

# Meeting report

## WG EMD-SO

<b>Date</b>	17/10/2023
<b>Organiser</b>	Carton Filip (ELIA), Benjamin Genêt (ELIA)

<b>Participants</b>	<b>Attended</b>	<b>Excused</b>
Genêt Benjamin (ELIA) - Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Carton Filip (ELIA) - Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Thomas Van Den Broucke (ELIA) - Secretary	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Members</b>		
Nico Schoutteet (CREG)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Laleman Ruben (Engie)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Harlem Steven (EDF Luminus)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Helene Robaye (Engie)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mariana Adao de Fonseca (Next Kraftwerke)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Van Bossuyt Michaël (Febeliec)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Christian Cuijpers (CREG)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Jerome Le Page (EFET)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Jo Robbelein (FOD Economie)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Nicolas Debatty (EdF Luminus)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Hugo Canière (BOP)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bart De wit (FOD economie)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Waignier Jean-François (FEBEG)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Clara Verhelst (CREG)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Axel Baudson (European Commodities)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Jonas Do (Nordpool Group)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Dsouza Nirmala (Virya-energy)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Chafaqi Laila (EDF Luminus)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Olivier Van Den Kerckhove (Engie)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Alexandre Marin (Riva Group)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Aniss Sari (EPEX)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Jwalith Desu (Nord Pool)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mark De Winter (FOD Economie)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Elia representatives - presenters</b>		
Kristof Geens (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Cindy Bastiaensen (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Peter Van Meirhaeghe (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ferreira Silvio (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Cyriac de Villenfagne (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ruud Bouwhuis (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Jean-Michel Reghem (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Steve Van Campenhout (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Koen Vandermot (ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elmo Van Thielen(ELIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## Report

Author	Thomas Van Den Broucke
Function	EU Market Integration
Date report	17/10/2023
Status	<input type="checkbox"/> Draft <input checked="" type="checkbox"/> Final version

## 1 Agenda

	Domain	Agenda topic	From - Till	Presenter	Time (min)
1	General	Welcome & intro	9:00 - 9:05	<i>Chairs</i>	5
2	General	Approval of MoM & status action points	9:05 - 9:10	<i>Secretary</i>	5
3	SO	Summer review - Winter outlook: preliminary insights	9:10 - 9:30	<i>Silvio Ferreira</i>	20
4	SO	Emergency & Restoration	9:30 - 9:45	<i>Peter Van Meirhaeghe</i>	15
5	SO	System defence & restoration plan: status & planning legal changes	9:45 - 10:05	<i>Mark De Winter (FOD Economie - SPF Economie)</i>	20
6	EMD	Core Intraday Capacity Calculation project: status	10:05 - 10:20	<i>Ruud Bouwhuis</i>	15
7	EMD	Core 3rd amendment DA CCM: challenges of circular flows with the Alegro HVDC BE - DE interconnector	10:20 - 10:40	<i>Koen Vandermot Cyriac de Villenfagne</i>	20
8	EMD	CEP 70: looking forward	10:40 - 11:10	<i>Steve Van Campenhout</i>	30
9	EMD	Market coupling BE-UK : Future capacity allocation with UK & CBAM • MRLVC impacts and drawbacks • CBAM impact & implications	11:10 - 11:35	<i>Elmo Van Thielen Thomas Van Den Broucke</i>	25
10	EMD	SDAC 15 min MTU: impact of additional computation time on BE nominations deadlines	11:35 - 11:55	<i>Thomas Van Den Broucke Bregt Vanderveken</i>	20
11	General	AOB & conclusions	11:55 - 12:00	<i>Chairs/Secretary</i>	5

## 2 Report & status action points

F. Carton & B. Genêt open the meeting by welcoming all participants. The minutes of meeting from the previous meeting are approved. Status of open action points are discussed and shown in the session file.

Action points were discussed (see update list in chapter at the end of this report)

## 3 Summer Review – Winter Outlook

S. Ferreira presented the slides on the summer review and winter outlook.

Summer review:

- Comment FEBELIEC: Assessments have been made by industry. For them it is difficult to react in the balancing timeframe. If industrial members need to decrease demand this information should

be included in DA, which is not always the case. Main message is that forecasts of all parties have to improve to have better insights already at DA stage resulting in a timely price signal.

- Feedback Elia: forecasts remain uncertain and in moments of high uncertainty there will be UMM messages shared. Forecast improvements will be made, but as there will remain weather changes on short notice a need for having flexibility closer to real time will always remain.

Winter outlook:

- Overview was presented. Conclusion of Elia is that it sees next winter as less risky compared to previous winter, mainly due to low revision volume in Belgium and better situation in neighboring countries. The identified trends of Entso-E outlook are confirming our preliminary assessments.
- No further questions were raised during the sessions.

