



WG Energy Solutions of February 6th 2025

Hybrid meeting

06/02/2025



For a smooth teleconference with 30+ people ... Some rules apply

- Please put yourself on mute at any time that you are not speaking to avoid background noise.
- If you receive a call, please ensure that you do not put this meeting **on hold**.
 - You can quit and reconnect later on.
 - You will be muted or kicked out of the session, if necessary.
- You will be requested to hold your questions for the end of each presentation.
 - Should you have a question, please notify via Teams or speak out if you are only via phone.
 - Share your question (with slide number) in advance so all participants may follow
 - Before you share your question, please announce yourself.
- If you have a poor internet connection, please dial-in.
- Finally, please be courteous and let people finish their sentences.
 - It is practically impossible to follow when 2 people are speaking at the same time in a teleconference.



Agenda

- 13:00 – 13:05: Welcome and approval MoM
- 13:05 – 13:20: EU & BE Balancing Program Update
- 13:20 – 14:05: T&C BRP - feedback on the public consultation & next steps
- 14:05 – 14:30: LFCBOA - feedback on the public consultation
- 14:30 – 14:50: Incentive '25 - economic optimization of the use of balancing products
- 14:50 – 15:00: AOB



Minutes of Meeting for approval

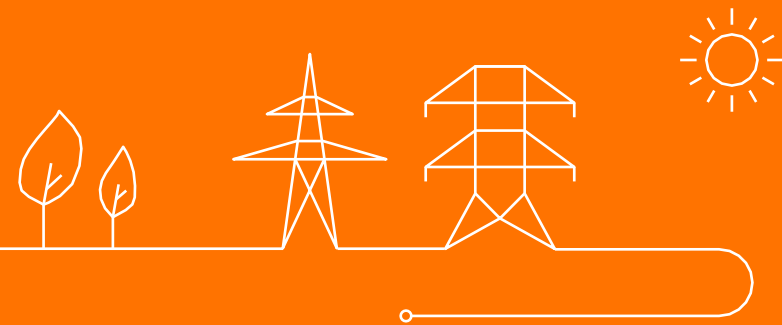
Minutes of Meeting of WG Energy Solutions of 16/12/2024

- No comments received.
- Suggestion to approve.



EU & BE Balancing Program Update

Cécile Pellegrin / Kris Poncelet



Agenda of today's presentation

- MARI planning
- Balancing incentives
- Coming stakeholder management interactions

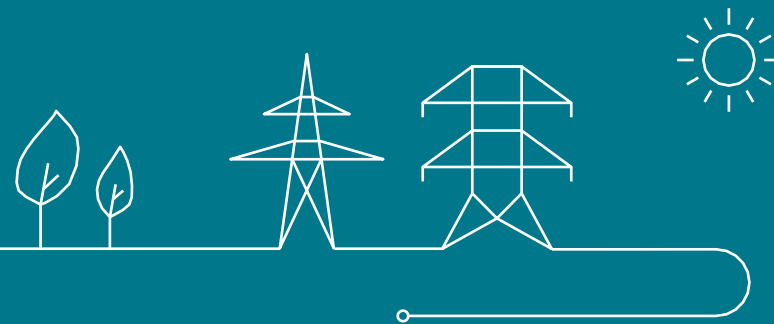
MARI planning

- Now that we're connected to PICASSO and have ended the related hypercare period, work of all concerned teams is put on **priority on the preparation of our accession to MARI.**
- As announced in last WG Energy Solution, in this context, the detailed planning of the MARI connection has been reviewed in order to confirm the target go live window. The refinement and reassessment of the detailed planning led to confirm **Wednesday 21st of May as target go live date.**
- Effective connection will be confirmed at the latest 2 weeks upfront (possibly still conditional to the finalization of EU approval process).

