

Minutes of Meeting of WG Balancing on 05th of May

Meeting

Date	05/05/2022
Organiser	James Matthys-Donnadieu

Participants		Attended	Excused
Axpo	Limpens Tanguy	<input checked="" type="checkbox"/>	
BASF	Verrydt Eric	<input checked="" type="checkbox"/>	
BSTOR	Bayart Pierre	<input checked="" type="checkbox"/>	
Centrica	Ricky Hill	<input checked="" type="checkbox"/>	
CREG	Gerken Benoit	<input checked="" type="checkbox"/>	
Eneco	Boddu Sumalik	<input checked="" type="checkbox"/>	
Eneco	van den Berg Jasper	<input checked="" type="checkbox"/>	
ENGIE	De Cock Peter	<input checked="" type="checkbox"/>	
ENGIE	Donnay de Casteau Loïc	<input checked="" type="checkbox"/>	
ENGIE	Laleman Ruben	<input checked="" type="checkbox"/>	
ENGIE	Stubbe Gerald	<input checked="" type="checkbox"/>	
Eoly Energy	Kormoss Aymeric	<input checked="" type="checkbox"/>	
Ez-Nergy	Van Migom Léa	<input checked="" type="checkbox"/>	
FEPEG	Wagnier Jean-François	<input checked="" type="checkbox"/>	
Flexcity	Potvlieghe Harold	<input checked="" type="checkbox"/>	
Flexcity	Vanneste Aron	<input checked="" type="checkbox"/>	
Fluvius	Van den Bosch Sven	<input checked="" type="checkbox"/>	
FOD Economie	Anciaux Pauline	<input checked="" type="checkbox"/>	
Nemo Link Limited	Monne Depraete	<input checked="" type="checkbox"/>	
Next Kraftwerke	Dierckxsens Carlos	<input checked="" type="checkbox"/>	
Otary	Van Nuffel Margot	<input checked="" type="checkbox"/>	
Power Pulse	Taverniers Hans	<input checked="" type="checkbox"/>	
RWE	Lazarescu Anca Manuela	<input checked="" type="checkbox"/>	
Thermovault	Brouyaux Louis	<input checked="" type="checkbox"/>	
Thermovault	Olivella Pol	<input checked="" type="checkbox"/>	
TotalEnergies/Lampiris	Hofman Hannah	<input checked="" type="checkbox"/>	
TotalEnergies/Lampiris	Vandamme Nicolas	<input checked="" type="checkbox"/>	
Yuso	Debaere Elias	<input checked="" type="checkbox"/>	
Yuso	Vermandere Jasper	<input checked="" type="checkbox"/>	

Participants

		Attended	Excused
Elia	Bosschaerts Caroline	<input checked="" type="checkbox"/>	

Elia	Chim Didier	<input checked="" type="checkbox"/>
Elia	Illegems Viviane	<input checked="" type="checkbox"/>
Elia	Leroux Amandine	<input checked="" type="checkbox"/>
Elia	Magnant Philippe	<input checked="" type="checkbox"/>
Elia	Matthys-Donnadieu James	<input checked="" type="checkbox"/>
Elia	Motté Arno	<input checked="" type="checkbox"/>
Elia	Oldenhove Thomas	<input checked="" type="checkbox"/>
Elia	Pellegrin Cécile	<input checked="" type="checkbox"/>
Elia	Pierreux Nicolas	<input checked="" type="checkbox"/>
Elia	Tsiokanos Anna	<input checked="" type="checkbox"/>

Report

Author	Didier Chim
Function	WG Balancing Secretary
Date report	19/05/2022
Status	<input type="checkbox"/> Draft <input checked="" type="checkbox"/> Final version

1. Agenda

1. Introduction and minutes
2. EU Balancing Program Update
3. Imbalance price – aFRR component
4. Implementation of CRI computation
5. DARE dimensioning results for 2021
6. 2021 Year Overview

AOB

- Launch of FCR Additional Properties public consultation
- Current status of participation of stakeholders in workshops

2. Report

1. Introduction and minutes

The MoM of WG Balancing on 24th March are approved.

2. EU Balancing Program Update

aFRR

Febeliec asks whether German TSOs have confirmed their accession to the PICASSO Platform for the 22nd of June 2022. Elia indicates that based on the information available at European level, nothing indicates that it should not be the case. Formal confirmation remains however to be given.

Febeliec asks which other TSOs besides Elia will be connected to the PICASSO Platform. Elia indicates CEPS (CZ), APG (AT), German TSOs and Swissgrid (CH) are planning to connect. The connection of Swissgrid is subject to some discussions.