## 4 Emergency & Restoration

P. Van Meirhaeghe presents status & planning on the System Defense & Restoration Plan.

The plan has been submitted to the ministry on 6<sup>th</sup> of October planning & next steps are presented on the slides.

LFDD a short recap was presented.

- An info meeting will be organized on 25/01/2024 on the practical implementation aspects with members on the LFDD TF.

Question:

- Febeliec:
  - o Questions how practicalities will be done for an LFDD group, how is this to be done in EPIC platform.
  - o Practical questions, how to calculate the 100% (also how shutdowns will be considered) in order to respect the requirements, in order to translate this to concrete MW values.
- Elia:
  - o Topic will be included in the info material on the practical implementations will foresee this.
  - o Some numerical examples will be provided to give concrete use cases.

Action point:

- Elia will take the raised question into account to the meeting of 25.01.2024 if other questions might arise by members, they can be shared to Elia

## 5 System defense plan: legal timeline (FOD Economie)

M. De Winter presents an overview of the changes in the legal framework & timeline for crisis policy for electricity.

Draft online version is available, final version will be available after the Royal Decree is published expected beginning of next year if no problems would arise in the process, so far at this moment in time everything looks fine.

## 6 Core Intraday Capacity Calculation project: status

R. Bouwhuis presents the status on the ongoing escalation of the IDCC methodology to ACER/NRAs.

Question was raised by when implementation is foreseen and when IDCC will go live:

- Elia answered that this is currently a rolling deadline, given the fact that ACER is pushing forward the deadline for its own decision. But current expectations are that ACER will request to TSO to have an implementation in Q2 2024.

Febeliec: request to already tackle the issues that there are observed today (the regression in capacities observed in the external // run) in the meanwhile and not to wait for implementation.

- Elia is fully aligned with this point and from the start advocates for a stepwise implementation making sure that markets and physics are brought together. Elia regrets that current discussion are focused on a (too difficult) target solution which take too long

J. Le Page sees quite some uncertainties such as updated results of // run & new decisions. How can Market parties know what to expect? What is Elia's view on the expected go live date in Q2 2024?

- Elia shares that from a process readiness perspective that for the IDCC\_B the process is running quite stable. It is expected that by Q2 2024 are technically ready to go live.
- Until MPs have seen the most recent results of capacities and were able assess them, it will be difficult for MPs to properly understand and anticipate on these features. MPs can find the external // run figures of IDCC A and IDCC B on the following link: [PuTo Core ID CCR //run \(jao.eu\)](https://jao.eu) (ID1 = IDCC\_A, ID2 = IDCC\_B).
- Elia also clarified that if there is a go live of IDCC\_B in Q2, it will be with the methodology implemented for the // run thus without virtual capacity. If Virtual capacity will have to be included, a go live in Q2 2024 is not feasible as this will require implementations first.

Elia made also a clarification on the difference between the moments of capacity release and capacity allocation. There will be 5 moments of release of capacity, while we keep 3 moments of capacity allocation in IDA.

## 7 Core 3<sup>rd</sup> Amendment of DA CCM:

C. de Villenfagne and K. Vandermot presented insights on the 3<sup>rd</sup> amendment to the Core DA CCM, in particular the challenges of circular flows with the ALEGrO HVDC BE - DE interconnector.

Question from O. Van Den Kerckhove (Engie):

- PTFD filtering is clearly better, why is Flow Tariff still on the table?
- Elia explained that our preference, together with Amprion, clearly is for having the PTFD filtering as this is the least impacting the market functioning. The alignment on the way forward will continue in Core among TSOs as well as on European level with NEMOs in SDAC Technical groups.

## 8 CEP 70

S. Van Campenhout presented Elia's view on the CEP70 obligation, calling for a debate on reshaping the target model for congestion management as the CEP70 model is not sustainable.

Question J. Le Page:

- How are capacities evolving on Belgian borders? Does Elia expect more availability here? Link with the action plan in Germany?
  - o Elia answered that the DE action plan on itself will not guarantee that the excessive loop flows will be resolved.
  - o ACER Report published on a yearly basis, Belgium is already a "good student", but even if further internal reinforcements are made the risk of loop flows remains.

CREG:

- Analysis of available margins for cross-zonal trade achieved in 2022 will be published soon as part of CREG report on Elia's compliance. CREG observes that the compliance numbers for Elia are

increasing compared to 2021. This thanks to the possibility of lowering excessive loop flows in the Core DA capacity calculation, which Elia makes use of via its PSTs since the go-live of Core in Jun 2022. Complementary measures are the implementations in Core of coordinated validation within DA capacity calculation, and the ROSC process including sharing the costs of Remedial actions. This implementation will not remove excessive loop flows. But it will make it possible for Elia to provide additional capacities.

- A new request for a derogation to the 70% based on the ground of excessive loop flows (scope: Core, 2024) will be submitted by Elia to CREG in the course of October 2023. As always, CREG will prepare a decision and consult it with market parties.