Balancing Incentives

- ELIA is initiating the identification of incentives for 2026.
- Major milestones will follow the regulation. In particular, Elia will submit its proposal at the latest on 15th of May 2025
- Any idea may be shared before End of February towards the KAM Energy

Coming stakeholder management interactions



Assessment possible future revision of the aFRR capacity auction

- Elia intends to **assess the need for possible future revisions of the auction for aFRR capacity.**
- **The main motivation for the evaluation is the increasing liquidity in the aFRR capacity auctions and more particular the increasing participation (including battery assets) in the Single-CCTU product.** In January 2025, the average submitted volume of aFRR Capacity in the single CCTU product for the upward direction was 143 MW compared to 68 MW in January 2024. It is expected that the volumes of flexibility capable of delivering aFRR at reasonable costs will further increase in the course of 2025 and 2026.
- These **ongoing evolutions trigger certain questions related to the aFRR Capacity auction design**, such as:
 - Will there still be a need for an All-CCTU product?
 - Will there be a need for additional complexity in the Single-CCTU product (e.g., indivisibility, bid curves, exclusive groups, ...)?
 - Is there still a need to trade off total capacity cost minimization and enabling development of the market?
 - Will there be a need for more granular CCTUs in the future (e.g., related to participation of RES, more volatility in the energy markets)?
- **Elia intends to perform this assessment in the course of 2025 and in interaction with the stakeholders.** Based on the outcome, Elia will recommend possible future evolutions. In such a case, Elia also intends to assess the desired timing (and possible preconditions) for those evolutions.
- To gather some preliminary market feedbacks, **Elia would like to conduct bilateral meetings in February with interested market parties. Elia therefore invites interested market parties to contact their KAM Energy.**

Contact persons



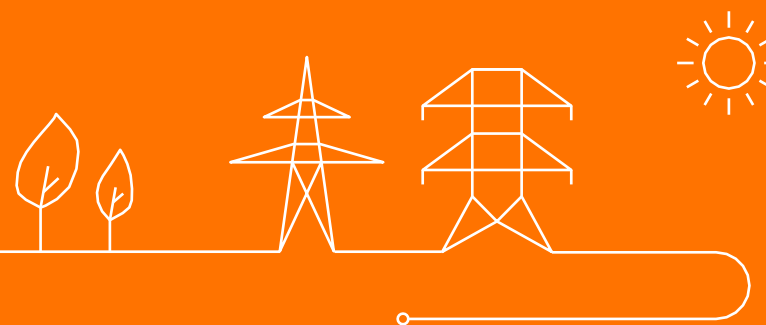
KAM Energy

Nicolas Koelman / Sybille Mettens / François Jadoul

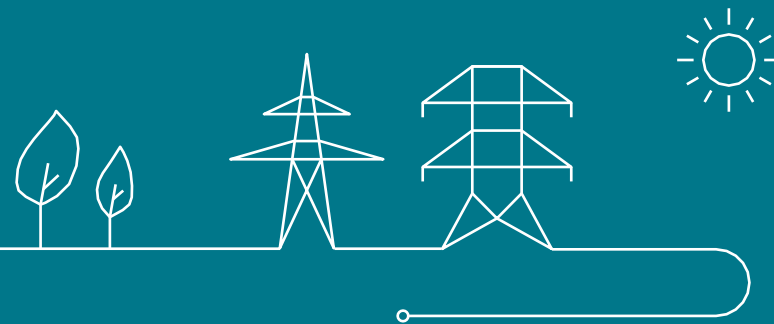


T&C BRP - feedback on the public consultation & next steps

Simon Serrarens



Content revision T&C BRP + feedback received



Scope revision T&C BRP

The public consultation on the T&C BRP (11/12/2024 – 24/01/2025) consists of the following amendments:

- **Elements previously consulted:** SDAC & SIDC, service multiple BRPs and some other small changes, with market feedback incorporated
- Additional amendments:
 - **Self-billing:** as decided by the tax authorities, the system of credit notes needs to be adapted to a system of self-billing. The deadline imposed for this is 01/07/2025. However, Elia aims to transition on 01/05/2025.
 - **External inconsistencies:** Elia has noticed an increase in external inconsistencies and receives questions on the penalties applied. Elia aims to put measures in place to help avoid external inconsistencies (outside of the T&C BRP), and to revise and update the penalty scheme (described within the T&C BRP), as discussed with CREG.
 - **BRP perimeter correction:** as requested by CREG and formalized in the RfA received 14/11, Elia will introduce a BRP perimeter correction in case of activation of technical measures for incompressibility.

Elia received answers to the public consultation T&C BRP from the following Market Parties

- Answers were received from:
 - FEBEG
 - Febeliec
 - Fluvius
 - (confidential)

- 3 answers are fully non confidential and 1 is completely confidential.



