

**CONSULTATION REPORT**

# **Report on the public consultation regarding the study on the evolution of the BRP Nominations**

**23/12/2022**



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## 1. Introduction

Elia organized a public consultation from 15 September 2022 to 13 October 2022 regarding the study on the evolution of the BRP Nominations.

The scope, objectives and planned approach of the study have been presented during the Working group Balancing meeting of 24/3/2022. In a dedicated workshop, organized on 13/6/2022, the preliminary conclusions and recommendations have been presented. In addition, the implementation plan has been presented during the Working group Balancing meeting of 28/9/2022. Following the public consultation, the feedback received, and Elia's response has been presented during the Working Group Balancing meeting of 9/12/2022.

The purpose of this report is to consolidate the feedback received from the public consultation, while at the same time reflecting Elia's position on these reactions.

## 2. Feedback received

In response to the public consultation, Elia received the non-confidential replies from the following parties:

- FEBEG
- Febeliec

In addition, Elia received one anonymous reply.

All responses received have been appended to this report.

## 3. Instructions for reading this document

This consultation report is structured as follows:

- Section 1 contains the introductory context,
- Section 2 gives an overview of the responses received,
- Section 3 contains instructions for reading this document,
- Section 4 discusses the various comments received during the public consultation and Elia's position on them,
- Section 5 contains the annexes of the consultation report.

This consultation report is not a 'stand-alone' document but should be read together with the study published for consultation, the reactions received from the market participants (annexed to this document) and the final study.

Section 4 of the document is structured as follows with additional information on the content per column below.

Subject	Stakeholder	Comment	Justification
A	B	C	D

- A. Subject matter covered by the various responses received.
- B. Stakeholder making the comment. In general, the comments are listed alphabetically in the name of the parties concerned.
- C. This document contains an overview of the main, but also specific comments on the document submitted for consultation.
  - o In doing so, an attempt was made to list/consolidate all comments received.
  - o In order to maintain authenticity, the comments have been copied as much as possible in this document. However, the comments have sometimes been shortened and the terminology has been harmonized to make the report easier to read.
- D. This column contains Elia’s arguments as to why a comment was or was not included in the final study report.

## 4. Comments received during the public consultation

### 4.1 General comments received during the public consultation

This section provides an overview of the general reactions and concerns of market players that Elia received to the document submitted for consultation.

SUBJECT	STAKEHOLDER	FEEDBACK RECEIVED	ELIA'S VIEW
<p><i>Overall objective and recommendation</i></p>	<p><i>FEBEG</i></p>	<p>FEBEG welcomes simplification and improvements. FEBEG welcomes and wishes to thank ELIA for its efforts to simplify the current operational processes. This is clearly an objective that is fully supported by the market, but – off course – one should keep in mind that the simplification process as such doesn't create too much burden, e.g. we recommend to go directly to the target and avoid transitory phases requiring each time operational adjustments.</p> <p>As an efficient congestion management is important for the market, FEBEG supports the proposed improvements to the congestion forecasts, i.e. shift from the top-down approach to a more accurate bottom-up approach using BRP Offtake Nominations and at some point in time require the MW Schedules for demand facilities (provided by SA).</p>	<p>Elia notes that FEBEG in general welcomes the simplifications and improvements proposed.</p> <p>Regarding the efforts required for realizing the proposed simplifications and improvements (implementations and operational changes), a more detailed response related to the implementation plan is provided below.</p>

