

Minutes of Meeting of WG Balancing on 19th June

Meeting

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|------------------|-------------------------|
| Date | 19/06/2020 |
| Organiser | James Matthys-Donnadieu |

| Participants | | Attended | Excused |
|------------------------|----------------------|-------------------------------------|----------------|
| Anciaux Pauline | FOD | <input checked="" type="checkbox"/> | |
| Baudson Axel | European Commodities | <input checked="" type="checkbox"/> | |
| Bayart Pierre | RAP-Green | <input checked="" type="checkbox"/> | |
| Chafaqi Laila | Luminus | <input checked="" type="checkbox"/> | |
| Ceusters Michel | Vynova | <input checked="" type="checkbox"/> | |
| Coppin Xavier | Engie | <input checked="" type="checkbox"/> | |
| Debaere Elias | Yuso | <input checked="" type="checkbox"/> | |
| De Cock Peter | Engie | <input checked="" type="checkbox"/> | |
| Donnay de Casteau Loic | Engie | <input checked="" type="checkbox"/> | |
| Gheury Jacques | Creg | <input checked="" type="checkbox"/> | |
| Gibbert Jan | Centrica | <input checked="" type="checkbox"/> | |
| Harlem Steven | Luminus | <input checked="" type="checkbox"/> | |
| Laleman Ruben | Engie | <input checked="" type="checkbox"/> | |
| Lecrompe Thibault | Lampiris | <input checked="" type="checkbox"/> | |
| Libert Brice | Creg | <input checked="" type="checkbox"/> | |
| Loos Rob | Aspiravi - Energy | <input checked="" type="checkbox"/> | |
| Luyckx Wim | Statkraft | <input checked="" type="checkbox"/> | |
| Pycke Bart | Yuso | <input checked="" type="checkbox"/> | |
| Suykens Cathy | Parkwind | <input checked="" type="checkbox"/> | |
| Tavernier Hans | Power Pulse | <input checked="" type="checkbox"/> | |
| Van Bossuyt Michaël | Febeliec | <input checked="" type="checkbox"/> | |
| Verrydt Eric | BASF | <input checked="" type="checkbox"/> | |
| Wagnier Jean-François | Febeg | <input checked="" type="checkbox"/> | |
| Wiesé Nadia | Next-Kraftwerke | <input checked="" type="checkbox"/> | |
| Williame Jean-François | Eneco | <input checked="" type="checkbox"/> | |



| Participants | | Attended | Excused |
|-------------------------|------|-------------------------------------|---------|
| Attanasi Arnaud | Elia | <input checked="" type="checkbox"/> | |
| Chim Didier | Elia | <input checked="" type="checkbox"/> | |
| Clement-Nyns Kristien | Elia | <input checked="" type="checkbox"/> | |
| De Vos Kristof | Elia | <input checked="" type="checkbox"/> | |
| Illegems Viviane | Elia | <input checked="" type="checkbox"/> | |
| Matthys-Donnadieu James | Elia | <input checked="" type="checkbox"/> | |
| Mertens Steven | Elia | <input checked="" type="checkbox"/> | |
| Motté Arno | Elia | <input checked="" type="checkbox"/> | |
| Leroux Amandine | Elia | <input checked="" type="checkbox"/> | |
| Pierreux Nicolas | Elia | <input checked="" type="checkbox"/> | |
| Tsiokanos Anna | Elia | <input checked="" type="checkbox"/> | |

| Report | |
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| Author | Didier Chim |
| Function | WG Balancing Secretary |
| Date report | 27/07/2020 |
| Status | <input type="checkbox"/> Draft <input checked="" type="checkbox"/> Final version |

1. Agenda

1. Introduction and Validation of minutes of 08/05/2020
2. iCAROS: State of play and next steps
3. Change of minimum mFRR Standard Volumes to be contract as of July 1st
4. Analysis on the dynamic FRR needs and the available FRR means over the period February 1st, 2019 until January 31st, 2020
5. Feedback on Public Consultation on the Balancing Rules
6. FCR/aFRR Go-Live
7. AOB
 - EU stakeholder workshop MARI/PICASSO 13th July
 - Smart Testing: State of Play
 - MOG II System Integration: Public Consultation
 - Implementation of ToE in DA/ID: next steps

2. Report

Introduction and Validation of minutes of 08/05/2020

- Febeg highlighted some typos in the minutes of 08/05/2020 which are corrected in the final version of the MoM.
- Minutes of WG Balancing of 08/05/2020 with the corrections are approved.

iCAROS: State of play and next steps

- Elia presents the state of play regarding the iCAROS project and indicates that the success of the project does not only lies on the readiness of Elia but also of the market parties.

Change of minimum mFRR Standard Volume to be contract as of July 1st

- Febeliec indicates that it wants first to see the results of the analysis on market liquidity before agreeing with the increase of the minimum volume of mFRR Standard towards 640 MW, as specified during the consultation.
- Elia explains that the increase of the volume has already been approved by CREG in the last version of the LFC Means.
- Elia explains it follows up closely the liquidity and price of the mFRR market and keep stakeholders informed on the evolutions.
- Febeliec requests that a follow-up is also performed for FCR and aFRR.