Feedback T&C BRP

Market party	Topic	Feedback	Elia response
Fluvius	Incompressibility	<ul style="list-style-type: none"> - Suggestion to extend tech. measures to batteries, to limit injection during incompressibility - Suggestion to switch baseline to 'control group' - Request for Fluvius to provide corrected data, rather than the measured data. 	<ul style="list-style-type: none"> - Elia had not originally included batteries in scope of Technical Measures due to small volumes and complexity, but will further discuss the suggestion to limit injection on batteries with the DSOs. - Elia will resume discussions with DSOs on the baseline 'control group', provided they are consistent on a federal level. For now, the last Qh baseline will be implemented. - Elia will resume the discussion on the data format to be sent, but wants the data across DSOs to be received in the same format.
Febeliec	xBRP	Welcomes xBRP, request to extend to distribution level	This is not in scope of the current revision. The Supply Split service offering under development in Synergrid forms a solution to this.
Febeliec	BRP perimeter correction	<ul style="list-style-type: none"> - T&C not futureproof for requests to increase consumption - Last Qh not necessarily best baseline, warning for negative effects on industrial consumers 	<ul style="list-style-type: none"> - Increasing consumption is indeed not in scope at this point in time. Elia takes note of the recommendation by Febeliec. - Elia understands the concern from Febeliec on potential impact of the baseline last Qh. However, Elia reiterates that the technical measures are a last resort measure, and will work on improving the baseline method, in concertation with the DSOs, if necessary. Elia also refers to the responsibility of the suppliers/BRPs to unlock the flexibility in their portfolio, ensuring activation before technical measures.



Feedback T&C BRP

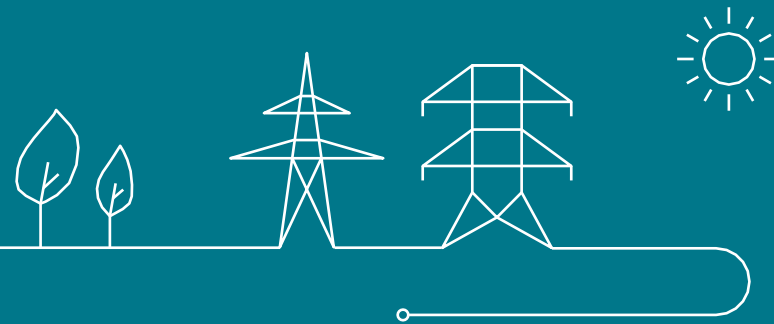
Market party	Topic	Feedback	Elia response
Febeliec	External inc.	Supports proposal, but warns that the a non-zero RFEI would increase the cost for all BRPs, and should therefore be used with caution, and put at zero again when possible.	Elia takes note of the warning made by Febeliec. In combination with the warning systems to be implemented, Elia assumes BRPs will act as 'bon père de famille' and avoid DA external inconsistencies. In case there is an unreasonable amount of DA external inconsistencies, Elia can, in agreement with CREG, increase the Reduction Factor again to 100%. This factor can be decreased again, when BRP behaviour allows it. Elia reiterates that it will not increase the RFEI when only a limited number of BRPs misbehave, but will rather engage in conversation with those BRPs.
FEBEG	xBRP	<ul style="list-style-type: none"> - Welcomes xBRP - Suggest modifications to Access Contract to ease integration of renewables (to be taken up with colleagues Access Contract) 	<ul style="list-style-type: none"> - Discussion with colleagues from Access Contract is ongoing.
FEBEG	BRP perimeter correction	<ul style="list-style-type: none"> - Call on DSOs to improve baselines and accommodate technical measures, cfr Icaros - Request for clarification in case 2 BRPs on Access Point (injection and offtake) - Call on Elia to provide more information to BRPs on how to correctly react to incompressibility, what early-warning signals will be sent, which signals for start and end will be sent, how to distinguish between technical measures and measures for congestion. 	<ul style="list-style-type: none"> - Elia takes note of the call on the DSOs. - Elia will provide clarification on the case where 2 BRPs are responsible on one Access Point - Elia takes note of the request to provide more information. At this point in time, UMMs are shared at 3 moments: when the reserve sharing is activated, when the exceptional balancing measures are activated, and finally when the technical measures are being activated. As for signals to distinguish between congestion and incompressibility, Elia believes that in RT this will not lead to different behaviour of the BRP. During an incompressibility event, this will be sufficiently clear to market parties (high negative imbalance prices, UMM), so they should not try to counterbalance, even if a measure comes from congestion rather than incompressibility.