## 4.2 Specific comments received during the public consultation

SUBJECT	STAKE-HOLDER	FEEDBACK RECEIVED	ELIA'S VIEW
Use of Nominations in the different processes	FEBEG	<p>Although FEBEG fully supports the objective of simplification, it remains unclear to what extent ELIA still effectively uses (or will use) nominations for internal processes.</p> <ul style="list-style-type: none"> <li>As far as balancing is concerned, the focus is entirely on the shifting of the obligation to be balanced in real-time, as a result of which, we are in an ongoing process to gradually relax the day-ahead balancing obligation. What is then still the function of nominations? Is it to check if the BRP had the 'means' to go back to his position when he helps the system? Is it to identify accountability in case of security of supply issues? Are there any additional motivations we should know about?</li> <li>With respect to congestion management, improved forecasting and information obtained from other roles - often closer to real-time -, e.g. OPA, SA, ..., are becoming more important. To what extent do the nominations still have added value? Is it to be able to cross-</li> </ul>	<p>Elia thanks FEBEG for its support on the objective of simplifying the Nomination process.</p> <p>As FEBEG rightfully indicates in its comment, it is important to make a distinction between processes related to balancing and processes related to congestion management.</p> <p>For congestion-related processes on the one hand, Elia requires reliable estimations of the injections/offtakes in specific locations of the grid. For these processes, it is not necessarily needed to receive information regarding all injections/offtakes in the grid but primarily for those that have a significant impact on the flow (and for which reliable estimations cannot be directly made by Elia). To this end, Elia currently uses the MW Schedules received for generation units and has identified in a separate study<sup>1</sup> that using the Offtake Nominations (currently provided per Access Point) for demand facilities could further improve efficiency of the congestion-management processes. Regarding demand facilities, Elia proposed in the study report that, in accordance with the European regulatory framework, the information regarding the expected offtake would in the future be provided by the Scheduling Agent in the form of MW Schedules instead of by the</p>

<sup>1</sup> See the Elia study on the improvement of the quality of input data for congestion management ([Public consultation on the improvement of the quality of input data for congestion management in the framework of a CREG incentive \(elia.be\)](#))

		<p>check the quality of information of other roles? Or are there other reasons?</p> <p>In this context, FEBEG would really welcome some additional clarification on the effective use (or utility for ELIA or the market) of the information obtained through the nominations.</p> <p>The importance of this information (the BRP Nominations) for ELIA should also be taken into account, for example, if the information is nice-to-have but not essential, this should be reflected in the regulatory framework, for example regarding verification and control by ELIA and potential liabilities and implications. It seems to us, based on the information at hand, that the importance is changing, but the regulatory framework is not adapted accordingly.</p>	<p>BRP in the form of Offtake Nominations per Access Point. As such, in the proposed target design for the BRP Nominations, the aggregated Total Offtake/Injection Nominations provided by the BRP would not be used for congestion-related processes.</p> <p>For balancing-related processes on the other hand, the specific location of the offtakes/injections in the grid are not relevant, but it is important for Elia to have a view of the total offtake and total injection in the Belgian zone. In this regard, following a detailed analysis of the information required for the different balancing-related processes, Elia motivated the need to maintain the Offtake/Injection Nominations albeit at an aggregated level instead of per individual Access Point / distribution system. Specifically, receiving information regarding the total offtakes and total injections within the portfolio of a BRP (via the Offtake/Injection Nominations) would remain to be needed and would remain to be used i) to support market functioning via the publication of indicators on day-ahead imbalances (see Section 4.1.3 and 4.2.2 of the study report) and ii) to ensure robustness of the day-ahead adequacy assessment (see Section 4.1.4 of the study report). Elia has made this clearer in the final study report. In addition to these processes, Elia also uses the Offtake and Injection Nominations as an input to provide a more accurate forecast of the system imbalance (see Section 4.2.4 of the study report).</p> <p>Regarding FEBEG's remark regarding the proportionality between the importance of the BRP Nominations on the one hand and the verification and liabilities on the other hand, Elia emphasizes that it proposes a simplification of the Offtake and Injection Nominations. However, the contractual obligations and responsibilities related to these Nominations would remain unchanged, i.e., a BRP would still be responsible for submitting Nominations that respect the (relaxed) day-ahead balance obligation and the Offtake and Injection Nominations should resemble as good as possible the actual offtakes/injections. This is now clarified in Section 6.1 of the final study report. Given that the Nominations remain to be an input for important internal processes (e.g., the day-ahead adequacy assessment), Elia considers that the contractual penalties foreseen in the BRP contract are not disproportional to the importance of the data.</p>
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<p>Positive evaluation relaxation day-ahead balance obligation as a pre-condition to evolve towards the proposed target design</p>	<p><i>Febeliec</i></p>	<p>Concerning the full removal of the day-ahead balancing obligation, Febeliec wants to stress that the decision on the permanent and full removal has not yet been taken and is still subject to analyses on the potential negative impact of such removal on a.o. the stability of the system as well as balancing volumes and costs. Hence, it is not guaranteed that this necessary boundary condition will be met, for which the decision should be completely independent of the impact on the discussion on BRP nominations.</p>	<p>Elia confirms that the decision on the full removal of the day-ahead balance obligation is subject to the conclusions of the analysis of the impact of the relaxation of the day-ahead balance obligation that will be made independent of this study on the evolution of the BRP Nominations.</p> <p>Elia has considered in this study that the final conclusion regarding the day-ahead balance obligation has an impact on the target design for the BRP Nominations. Indeed, Elia indicated in Section 4 of the study report that the proposed target design for the BRP Nominations is subject to a positive final evaluation of the impact of the relaxation of the day-ahead balance obligation. Moreover, in the proposed implementation plan, Elia has indicated that a positive final evaluation of the impact of the relaxation of the day-ahead balance obligation is one of the conditions that would indeed need to be met before the proposed target design for the BRP Nominations can be confirmed and subsequently implemented.</p>
<p>Net offtake/injection Nominations and split of roles between BRP and SA</p>	<p><i>FEBEG</i></p>	<p>BRPs are likely to prefer communicating net offtake/injection.</p> <p>From the considerations in the study, FEBEG understands it is more convenient for ELIA to receive the net offtake/injection. FEBEG acknowledges that it seems safer for a BRP to keep sending its total net BRP position and, hence, not to lose track on the positions of the Grid Users.</p> <p>However, to be able to define a final opinion on the move towards the nomination of the net total off-take/injection nomination and the impact on the BRP nominations of no longer sending the MW schedules, more clarity on the roles, processes and liabilities between SA and BRP is needed.</p>	<p>For sake of clarity, Elia would first like to recall that the proposed target design for the Offtake and Injection Nominations submitted by the BRP involves two evolutions:</p> <ol style="list-style-type: none"> <li>1) An evolution from excluding the injections and offtakes related to assets that provide MW Schedules in the Offtake and Injection Nomination(s) to including the injections and offtakes related to assets that provide MW Schedules in the Offtake and Injection Nomination(s)</li> <li>2) An evolution from the submission of an Injection and/or Offtake Nomination per individual Access Point or distribution system to the submission of a single Injection and Offtake Nomination on the level of the portfolio of the BRP within the Belgian zone;</li> </ol> <p>The first evolution is proposed to have a clean split between the nominations submitted by the BRP and the MW Schedules submitted by the SA. Indeed, in case the BRP would remain to provide Offtake/Injection Nominations that exclude the injections and offtakes related to assets that provide MW Schedules, it would mean that at the moment the SA is the sole responsible for submitting the MW Schedules, the BRP would</p>