Febeliec remarks that neither RTE (FR) nor TenneT NL are expected to be connected to PICASSO by the time Elia will connect and asks whether Elia intends to connect and exchange only through ALEGrO. Elia indicates that discussions are on-going with TenneT to make ATC available before their connection to the PICASSO Platform. RTE already indicated difficulties to share ATCs. In any case, the amount of ATCs available will be reflected in the results of the observation run. Febeliec requests that the accession of Elia is discussed during the WG Balancing before taking any decision to connect. Elia confirms that it is the objective to share the results of the observation run during the WG Balancing of September, as a basis for the decision to connect to the PICASSO Platform.

Engie agrees with the necessity of the observation run but also points out that developments have been made in order to get some benefits, as soon as possible. Elia agrees with the comment of Engie and aims to connect as soon possible, subject to positive results of the observation run. Decision will be taken in September.

Elia notes that the T&C BSP aFRR are already approved. The slide 14 will be amended accordingly. Elia further adds that the Balancing Rules need to be approved before the end of June.

mFRR

Febeliec asks the status of the BSP facilitation and whether a date has been set for further discussions. Febeliec reminds that the Neutralization Time functionality is important for them. Elia confirms that a meeting will be organized in order to discuss the different functionalities.

Engie provides a feedback on the aFRR Go-Live and indicates that it was more complex than expected. Engie adds that the same team is working on both aFRR and mFRR and that mFRR implementation will not start before on the implementation of changes for aFRR is finalized. Engie further remarks that the mFRR design is still under discussion and requests that Elia takes those elements into consideration when reviewing the implementation roadmaps. Elia takes note of the feedback and invite all stakeholders to provide as soon as possible their input on the mFRR design via their KAM if not done yet. The received feedback will be analyzed in terms of impact on the design and on the planning.

3. Imbalance price – aFRR component

Febeliec indicates that the compromise gives the right price signal and agrees with the proposed solution. Febeliec requests to revisit the topic as soon as more information and experience are available after the connection to European platforms.

Febeg thanks for the material and see the proposal as a good compromise. Febeg states however that it remains cautious with the concept of deadband and insists to have a monitoring and the possibility to review the proposal.

European Commodities shares that the proposal is going in a very good direction and is the best available compromise. It would welcome the proposed simulation to determine whether the deadband should have a width of 50 MW or 100 MW. European Commodities requests that experience is shared as soon as available in WG Balancing.

Elia takes note of the support of the stakeholders for the proposal encompassing the latest changes and indicates that the proposal will be submitted to CREG for approval, without further public consultation. Elia adds that monitoring is a firm commitment. Elia asks whether there is any objection from the stakeholders on the proposed way forward. No stakeholders raise an objection.

Luminus asks whether the monitoring will be described in the Balancing Rules and indicates that the monitoring rules shall remain flexible. Elia confirms that the monitoring will be described in the Balancing Rules. The next (scheduled) review of the Balancing Rules shall take place for MARI. The revision process of the Balancing Rules follows the normal process with consultation and approval by the CREG. The whole process may be fast tracked. Luminus asks whether CREG agrees with the proposal. CREG indicates that two options is possible regarding the amendment of Balancing Rules for the monitoring, either:

- The deadband and its amendment is clearly described in the Balancing Rules and therefore does not require further approval by CREG, or
- The amendment follows the normal process and get an approval in a swift manner.

CREG indicates that it has a preference for the second solution.

[POST MEETING NOTE: the monitoring is not described in the Balancing rules for two reasons:

- 1) the Balancing Rules only describe the monitoring to the CREG whereas the foreseen monitoring for the Imbalance Price has a broader scope.
- 2) the Balancing Rules only describe recurrent monitoring whereas the foreseen monitoring for the Imbalance Price is more of a “one shot”. The description of the monitoring is difficult for a document which is regularly reviewed]

Next Kraftwerke asks whether the Available Transmission Capacity (ATC) can be taken into account when determining the Imbalance Price. Elia indicates that this is something being considered in the long term vision. However, Elia shares the difficulty to take the ATC into account to get the right implicit reaction without saturating the border. Additionally, the MARI and PICASSO processes may also consume ATCs and therefore modify, in real-time, the cross-border implicit reaction of the market participants that would be possible without saturating the borders.

Yuso asks whether the one minute Imbalance Price information will still be available. Elia confirms and indicates that a more extensive presentation on the publication will take place at later stage.

Eoly asks what happens if all ATC is consumed and its impact on the aFRR price formation. Elia indicates that in any case the CBMP is defined for an uncongested area and provided by the Picasso platform.

Such uncongested area may be Belgium alone (no ATCs), then the CBMP is equivalent to the Local Marginal Price. If Belgium is not alone, the CBMP will be defined based on the CMOL.

4. Implementation of CRI computation

Engie states that any units should have the same opportunities to participate to the market and that the filtering should be as limited as possible. Elia takes note of the remark and shares that the parallel runs indicate a limited filtering, which is welcomed by Engie.