Feedback T&C BRP

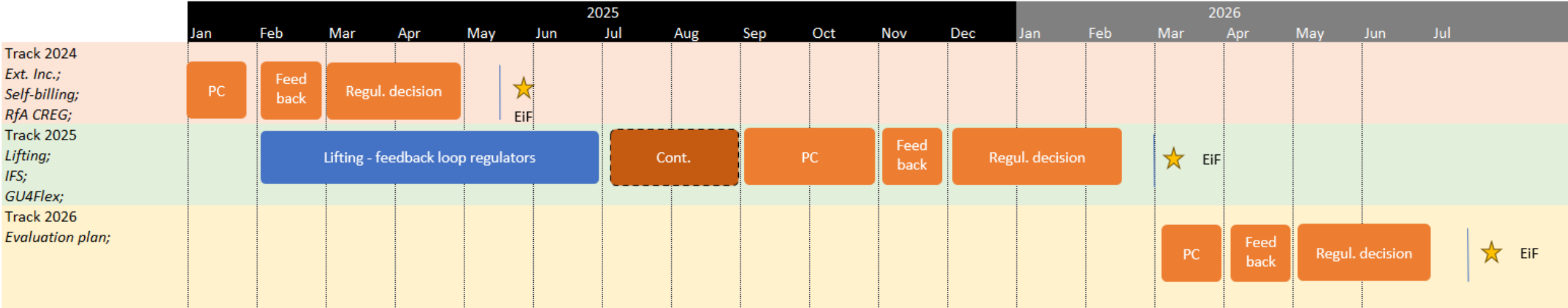
Market party	Topic	Feedback	Elia response
FEPEG	Incompressibility	Understands the addition of BRP perimeter correction for incompressibility, but points out Last Qh is not ideal and proposes a change.	Elia understands Last Qh is not an ideal baseline method. However, the goal is to implement a baseline method on relatively short notice which works on the federal level. Elia reminds market parties that the technical measures are a last resort option, and should be activated rarely. In case it would happen more often than expected, Elia is willing to reevaluate the baseline method in concertation with DSOs and market parties. Elia also reminds that the Suppliers/BRPs are responsible for identifying and unlocking flexibility in their portfolios, which would help them avoid assets in their portfolio being curtailed.
FEPEG	Self-billing	Welcomes change to self-billing	(no action required)
FEPEG	External inconsistencies	<ul style="list-style-type: none"> - Strong support for the review of external inconsistencies - Input on potential warning system 	<ul style="list-style-type: none"> - Elia thanks FEPEG for the suggestions on the warning system, will review and reach out to FEPEG in case there are more questions.



Next steps T&C BRP

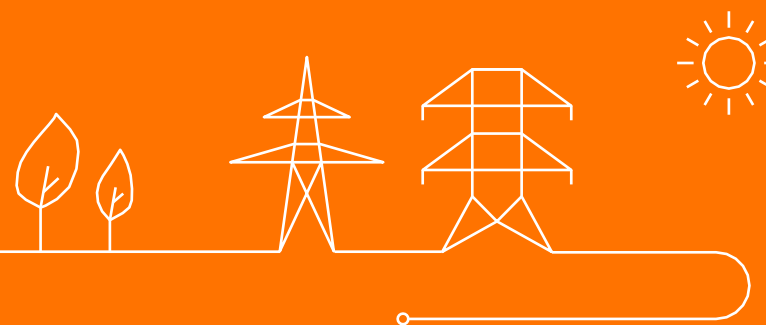


What comes next?



LFCBOA - feedback on the public consultation

Arnaud Debray



Scope of the revision of the LFC BOA

Formalization of the measures foreseen in 2024 to manage the urgent risk of incompressibility

– Formalize the technical measure

- Clarified in article 7.3 that Elia can request setpoints changes including to units connected to a public distribution grid (through the DSOs) to regulate an enduring high FRCE
- Clarified that this measure will be used after depletion of other means

– Detail the activation criteria

- Clarification of the triggers
 - Based on the FRCE (ACE), conform to the SOGL
 - Frequency trigger is not needed in the LFC BOA

– Describe the reporting requirements

- Paragraph added in existing section 8 stating that Elia will include the volumes activated per DSO in the reporting

– Describe a temporary cost-based compensation from Elia to the DSOs to cover potential costs