			<p>provide nominations related to only a part of the injections/offtakes in his portfolio. As a result, there would still be interactions between the roles of BRP and SA. Notably, the day-ahead imbalance of a BRP would need to be calculated using information (MW Schedules) submitted by the SA. In contrast, in case the Offtake/Injection Nominations evolve such that they include the expected injection/offtake of the units providing MW Schedules, the day-ahead imbalance of a BRP can be determined purely based on the Nominations provided by the BRP. In contrast, the first evolution above is purely intended to simplify the processes for BRPs (and Elia).</p> <p>Elia understands that in this comment, FEBEG refers to, and expresses its support for, the first evolution of the target design which enables a clean split between the roles and responsibilities of BRPs and SAs.</p>
<p>Roles, responsibilities and liabilities</p>	<p><i>FEBEG</i></p>	<p>FEBEG urges Elia to further clarify roles, responsibilities and liabilities.</p> <p>First of all, roles and responsibilities need to be clearly distinguished. FEBEG wants to underline that in no way an inaccuracy of a SA (resp. BRP) can have an impact on a BRP (resp. SA), more particularly:</p> <ul style="list-style-type: none"> <li>- A BRP cannot be liable of what SA does and vice-versa. E.g. Liabilities if DA imbalance of a BRP is computed based on injection/offtake nomination while MW schedules sent by another party. What is the impact of being unbalanced? While we acknowledge it might be a requirement from SOGL, do we have enough confidence in the legal background of such a scheme? Are we certain there is no impact on the BRP regardless of how good the SA performs?</li> <li>- A BRP/SA cannot be cornered and be obliged to accept – and take responsibility – for a very complex scheme that would be hard to implement or where risk would</li> </ul>	<p>Elia agrees that the roles and responsibilities between BRP and SA need to be clearly distinguished. In terms of the Nomination process, Elia would like to emphasize that certain of the evolutions proposed in this study are exactly intended to ensure a clean split in the responsibilities of the BRP and SA (notably the evolution to Offtake/Injection Nominations that include the injections/offtakes from assets providing MW Schedules and the evolution to the SA becoming the sole responsible for submitting the MW Schedules). As a result, in the proposed target design:</p> <ul style="list-style-type: none"> <li>- The SA becomes the sole responsible for the submission of the MW Schedules</li> <li>- The BRP remains the sole responsible for the submission of its Nominations and for having a day-ahead imbalance not exceeding the allowed threshold.</li> </ul>