Analysis on the dynamic FRR needs and the available FRR means over the period February 1st, 2019 until January 31st, 2020

- Febeliec asks whether ALEGrO (HVDC between Belgium and Germany) will impact the FRR dimensioning, similarly to Nemo Link (HVDC between Belgium and Great-Britain).
- Elia explains that ALEGrO will not impact the FRR dimensioning as the cable is within the Continental Europe Synchronous Area (CE SA) (as opposed to Nemo Link, which is between synchronous areas). The trip of ALEGrO may create congestion but will not impact balancing.
- Febeliec asks whether Nemo Link can be treated the same way to avoid impact on balancing.
- Elia explains that in case of trip of ALEGrO, flows will naturally find another path to its destination while for Nemo Link, it would require to change the setpoint on other HVDC cables (in other countries) to reach similar effect. Elia reminds that this is not the foreseen model and Nemo Link is a BRP and is responsible to deal with its imbalance.
- Febeliec requests clarification of the meaning of wrongful forecast (on slide 19).
- Elia explains that a wrongful forecast is a forecast where the physical flow is opposite to the forecasted flow (e.g. forecasted flow is export while actual flow is import and vice versa).
- Engie thanks Elia for the interesting analysis and asks whether the same analysis exists for the last 4 to 5 months to assess the impact of special events (storm in February and Covid in April).
- Elia explains that this analysis covers only the period of the parallel run and that such report will be released on a yearly basis. Elia will see what is possible in terms to release

an intermediate update covering this period as this requires analyses which were not foreseen.

- RAP-Green asks whether the dynamic dimensioning methodology also affect the volumes of aFRR to be contracted.
- Elia indicates that the dynamic dimensioning method only covers FRR volumes and the aFRR volumes remains stable (at 145 MW) but the methodology for dimensioning the aFRR needs is currently being reviewed (cf. public consultation on the methodology for dimensioning the aFRR needs).

Public consultation on the methodology for dimensioning of the aFRR needs

- Febeliec asks whether the methodology also covers the split of the aFRR procurement into 2 steps.
- Elia explains that the study focuses on the dimensioning methodology and not on the procurement process aspects but that obviously, the proposed dimensioning methodology will need to be in line with the new aFRR product design and corresponding procurement process.
- Febeliec asks whether the projections with a dynamic approach is considered only for aFRR or will also include mFRR.
- Elia answers that the focus is indeed only on aFRR. However, Elia explains that projections towards 2028 on the FRR and mFRR needs are currently being conducted in the 4 GW offshore integration study and presented in the report which is currently under consultation. Elia acknowledges that both the aFRR dimensioning study and the offshore integration study are related and it closely guards the consistency over the two studies..

Publication of Elia's first balancing report on 2018-2019

- Yuso asks whether the CO₂ neutrality of balancing resources will also be reported and encourages Elia to do so in this report.
- Elia indicates that this report is a first version, which does not provide this information. Elia indicates however that it is considered to include information on the CO₂ contribution of balancing services in future versions of the European reports on balancing.

Feedback on Balancing Rules

- RAP-Green asks why a time-based weighted average of marginal prices is not used instead of a volume-based weighted average.
- Elia indicates that although ACER did not provide its final decision on the Imbalance Settlement Harmonization yet, it is expected that a volume-based weighted average price would be considered, but not a time-based weighted average price. Elia will investigate the application of an average of the marginal prices of the 4-second intervals of the quarter-hour, weighted by the energy activated in the corresponding 4-second interval.
- RAP-Green asks whether a consultation report of Balancing Rules will be available.
- Elia indicates that as per usual a consultation report will be available and is expected to be published at the latest beginning of next week (22/06/2020).

FCR/aFRR Go-Live

- Elia presents the Go-Live approach for FCR and aFRR. No comments are received from the stakeholders.
- Elia indicates that Kristien Clement-Nyns, architect of FCR and aFRR products will take up another challenge as of 1st of July in the Consumer Centricity department.
- Elia and the stakeholders thank Kristien for the work over the years to evolve and open up the market.

AOB - EU stakeholder workshop MARI/PICASSO 13th July

- Elia invites the market participants to join the workshop and to contact Elia for any additional explanations.
- Febeliec asks what the design gap for Belgium compared to the European solution is.
- Elia indicates that a design note will be available end of this year or beginning of next year summarizing and emphasizes a direct link with iCAROS project through the explicit bidding.
- Engie emphasizes that explicit bidding is a game changer. Connecting the dots and having a good overview of all interactions between all projects should not be overlooked. For Engie, understanding how it can use its own flexibility for its own balancing and its compatibility with the offshore integration is important.
- Elia acknowledges the comment of Engie and invites stakeholders to provide feedbacks to ensure that all aspects are being considered and all stakeholders are on board.

AOB - Smart Testing: State of Play

- Febeliec looks forward to read the report.

AOB - MOG II System Integration: Public Consultation

- No comments are received from the stakeholders.

AOB - Implementation of ToE in DA/ID: next steps

- No comments are received from the stakeholders.

AOB – Others

- It is suggested to investigate other conference call tools such as Microsoft Teams, Zoom or Google Meet as some stakeholders have connection problem with Skype for Business.
- Elia indicates that it will look at it but hope that WG Balancing can meet physically again soon.



3. Date for next meeting

- 02/07/2020 – 14:00 – 16:30 – Workshop on Scarcity Pricing
- 24/09/2020 – 13:30 – 16:30 – WG Balancing