Elia received answers to the public consultation LFC BOA from Market Parties

- Consultation period: 19/12/2024 - 30/01/2025
- Answers were received from:
 - FEBEG
 - Febeliec
 - Fluvius
 - Abousco
- All questions will be answered in the report. A subset of questions will be discussed today



Questions and remarks raised in the public consultation

Topic	Stakeholder	Reaction	Elia's feedback
No batteries included in the technical measure	Febeliec and Fluvius	Multiple stakeholders are surprised to read in article 7.3 that only power generating modules and demand units are mentioned and storage is completely omitted	<ul style="list-style-type: none"> - Batteries are by design controllable. We therefore see no reasons for a battery to be injecting during an incompressibility period - It must also be highlighted that incompressibility is mainly caused by excessive renewable production, not by batteries injecting. - Given these elements, we expect the impact of curtailing batteries to be very low and decided to discard them to avoid adding complexity to this measure meant to be used only in very exceptional cases.
Entry into force of previously agreed measures – Versioning issue	Febeliec	Febeliec is surprised to read in the explanatory note that many changes which have been foreseen in previous versions have not yet been implemented and this despite implementation dates now in the past (aFRR dynamic dimensioning, FAT change for mFRR and aFRR, exceptional balancing measures, fallback procedures, bidding obligations, ...)	<p>There is indeed a versioning issue. All the mentioned measures have been implemented and are in place (i.e.):</p> <ul style="list-style-type: none"> - new dynamic aFRR dimensioning methodology (1/10/2024) - reduced full activation time of mFRR (22/5/2024) and aFRR 4/12/2024) - bidding obligation under tight market conditions (1/11/2023) - fallback procedure for aFRR dimensioning (1/10/2024)
Extension of the « Technische flexibility » scheme	FEPEG	FEPEG would like to point out that the technical flexibility can now – with the modified legal framework – be activated for two quite different purposes, i.e. congestion management and incompressibility.	<ul style="list-style-type: none"> - Elia's opinion is that technical flexibility (as defined in « het Energiedecreet ») is not related to balancing issues (i.e. also not to incompressibility). - The legal basis for the amended articles are SOGL articles 152(12) and 152(13) - The tooling and control chain is common, but both procedures have different legal bases



Note that only a subset of questions is tackled in the WGES, all other questions will be answered in the consultation report

Questions and remarks raised in the public consultation

Topic	Stakeholder	Reaction	Elia's feedback
<p>Compensation of DSO costs and need for a compensation</p>	<p>Febeliec and FEBEC</p>	<p>Febeliec shared that the compensation which can be paid to the operators of impacted public distribution grids is not clear enough.</p> <p>Febeliec stresses that balancing is the responsibility of BRPs and questions the need for a compensation as this may lead to an increase of the grid tariff while generating counterproductive signals and distorting the market.</p> <p>Febeg also raised the question whether there is a sufficient legal basis to use compensation built for redispatch in the context of incompressibility</p>	<ul style="list-style-type: none"> - Elia agrees that it is the responsibility of BRPs to balance their portfolio and that they should valorize the flexibility in their portfolio in the market. But when this is insufficiently done and all reserves are used, Elia needs a last resort measure to limit its ACE and ultimately ensure the stability of the frequency. - No compensation is foreseen for grid users connected to Elia grid as we estimate sufficient access to the market is present - For units connected in MV and LV, this measure is applied in collaboration with the DSOs. During the discussion process, DSOs informed Elia of a risk to be exposed to costs following Elia's request. Should such costs arise, Elia added the possibility to compensate the DSOs (up to a certain level). - We would like to highlight some elements from the design to answer your questions and address your concerns: <ul style="list-style-type: none"> - Incentivisation of the BRPs to react and capture flexibility is still achieved through perimeter correction - The cost compensation is capped at a value expected to be much lower than the imbalance price, leading this measure combined with the correction of BRP position) to have no negative impact on the grid tariff. - The compensation scheme proposed is temporary until phase 2 of iCaros and the realization of our action plan against incompressibility, after which sufficient opportunities to valorize flexibility in the market at all voltage levels should be available.