		<p>not be acceptable (e.g. far-fetched multiple BRPs on very complex industrial sites).</p> <ul style="list-style-type: none"> <li>- Which role will ELIA play between SA, BRP and GU? Will there be coordination, crosschecks, etc. Will there be a tolerance margin when discrepancies would be detected?</li> </ul> <p>Secondly, the contractual responsibilities and liabilities should evolve and be adapted to the new situation:</p> <ul style="list-style-type: none"> <li>- The liabilities should be proportionate to the importance of the data for the operation of the grid. If the BRP nominations become less important, the related liabilities should decrease as well.</li> <li>- On top of that, the liability rules should be harmonized between the different roles, to the extent they provide information with the same importance for the management of the grid.</li> </ul> <p>Thirdly, article 3ter of the current BRP contract should anyhow be amended to clarify that only net off-take and net injection should be nominated.</p>	<p>In the proposed target design for the BRP Nominations, Elia believes the responsibilities of the BRP and SA with respect to the submission of schedules and nominations are therefore clear.<sup>2</sup></p> <p>Regarding the coordination between SA, BRP and GU, Elia in general assumes that the Grid User takes responsibility to coordinate between different parties (SA/BRP) such that all parties can rely on correct information and provide correct information to Elia (MW Schedules in case of the SA and Injection/Offtake Nominations in case of the BRP).</p> <p>Finally, Elia confirms that the T&amp;C BRP indeed need to be amended to reflect any change to the Nomination process (as described in more detail in the implementation plan of the consulted study).</p>
Internal and External Commercial Trade Schedules	<i>Anonymous</i>	Thanks for your valuable work of analysis related to the possible evolution of BRP Nominations. We do not have specific remarks	Elia welcomes the feedback provided. It is however important to highlight that the proposed modifications (in particular regarding the format of submission of the Intraday Internal Commercial Schedules) would have significant impacts on the processes of all BRPs (as well as Elia's processes). Therefore, Elia believes a wider discussion with all

<sup>2</sup> It must be noted that there are other interactions between the roles of the BRP and SA. For instance, the perimeter of the BRP can be impacted in case of the activation of redispatch bids submitted by the SA. While these interactions need to be addressed before enabling different market parties to take up the role of BRP and SA, these interactions fall strictly outside the scope of this study.

		<p>on the issues outlined, nonetheless we would like to take the opportunity to ask in general for the possibility to align ELIA’s procedure to the most common in continental Europe.</p> <p>In particular we ask for:</p> <ul style="list-style-type: none"> <li>- The possibility to align DA internal and external nomination to 14.30 D-1</li> <li>- The possibility to nominate ID internal schedule as the total BRP position for each relevant period (i.e. not only the sum of the internal trades concluded in intraday time frame)</li> </ul>	<p>market parties would be needed on these items, e.g., as part of future revisions of the T&amp;C BRP.</p> <p>In this regard, it must be noted that the scope of the current study, following presentation to the market in the Working Group Balancing meeting of 24<sup>th</sup> of March and during the dedicated workshop on the study that took place on 13<sup>th</sup> of June, has been specifically put on the required evolutions and potential simplifications of the Nomination process in the context of the foreseen split of roles between the BRP and the SA and the relaxation of the day-ahead balance obligation.</p> <p>In addition, Elia believes that a future discussion on these points needs to investigate the trade-off between the potential benefits from the proposed modifications of the nomination process relative to the corresponding costs.</p> <p>Regarding the timing of submission of the Internal Commercial Trade Schedules, Elia would already like to clarify that the nomination deadline is indeed 14h00 to enable a correction cycle up to 14h30 to correct potential external inconsistencies. This with the goal of ending the process at 14h30 and giving some time to the market to avoid potential inconsistencies and corresponding penalties. With respect to the submission of the External Commercial Trade Schedules on the BE-GB border, the nominations indeed need to be submitted at 14h00. However, this deadline is not defined by Elia but is specified in the NemoLink Access Rules.<sup>3</sup></p>
<p>Implementation plan</p>	<p><i>FEPEG</i></p>	<p>FEPEG would welcome a roll-back option as a safety measure “if needed”. As stated before, the process towards simplification is highly appreciated. Nevertheless, FEPEG is wondering (especially as some understanding for the drivers of the simplification</p>	<p>Elia recognizes the importance of accurate congestion forecasts. In that regard, Elia wants to emphasize that the proposed implementation plan ensures maintaining at all times the information required to have as effective as possible congestion forecasting. Indeed, for the information regarding the expected offtake of demand facilities, Elia can</p>