5. DARE dimensioning results for 2021

Febeliec asks what the impact of the wrongful Nemo forecast is. Febeliec remarks that the accuracy of the forecast is good on average but the wrongful forecast is higher during winter months. Elia indicates first of all that the wrongful forecast does not have an impact on the reserve dimensioning given that in the upward direction, the nuclear power plants are setting the dimensioning incident and that Elia does not contract downward mFRR reserves. Elia adds that it has taken action to improve the forecasting of the Nemo Link direction, through the implementation of the Nemo Flow Forecast on 1st April 2022.

Febeliec remarks that if the nuclear power plants are not setting the dimensioning incident anymore in the future, the quality of the forecast will impact the dimensioning of the reserve. Elia confirms the understanding of Febeliec.

6. 2021 Year Overview

FCR capacity

Febeliec remarks that for the same technology, the price in Belgium is almost doubled compared to other countries of FCR Cooperation. Elia indicates that other countries have more liquidity and adds that the opportunity costs may be different.

aFRR Capacity

Febeliec asks whether Elia has a view on the period from January to April 2022. Elia indicates that it will have to check the numbers but shares the mitigations were good and no peak is expected.

Elia indicates that due to high price on the gas market, discussions are on-going with CREG to optimize the aFRR volumes to be contracted. The changes in the aFRR volume will be consulted in LFC BOA, which may be in a short notice. Eneco asks whether Elia is considering contracting less aFRR capacity. Elia indicates that the result of optimization could be that aFRR can be lower but the discussions on our needs and the methodology are still on-going.

Eneco asks whether Elia can share an order of magnitude or a deadline on the discussions on aFRR volumes. Elia indicates that the aFRR volume to be contracted will always ensure the system operations and shares that ENTSO-e is currently reassessing the FRCE quality targets which may also impact the aFRR volume. As far as the deadline is concerned, Elia indicates that the costs are high now and time is of the essence. The implementation timing is part of the overall assessment, taking into account what is technically and legally feasible.

mFRR Capacity

Centrica asks whether the 250 MW of reduction of mFRR Standard due to Reserve Sharing Agreement should be lowered given the expected lower ID ATCs. Elia indicates that the analysis is performed ex-post to confirm whether sufficient ATCs were available to maintain the volume reduction. The volume may be reconsidered in the future.

Availability control

Febeliec asks the consequences of failing tests. Elia indicates that for each failed tests, financial penalties are foreseen, with additional factor in the penalties in case of multiple failures. After 2 consecutive failures, the pre-qualified volume of the BSP is reduced.

Transfer of Energy

Febeliec remarks a major shift from Transfer of Energy scheme to Opt-out scheme on slide 57. Elia indicates that the Opt-out scheme seems to be working quite well and reminds that only one regime is allowed per BSP/BRP couple to participate to both aFRR and mFRR. Febeliec shares that the combination rules may need to be revisited because they are too restrictive. Elia indicates that an incentive for 2022 will be looking into clarifying and facilitating the combination of balancing products.

aFRR Energy

Engie remarks that the activation volume of aFRR on slide 65 is increasing and asks the status of the analysis for optimizing economically aFRR and mFRR activation. Elia indicates that the analysis is still ongoing.

Balancing Energy

European Commodities asks whether a link can be made between the forecast errors and the cost of Belgian balancing. European Commodities adds that a view on the cost of balancing prosumers could be of interest. Elia indicates that making a linking between costs and activation volumes would be difficult as the isolation of the components of the imbalance volume is not easy. Elia invites European Commodities to further discuss bilaterally.

Eoly asks whether the distinction between upward and downward activations can be added (slide 64). Elia confirms that it will be added.

Eoly indicates that 1 TWh is high compared to the total consumption. Centrica indicates that comparatively, RTE activates 0.1% of their total demand and asks whether the volume of reactive balancing can be identified. Elia indicates that it is difficult to assess.

AOB - Launch of FCR Additional Properties public consultation

No comments or questions from the stakeholders.

AOB - Current status of participation of stakeholders in workshops

Elia indicates that the participation of stakeholders in workshops is rather low in general and physically in particular. Elia encourages a physical participation and will make an effort to group workshops and WG meetings. The Teams are provided to facilitate the participation but Elia insists that it should not become the standard.

AOB – next meetings.

Febeliec indicates that a MESC is scheduled on the 7th of December. Elia will look for an alternative date.

For organization purposes, Febeg asks to add an indicative end of meeting time. Elia takes note of the request.

3. Date for next meetings

- WG Balancing 22/06/2022 09:00 – 13:00
- WG Balancing 15/09/2022 09:00 – 13:00
- WG Balancing 27/10/2022 09:00 – 13:00
- WG Balancing ~~07/12/2022 09:00 – 13:00~~, postponed to 09/12/2022 09:00 – 13:00