Note that only a subset of questions is tackled in the WGES, all other questions will be answered in the consultation report



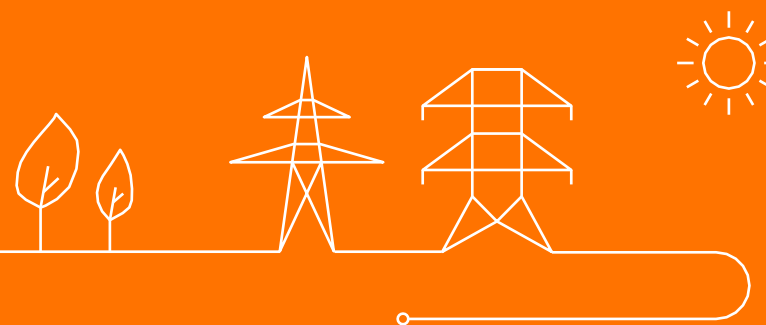
Questions and remarks raised in the public consultation

Topic	Stakeholder	Reaction	Elia's feedback
Non market-based measures should be last resort	FEBEG	FEBEG is convinced that issues of large system imbalance should be tackled by market-based solutions and strongly regrets (and does not understand) why additional procurement of downward FRR reserves is not considered by Elia as a key solution. This would certainly contribute to solve the incompressibility issue.	<ul style="list-style-type: none"> - We agree that non market-based measures should be last resort. This principle is always respected in the measures described in LFC BOA. - However, the opinion from our experts is that, given the bidding obligation, a downward reserve procurement would capture significant part of flexibility which is already offered today leading to a huge increase of our tariff without guaranteeing that incompressibility is solved. The procurement of downward flexibility would also prevent the dispatch of this flexibility in DA and ID market, potentially aggravating the incompressibility issue. - It is however planned in 2025 to launch an in-depth study to validate or discard this opinion
Operational procedures	Febeg	<p>It becomes Elia's duty to (i) adapt the contractual frameworks, (ii) create the operational set-ups (e.g. warnings, (de-)activation messages, publications, reporting) and (iii) ensure back-office processes of technical measures work correctly on the full chain.</p> <ul style="list-style-type: none"> - Publication of warnings: - Real-time notification in case of the use of technical flexibility (incl. reason for curtailment) - Activation and de-activation: 	<ul style="list-style-type: none"> - After your remarks in previous WGES, we improved and clarified the UMMs that will be published: <ul style="list-style-type: none"> - An UMM will be published to inform market parties that all our merit order of mFRR has been activated (already present in 2024) - An UMM will be published after activation of exceptional balancing measures (use of RD bids or stopping aFRR units) - An UMM will be published after the activation of the technical measure
Activation thresholds	Febeg	Febeg asked clarifications about the different thresholds and look back at past data	<ul style="list-style-type: none"> - We designed the measure in the following way: <ul style="list-style-type: none"> - If the first trigger is reached, we may use the exceptional balancing measures (in sequential order) - If the second trigger is reached and all the exceptional balancing measures have been used and depleted, then we can use the technical measure - Technical curtailment will never be used unless all other measures have been used and incompressibility is still not solved - Looking at past data, we would never have triggered the technical measure yet.

Note that only a subset of questions is tackled in the WGES, all other questions will be answered in the consultation report

Incentive '25 – Economic optimization of the use of balancing products

Alexandra Verbrugge



CREG incentive around the Economic optimization on the use of balancing products by Elia



The **aim of the incentive** is to assess if a methodology can be developed to **optimize the use of balancing products for the next quarter hour**. More precisely, the allocation over the available aFRR and mFRR.

INPUT

- 1 Estimation of the **cross-border marginal prices for mFRR and aFRR** on the European platforms
- 2 Estimation of the **system imbalance forecasts** (by Simplify) as well as an estimation of the intra-quarter distribution curves
- 3 Identification of **operational constraints** that could have an impact on the optimization objective