<sup>3</sup> See [https://www.nemolink.co.uk/wp-content/uploads/2021/03/Nemo-Link-Access-Rules\\_210316.pdf](https://www.nemolink.co.uk/wp-content/uploads/2021/03/Nemo-Link-Access-Rules_210316.pdf)

	<p>is lacking) if ELIA should not foresee – as for the relaxation of the day-ahead balancing obligation – a roll-back option as a safety measure. At this moment, for example, it is not clear if ELIA will be able to make accurate congestion forecasts without the spatial granularity on access points in the current calculations. If the quality of the congestion forecasts would deteriorate, ELIA should be able to revert to the current approach if necessary. Indeed, for FEBEG the quality of the congestion forecasts is extremely important and should not be at risk.</p>	<p>currently use the Offtake Nominations submitted by the BRP per individual Access Point. In the future, Elia considers that this information is to be provided by the SA role instead of the BRP role (in line with the European regulatory framework). Only at the moment this information is effectively provided by the role of the SA, the Offtake/Injection Nominations provided by the BRP could evolve towards aggregated Nominations. As such, there would not be a period where the required information is not available. This is now further clarified in the final study report. Elia further considers that shifting the responsibility to provide the information regarding the expected offtake of demand facilities from the role of the BRP to the role of the SA should not impact the quality of the provided information.</p>
<p><i>FEBEG</i></p>	<p>If the clarifications and proposals of ELIA related to the roles, liabilities and responsibilities are reassuring and acceptable, we would ask ELIA to go directly to the target (final) solution, as we cannot afford to have multiple implementations with transitory solutions to reach the same target.</p> <p>Indeed, it is for FEBEG still not clear – see also the first comment – why the final solution cannot be directly implemented without going through the intermediate step. Actually, the game changer seems to be the shift from gross injection/offtake to net injection/offtake as proposed in the second step. Step 1 seems to only tackle the legal obligation to split SA &amp; BRP while it is really unsure whether or not there are parties which will make use of this split in reality (as there are still hurdles such as agreement between SA &amp; BRP needed, RD activations,...).</p> <p>ELIA should make sure that the developments are synchronized with iCAROS phase 2 (or next phase) and we ask ELIA not to impose extra implementations between the phases.</p>	<p>Elia takes note of FEBEG’s request to implement the proposed target design for the BRP Nominations in one step together with iCAROS phase 2 (and hence to postpone enabling different parties to take up the role of BRP and SA to iCAROS phase 2) in order to avoid transitory implementations and operational efforts related to the Nomination process, while there is uncertainty on the benefits the split between BRP and SA will bring in iCAROS phase 1.</p> <p>Elia further understands that FEBEG remains to have a preference to implement the proposed target design for the BRP Nominations in one step, despite the pragmatic two-step implementation plan proposed by Elia, in which the first step would enable different parties to take the role of BRP and SA while limiting the implementation and operational efforts as much as possible.</p> <p>Considering:</p> <ul style="list-style-type: none"> <li>i. the feedback provided by FEBEG and the fact that other stakeholders did not react strongly (positively or negatively) to the proposed two-step implementation plan;</li> </ul>