Several questions were raised by participants:

Engie:

- Distorts the investment signal, there is a need to also properly reinforce the internal grid to ensure sufficient cross border flows.
- An open question: what is a good level of available interconnector capacity if 70% is not the target anymore?

Febeliec:

- The objective should be a well-functioning market integration.

J. Le Page:

- The regulatory context defines the requirement to maximize capacity, where EFET believes 70% is the minimum even taking grid constraints into account.
- Bidding zone delineation:
  - o EFET position is that whatever the BZ configuration will be, the maximization of cross border capacity should be the target.
- Remark on validation processes:
  - o EFET remains worried on the application of IVA, and the level of transparency provided on it
- EFET is open for a good debate on this.

Reply Elia:

It was clarified the presented information is an Elia Belgium position. Elia is advocating for an efficient market integration, but also sees a need to move away from the 70% model to achieve it. Without having all answers at hand, Elia calls to have the debate on how to evolve the congestion management toolkit in the regulation. Due to the number of questions and time restrictions B. Genêt suggests discussing this topic more in detail during a workshop in 2024, inviting market parties to also prepare and share their views.

**Action: organize workshop on CEP70 and alternative models in Q1 /Q2 2024**

## 9 Market coupling with UK: MRLVC & CBAM

**MRLVC:**

- E. Van Thielen presents the status and Elia's view on the MRLVC implementation.

Questions:

J. Le Page: Efficiency figures Explicit vs MLRVC, can TSOs share more input on this?

Elia replied that the reports currently is not yet published, however there are requests made to the EC to have it published (probably in a non-confidential version). This process is ongoing but would be expected the soonest by end of the year/start of 2024.

**CBAM:**

- T. Van Den Broucke presented an overview of CBAM and the expected impact it will have on importing trades from UK to BE (EU in general)



- As from 2024 there is the reporting obligation, as from 2026 there is the financial impact to also pay carbon prices for
- On the way how electricity with explicit trading is to be treated there remains open points and unclarities. Members that are impacted/interested are informed that EC will organize dedicated webinars on this topic in Q4 2023.

## 10 SDAC 15 min MTU

T. Van Den Broucke presented the impact of the 15 min MTU implementation which is foreseen in Q1 2025 on the operational timings of SDAC.

As the algorithm will require more time, the results will be published later as well.

The requests of MPs on the need to have more time for nominations is picked up by Elia. Elia is assessing the impact of a shift the local nomination deadline (which is currently set at 14h00). Expectation is that the gate will be also shifted to a later time so that MPs will have at least the same amount of time for nomination and that the timings are more aligned with other Core countries.

Elia will further inform WG EMD-SO members on the progress in the first WG EMD-SO meeting in 2024.

Action: Elia to come back on the status of adjustment of the local nomination deadlines for BRPs due to the go live of 15 min MTU in first WG EMD-SO of 2024

## 11 AOB

Save the date next MCCG meeting 20/10 where several relevant topics will be discussed.

As from 1/12/2023 Filip Carton will change positions within Elia. In his role he will be replaced by Walter Geelen, who will take over the role of Filip and chair the WG EMD-SO as from 2024 together with Benjamin Genêt. Filip Carton was thanked by all members of the WG for his constructive cooperation the past years and the good discussions.

## 12 Action points concluded during the meeting

Please find below the overview of closed and **new** actions discussed during the WG.

Action	Responsible	Date Raised	Due date	Status
Present later in the year a status & planning on legal changes for the System defence & restoration plan	FOD Economie (J. Robbelein)	31/01/2023	FOD Economie to present an update in Q3 WG EMD-SO session	<b>Closed on 17/10/23</b>
Set date for a dedicated meeting on 2 <sup>nd</sup> amendment IDCC	Elia	12/05/2023	June 2023	<b>Closed – data is 17/07</b>
Bring topic of CBAM and its link (if any) with Eu market reform as a topic in WG EMD-SO.	Elia	12/05/2023	A follow up WG EMD-SO	<b>Closed on 17/10/23</b>
<b>Organize Workshop on CEP70 in Q1/Q2 2024</b>	<b>Elia</b>	<b>17/10/2023</b>	<b>Jan 2024</b>	<b>Open</b>
<b>Elia to come back on the status of adjustment of the local nomination deadlines for BRPs due to the go live of 15 min MTU in first WG EMD-SO of 2024</b>	<b>Elia</b>	<b>17/10/2023</b>	<b>First WG EMD-SO in 2024</b>	<b>Open</b>
<b>Elia to take into account the questions raised in WG of 17/10/2023 to the LFDD TF meeting of 25.01.2024</b>	<b>Elia (Peter Van Meirhaeghe)</b>	<b>17/10/2023</b>	<b>15/01/2023</b>	<b>Open</b>