METHODOLOGY ANALYSIS

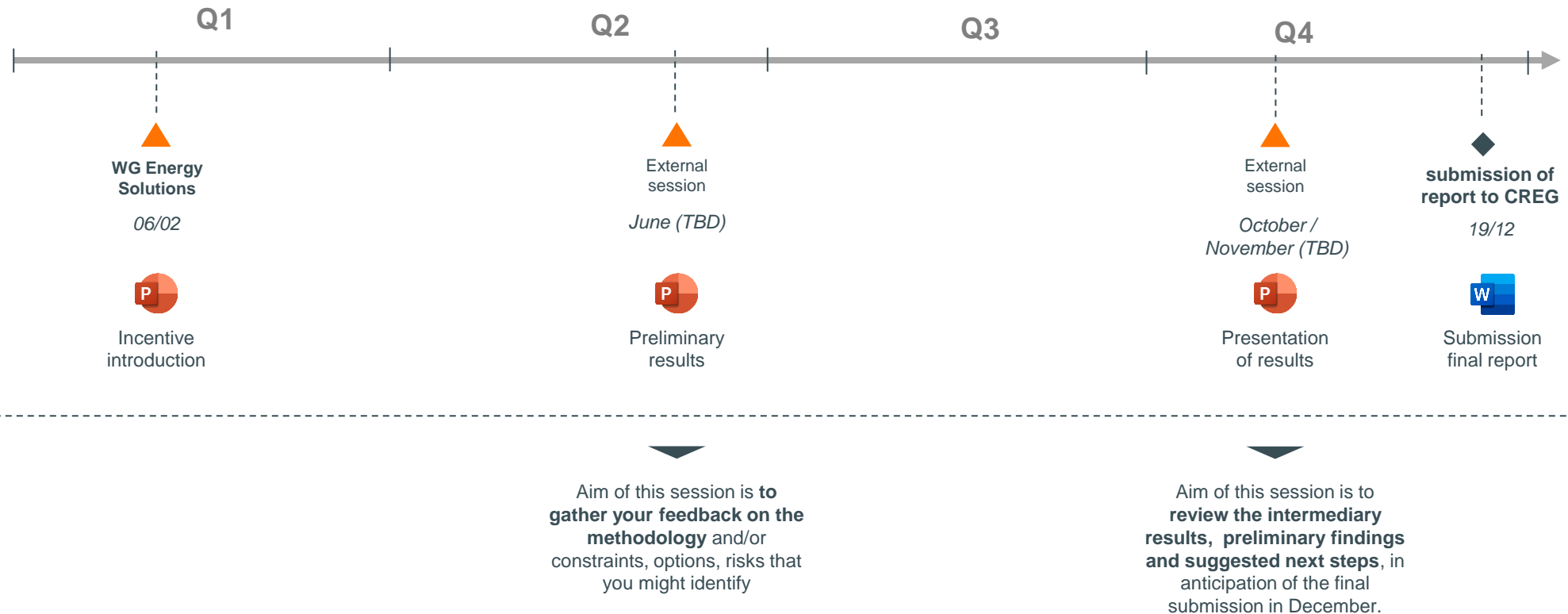
- 4 **Development of one or more methodologies for optimization.**

OUTPUT

- 5 Preliminary **evaluation** of the effectiveness of the different methodologies
- 6 Series of one or more **recommendations**:
 - Scope of a POC in 2026 (if appropriate)
 - To extend the test period of the different methodologies (if applicable)
 - To extend the development of one or more methodologies (if applicable)
 - To stop the initiative if no methodology can be developed (if applicable)

Planning 2025 – Focus on market studies and data analysis but in consideration of the input and feedback from market parties

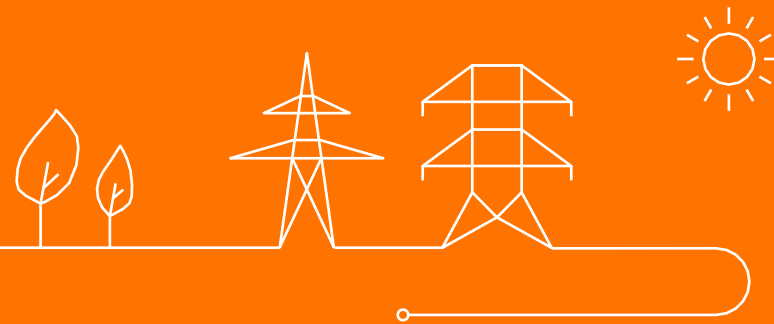
Indicative planning:



Collection of market feedback to happen via direct interactions (the 'external sessions') instead of via formal public consultations. Additional external sessions and/or updates in the Working Group Energy Solutions could be foreseen, if considered necessary.

AOB

Thomas Van der Vorst



Synergrid public consultation design note ToE: 20/01 – 28/02

- Synergrid and its members wrote a note on the Game Plan for the roll-out of ToE across voltage levels and balancing products.
- The design note was presented to Market Parties (13/01), and subsequently published for public consultation (20/01) on the [Synergrid website](#).
- Market Parties are kindly invited to provide their feedback.



