to zero in such case.

Elia reports that - as discussed during CWE Consultative Group meeting on 17/04 - the Flow Based ID Capacity Calculation project has been put on hold due to delay in the CGMES project within ENTSO-E:

- The figure on slide 8 illustrates that the more capacity is given in day-ahead (today 20% minRAM, in the future CEP to 70%) the less margin there is to provide capacity in intraday. Hence the importance of a high quality grid model;
- Engie suggests to consider pragmatic developments like using updated forecasts. Elia is a priori not against, yet highlights that there are many implementations ongoing. So market parties should duly consider if this is a key priority worth trading off against the current scope of work within CWE, CORE and Channel.

Elia concludes this topic by informing about intentions for new products in ID on all the Belgian borders:

- Introduction of ID first on NEMOLink and afterwards on ALEGrO. Nothing is set in stone yet as designs are to be worked out and afterwards approved by the regulators;

- Change of MTU from 60' to 30' (FR-BE) and 15' (BE-NL), where the timing is still uncertain and the challenge is not to be underestimated from an operational perspective.

2. Bedelux update

Elia reports about the conclusion of the technical trial period, namely that the PST is the limiting factor when adding it to the flow-based calculation process, and the consequent decision not to commercialize the interconnector.

Elia clarifies

- CREOS owns the PST and Elia operates it on behalf of CREOS;
- It is not planned to re-evaluate the decision. The main driver of the investment is security-of-supply in Luxemburg, and this is fulfilled.

Action point: Elia will check if the technical report can be made publically available

3. Core Capacity Calculation Methodology: outcome ACER decision

The CORE CCM embeds the 70% philosophy of the Clean Energy Package. It is agreed to keep the CEP link general and not enter into a debate on what the 70% implies for Belgium. Elia is doing its homework in coordination with CREG & FOD and intends to give a status report on what it implies for Belgium during the next WG meeting in June.

Elia presents the ACER interpretation of the 70% rule, the key principles of the methodology and the next steps.

Febeliec asks what happens in case of non-compliance with CEP. Elia replies that CEP in this case triggers a decision by the Member States of the region to amend the bidding zone reconfiguration.

EFET asks how the coordination will work between CORESO & TSCNET. Elia replies this is not yet defined, and up to both entities and TSOs to work it out.

Related to the economic efficiency analysis on internal lines:

- CREG asks if there is a cross-border compensation triggered in case the analysis concludes that investment in the concerned Member State is the best outcome. Elia explains that there is no such trigger in CORE CCM;
- Febeliec asks how cross-border impact will be taken into account. Elia replies that is to be answered in the methodology to be developed by the CORE TSOs and approved by the CORE NRAs.

Engie asks about the evolution of the external constraint. Elia refers to its Federal Development Plan (FDP) 2020-2030 where the stepwise increase to 7500 MW is explained, as well as the need for additional solutions to cope with the effect of the nuclear phase out on the operational security limits. The FDP determines the way forward, being the basis with which Elia will evaluate the role of the external constraint in CORE CCM.

Febeliec asking if non-costly remedial actions of one country can serve to relieve congestion in another country. Elia answers this is the case, with the conditions as described on the slides. This means that the Belgian PSTs are foremost used to reduce loopflows and can, while respecting the loopflow threshold, help to solve congestion elsewhere.

Related to the validation process:

- EFET asks if validation will be fully coordinated in the end by CORESO & TSCNET. Elia answers it is by design a 2-step process, with an increasing role over time for the RCCs always complemented with a local TSO validation;
- Febeliec makes the link between the use of costly RAs and the development of the cost sharing methodology in CORE, highlighting the request of market parties to have transparency about how the cost sharing methodology works. Elia refers to the CORE CG meeting of Apr 3rd where the request has been noted and an action point has been defined in CORE to look into the request.

Engie asks how the current (pending) request of market parties in CWE fits within the transparency provision. Elia refers to the recent CWE CG meeting where NRAs have mentioned that they will analyse new requests on transparency in CWE considering the CORE framework. The strategy going forward for new requests should be elaborated. Engie suggests that the evaluation paper of NRAs of August 2018 could be taken as a reference.

EFET asks if the 4MMC project for NTC coupling on the concerned borders impacts the timeline of CORE. Elia responds it may not, as per the agreements made between both projects.

4. Day-Ahead Capacity Calculation on Nemo Link

Elia explains the interim methodology in place until the Channel methodology goes live. The interim methodology is accessible on the Elia website: [link](#).

Elia highlights the recent lower capacities on NemoLink in day-ahead are related to the upgrade of the Horta-Mercator axis, and expects the situation to improve once the works are finished.

5. LTR curtailment on BE-FR border

Elia explains LTR curtailment that took place in March, extending a few days into April, related to the upgrade of the BE-FR interconnector.

Engie asks why curtailment is needed since FTRs are in place. Elia replies that due LTA inclusion, FTRs have also a physical nature. Moreover the curtailment was needed to ensure that all transactions are physically backed. Without curtailment the LTA inclusion in day-ahead would have led to unacceptable stress on the grid as it concerns a double outage on an interconnector.

EFET asking why the reasoning is different for the general usage of the LTA inclusion patch (also no physical backing) and if this patch will be reviewed in light of 70% and CEP. Elia answers that the role of the patch may change, and that the difference with respect to the LTR curtailment is that the LTA inclusion is not a pure financial patch as it covers also for low data quality for example.

6. Red zone statistics

Elia presents the red zone mechanism and evolution in its usage.

7. AOB

J. Matthys-Donnadieu asks the audience if this meeting in terms of content and format has met their expectations. The audience responds positively.

EFET asking if the CREG decision allowing Elia to become active on XBID will be put on the agenda for a next meeting as it raises some concerns with the market parties. J. Matthys-Donnadieu explain this access is needed to ensure an efficient solution for countertrading over NEMOLink, and the topic is followed up within the WG Ancillary Services.

3. DATE FOR NEXT MEETING

Jun 20th, 2019 10-12 at Elia premises.