

Capaciteitsreservering - CRM

WG Belgian Grid
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CRM & Capacity Reservation

Introduction

Capacity Reservation process

- Goal: reservation & allocation of (sometimes scarce) grid connection capacity to grid users
- Up and running process based on **'first-come-first-serve'** principle
 - Some reservations already exist, new reservations may be requested sooner or later
- **The process is under revision** on the context of the 'New Federal Grid Code', even irrespective of the CRM

CRM

- Goal: attract the 'best' investments to ensure adequacy
- Draft CRM-law under development before formal adoption
- **CRM should result in feasible projects**, also from a grid connection perspective
- Secondary legislation (eg. PQ & auction rules) are still to be developed – separately from CRM-law / FTR changes

→ Need to ensure mutual compatibility for both processes

→ Proposed amendment of FTR to keep balance between both tracks

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Introduction

Some key examples of potential issues

- Without amendment - existing reservations could block new projects getting a grid connection
- New projects could be interested in same hosting capacity, but are mutually exclusive if to be connected by 2025

The current capacity reservation process (even after 'new FTR') and the current draft CRM-law may result in suboptimal solutions limiting the CRM outcome as it limits competition between projects

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Proposed FTR amendment

Process (generation/storage)

- Keep current FCFS-principle during non CRM stage for obtaining capacity reservation
- Introduce CRM-competition ► (mandatory) capacity reservation & allocation conditional to CRM tender selection
- Temporary freeze of FCFS-track for generation/storage during CRM auction (between end PQ-period – Auction Results)



Principles (generation/storage)

- FOD production permit requirement no longer necessary for obtaining capacity reservation ► remains
- Capacity reservation is valid for 120 days (subject to extension) ► remains, but temporarily interrupted & void during CRM-tender
- Capacity reservation now as of signing connection contract – capacity allocation now as of firm commitment step
- EDS/technical agreements or capacity reservations can become void, once a nearby project has given firm commitment (=obtained allocated capacity).

- Projects with capacity reservation at end PQ-period
 - if firm build commitment before end PQ-period, then capacity = allocated ► no impact from CRM-tender outcome
 - if not, then reserved capacity becomes void during CRM-tender ► either offer in CRM (if eligible) or risk impact
- Projects without capacity reservation at end PQ-period
 - Eligible & non-eligible CRM projects that do not offer in CRM ► risk impact on their potential future capacity reservation

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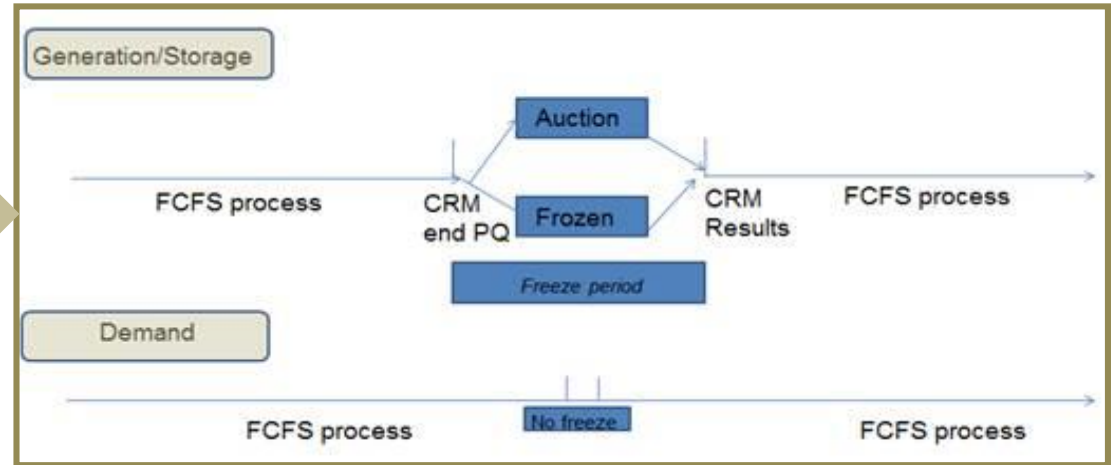
Proposed FTR amendment

Need

Find right balance between FCFS & CRM-competition

- avoid suboptimal CRM tender
- avoid unnecessary blockage of capacity
- avoid full-stop CRM priority

Solution



Implementation

Legal basis in draft CRM law

- respect FTR connection process
- ensure feasibility from grid perspective

Light amendment in FTR

- respect for historic UG agreement
- CRM PQ criteria to define later (eg. tech agreement)

Consequences

- FCFS track remains – but temporarily frozen during & if CRM-tender
- Reservation trigger gen/storage (connection contract) + demand (EDS)
- Non firm committed reservations are part of CRM solution space
 - *No impact for demand due to FTR amendment*
 - *Balance between avoiding blockage ↔ fairness advanced projects*
 - *Reservations without firm commitment have to decide before end PQ-period either to build, offer in CRM or risk impact*
 - *Reservations with firm commitment are unaffected by CRM*

Q&A