AOB – Quarterly reporting in the context of the evaluation plan for the rules for calculating the imbalance price

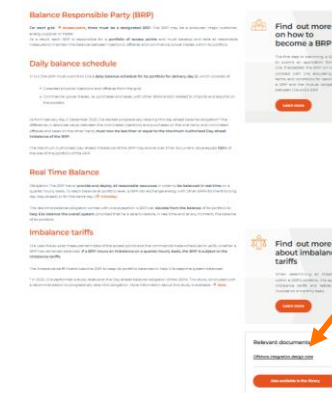
“Finally, given the importance of the subject and the uncertainty regarding market evolutions following connections to the European balancing platforms, **ELIA commits to provide market parties** and the CREG with **quarterly reports containing a number of key statistical indicators** that will make it possible to assess the impact of the elements evaluated (e.g. cap/floor/dead band) and to monitor evolutions during the observation period.”

(Extract implementation plan T&C BRP)

In accordance with the T&C BRP, the first quarterly report will be made available 3 months after the connection of Belgium to Picasso - i.e. during **week 9** (Feb 24-28).

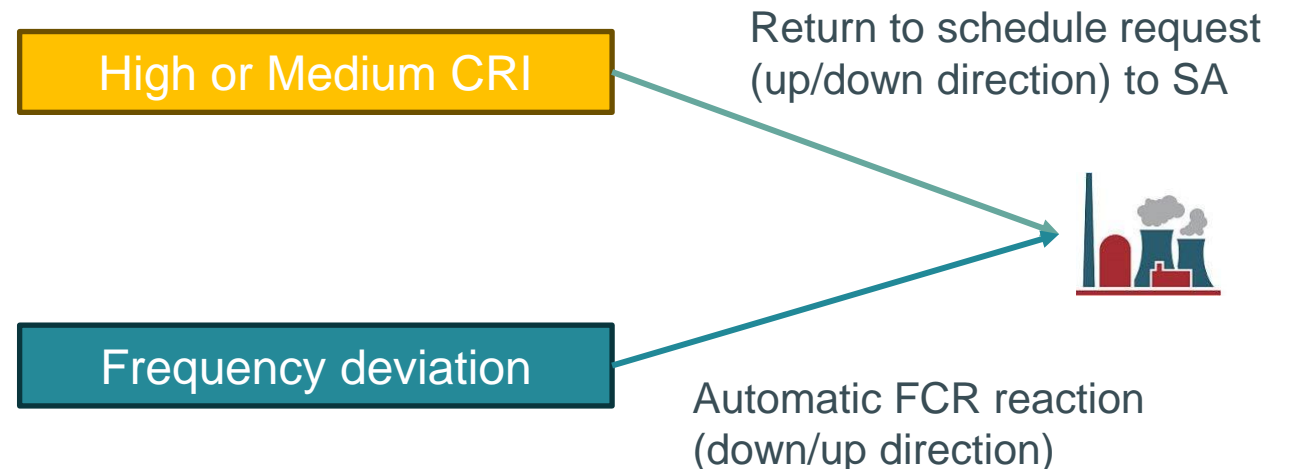
This report will be published on the following **webpage** : [The role of the BRP](#)
(in the section “relevant document”)

In case of question/remark, you can address them to your KAM energy or to caroline.Bosschaerts@elia.be
(with your KAM energy in CC)



FCR / Return to schedule conflict

- Technical facilities with a power above or equal to 25 MW with one or multiple delivery points:
 - Providing FCR service; and
 - located in an electrical zone for which a high or medium CRI is defined
- In case of medium/high CRI in the electrical zone, a combination of a Return to Schedule (RTS) request and a FCR activation in opposite direction is possible
- Clarification of the design is necessary
 - What is the expected reaction from the delivery point facing both signals?
 - How are FCR and RTS controls performed in this case?



Elia's proposed solution will be presented in the next **WG Grid on 19/02/2025**

If you want to participate, please contact: usersgroup@elia.be

2025 WG Energy Solutions

- Thursday 06/02/2025 09:00 – 17:00
- Friday 04/04/2025 09:00 – 17:00
- Thursday 19/06/2025 09:00 – 17:00
- Thursday 25/09/2025 09:00 – 17:00
- Thursday 13/11/2025 09:00 – 17:00
- Thursday 18/12/2025 09:00 – 17:00

