

Minutes of Meeting of WG Balancing on 28th of September

Meeting	
Date	28/09/2022
Organiser	James Matthys-Donnadieu

Participants		Attended	Excused
AXPO	Tops Jeremiah	<input checked="" type="checkbox"/>	
BASF	Verrydt Eric	<input checked="" type="checkbox"/>	
BSTOR	Bayart Pierre	<input checked="" type="checkbox"/>	
BSTOR	Fieuws Arthur	<input checked="" type="checkbox"/>	
Centrica	Benquey Romain	<input checked="" type="checkbox"/>	
Centrica	Gillis Jeroen	<input checked="" type="checkbox"/>	
Centrica	De Somer Oscar	<input checked="" type="checkbox"/>	
COGEN Vlaanderen	Vandersyppe Hans	<input checked="" type="checkbox"/>	
CREG	Betrand Gilles	<input checked="" type="checkbox"/>	
CREG	Maenhoudt Marijn	<input checked="" type="checkbox"/>	
Eneco	Van den Berg Jasper	<input checked="" type="checkbox"/>	
Eneco	Williame Jean-François	<input checked="" type="checkbox"/>	
ENGIE	Donnay de Casteau Loïc	<input checked="" type="checkbox"/>	
ENGIE	Laleman Ruben	<input checked="" type="checkbox"/>	
European Commodities	Baudson Axel	<input checked="" type="checkbox"/>	
FEPEG	Waignier Jean-Francois	<input checked="" type="checkbox"/>	
FEBELIEC	Van Bossuyt Michaël	<input checked="" type="checkbox"/>	
Flexcity	Van Vlaenderen Emiel	<input checked="" type="checkbox"/>	
Flexcity	Vanneste Aron	<input checked="" type="checkbox"/>	
Flexcity	De Paepe Michiel	<input checked="" type="checkbox"/>	
Luminus	Chafaqi Laila	<input checked="" type="checkbox"/>	
Luminus	Harlem Steven	<input checked="" type="checkbox"/>	
MFT Energy	Brandt Anders Emil	<input checked="" type="checkbox"/>	
Next Kraftwerke	Topete Juan	<input checked="" type="checkbox"/>	
ODE	Celis Chris	<input checked="" type="checkbox"/>	
RWE	Käster Lars	<input checked="" type="checkbox"/>	
Scholt	Demeyer Valentijn	<input checked="" type="checkbox"/>	
Thermovault	Brouyaux Louis	<input checked="" type="checkbox"/>	
TotalEnergies/Lampiris	Hofman Hannah	<input checked="" type="checkbox"/>	
Yuso	Vermandere Jasper	<input checked="" type="checkbox"/>	



Participants		Attended	Excused
Elia	Bosschaerts Caroline	<input checked="" type="checkbox"/>	
Elia	Hardy Simon	<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	Pellegrin Cécile	<input checked="" type="checkbox"/>	
Elia	Pierreux Nicolas	<input checked="" type="checkbox"/>	
Elia	Poncelet Kris	<input checked="" type="checkbox"/>	
Elia	Tsiokanos Anna	<input checked="" type="checkbox"/>	
Elia	Zenner David	<input checked="" type="checkbox"/>	

Report	
Author	Philippe Magnant
Function	aFRR product owner
Date report	29/09/2022
Status	<input type="checkbox"/> Draft <input checked="" type="checkbox"/> Final version



1. Agenda

1. Introduction
2. Market recommendation for the go/no-go decision to connect to the aFRR-Platform
3. Study on the evolution of the BRP Nominations: implementation plan

2. Report

1. Introduction

Participants are welcomed to the meeting.

2. Market recommendation for the go/no-go decision to connect to the aFRR-Platform

- The proposed recommendation has been shared ahead of the meeting and is annexed to the present minutes.
- Elia clarifies that the objective is to provide a recommendation from the Working Group Balancing. It is not binding for the CREG, as the CREG is acting as observer in the Working Group Balancing.
- Febeliec thanks Elia for the hard work to find a solution. Febeliec is very worried that the costs of aFRR would explode by connecting to PICASSO. Therefore, Febeliec is strongly opposed to scenario 1 and has a preference for scenario 3. However, Febeliec supports the compromise, as it includes 3 important points for Febeliec
 - No connection before the end of the winter, which is already expected to be challenging enough
 - The implementation of temporary price cap
 - The development of liquidity in the aFRR energy market

Febeliec however insists that they are pushed outside of their comfort zone with this compromise.

- Febeg is convinced by the connection to PICASSO but acknowledges the risks and the expected situation for this winter. Therefore, Febeg considers the compromise as a right balance and supports it.
- CBS considers that the price cap entails the risk that Belgian merit-order subsidizes the German merit-order by exporting too much. In particular, if units with Limited Energy Reservoir (LER) in Belgium are depleted to export to Germany, this could increase Belgian costs as well. Therefore, it's important for CBS that the cap can be adjusted in order to keep this risk under control. Under this condition, the compromise is acceptable.
- Luminus thanks Elia for the work achieved to come to a compromise and supports it. Luminus however expresses the difficulty to position their company on this compromise and regrets the last minute addition on the volumes of aFRR energy bids offered. On the other hand, Luminus is also afraid by an isolation of Belgium with a short merit-order, which could also lead to cost increases if Belgium does not connect to PICASSO.

Luminus requests to have a confirmation of the go-live sufficiently in advance.

Elia answers that this is indeed the objective, the precise modalities will be further defined.

- European Commodities appreciates the work done by Elia, the simulations and the dialogue. European Commodities also sees a lot of risks considering the situation of the Belgian market and the upcoming winter. Taking the risk of an increase in balancing costs at this moment would be very difficult. European Commodities supports the compromise and appreciates the safety nets that it includes.
- BSTOR asks what is exactly meant with "adjustability" of the price cap and if any principles are already defined.
Elia answers that this will be discussed in the next steps.
- Febeliec asks about the next steps, for the regulatory track as well as for the operational track. Elia indicates that the recommendation, if approved, will go to the CREG that will confirm the approval or not by 11th of October. Elia then expects some discussions to concretely define the next steps. The design of the price cap and discussions on T&C amendment would then start, if relevant.
CREG reminds the process in the derogation decision: the CREG will either extend the derogation (with the date for new analysis by Elia), either provide an end date of the derogation. In the latter case, this would trigger the entry into force of the T&C, which doesn't include the price cap. Therefore, CREG would have to decide to extend the derogation and to define a new evaluation period.
Elia will discuss with CREG how to engineer the final solution.
Elia and CREG agree on the need to provide clarity to the market by the next Working Group Balancing.

The recommendation is approved by Working Group Balancing.

Febeliec asks whether this should be a recommendation from the Working Group Balancing or from the User's group. Elia has verified this and considers that a recommendation of the Working Group Balancing is sufficient.

3. Study on the evolution of the BRP Nominations: implementation plan

Luminus asks whether enabling a split between the roles of the BRP and SA does not require a change to the access contract in addition to the changes to the nomination process. Elia clarifies that there are indeed several relations between the roles of the BRP and SA that need to be addressed before different parties can take up the roles of BRP and SA, and that, considering the scope of the study is on the nomination process, the focus was put on the relations between both roles in the nomination process. Elia further indicates that other elements that need to be explored to enable a split between the roles of BRP and SA include for instance the process of designating the SA and handling the impact on the perimeter of the BRP in case of the activation of redispatch bids submitted by the SA.

3. Date for next meetings

- WG Balancing 27/10/2022 09:00 – 13:00
- WG Balancing 09/12/2022 09:00 – 13:00