		<p>FEPEG finds that a two-phased implementation is not justified as it would lead to implementation costs with no business value identified. We see no other option than to move directly to the target implementation in one phase. In the event that a phased approach is imposed (for which we do not see any added value), we prefer an approach which limits as much as possible the burden at BRP side. As such option 1 for phase one would limit the burden.<sup>4</sup></p>	<ul style="list-style-type: none"> <li>ii. the transitory implementation efforts (for the BRPs as well as for Elia) related to a two-step implementation plan (in particular for the second option for the first step of the two-step implementation plan<sup>5</sup>)</li> <li>iii. the other complexities that would need to be addressed and the pragmatic solutions that would need to be put in place in the short term to enable different parties to take up the role of the BRP and SA (e.g., requiring an agreement between BRP and SA to ensure that financial implications from perimeter corrections following the activation of redispatch bids submitted by the SA are addressed, having a process for the designation of the SA by the GU/Asset owner (e.g., for CDSO) in case the BRP would not be the SA)</li> <li>iv. the fact that, as most of the GUs/producers are their own BRP for the assets concerned in iCAROS phase 1, Elia has doubts regarding the occurrence of situations where the GU/producer would need/want to appoint a SA different from his BRP and hence would be blocked by a design not allowing the split;</li> </ul> <p><b>Elia proposes to implement the target design for the BRP Nominations in one step in iCAROS phase 2.</b> This proposal is now integrated in the final version of the study report.</p>
	<p><i>Febeliec</i></p>	<p>Febeliec would like to indicate that it is of the utmost importance to ensure that the proposed modifications are feasible both from a design perspective as well as from an implementation perspective, implying that sufficient time is foreseen for all concerned parties to be able to move towards the target design, in particular for those parties who currently have no direct obligations, referring a.o. to the responsibility of providing information on the expected offtake of demand facilities in MW schedules. In</p>	<p>Elia acknowledges that sufficient time is needed for discussing the design and enabling the implementation of the target design, and in particular for the transfer of the responsibility on providing information on the expected offtake of demand facilities from the role of the BRP to the role of the SA.</p> <p>Regarding the added value of the expected offtake of demand facilities, Elia agrees with the general principle that additional information should not be requested if there is no clear added value. However, Elia refers to the study on the improvement of the quality</p>

<sup>4</sup> This § reflects a clarification provided by FEPEG after submission of the response to the public consultation following a bilateral meeting with Elia.

<sup>5</sup> For this reason, Elia strongly recommends avoiding the second option for the first step of the implementation plan.

	<p>general, Febeliec wants to insist that any (additional) information, especially from parties who had no prior obligations and will thus have to allocate additional resources, should only be requested when a clear added value for the system is identified which outweighs the related costs. Moreover, Febeliec wants to point out the specific situation of a.o. closed distribution systems, with often multiple demand and generation facilities owned by different actors, as well as the treatment and responsibilities concerning schedules for smaller grid users, up to the level of SMEs and even residential consumers. Febeliec asks for timely clarity on the final design as well as a realistic timeframe for the development and deployment of a framework for allocating the responsibility of providing information on the expected offtake of demand facilities to the role of the scheduling agent, for which at the moment a derogation is in place. Febeliec strongly insists on a co-creation process for the design and contractual framework, in close relation with all concerned stakeholders.</p> <p>In light of the above comments on the boundary conditions and insofar those conditions would be met, Febeliec supports a multi-step approach with a realistic timeline for the implementation of the different steps. Febeliec insists that only efforts will be requested from grid users that will effectively be used and cannot be obtained in sufficient quality by any other means, while at the same time Febeliec understands that in order to ensure a secure operation of the grid information is needed to be able to</p>	<p>of input data for congestion management<sup>6</sup>, where it was shown that using directly the nominated expected offtake of individual demand facilities allows improving the IGM and hence the efficiency of congestion management processes. As presented in the implementation plan of that study, Elia foresees to start using Offtake Nominations of individual demand facilities to improve its IGM by end 2023. In addition, Elia would like to emphasize that it does not necessarily request additional information, but rather to transfer the responsibilities to provide the information from the role of the BRP (who currently provides the information via the Offtake Nominations) to the role of the SA in accordance with the European regulatory framework. Moreover, it is important to highlight that, although it is foreseen to enable different market parties to take up the roles of BRP and SA in the future, it will still be possible for the same party to take up both roles.</p> <p>As stated in the consulted study, this transfer of responsibilities for providing information on the expected offtake of individual demand facilities will be part of phase 2 of the iCAROS project. As such, the detailed design (including the situation of CDS and smaller grid users) will be further discussed with the stakeholders in the iCAROS taskforce. Concerning the planning, Elia will provide a detailed planning of the different evolutions foreseen in the iCAROS project and will organize a public consultation of this planning (targeted Q1 2023). Elia invites market parties to provide their feedback on the proposed planning of the iCAROS project in the context of that consultation.</p>
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<sup>6</sup> The study has been publicly consulted from 10th of June 2022 to 15th of July 2022; the consulted report is available on the [Elia website](#).

		<p>conduct the necessary analyses. Febeliec understands that there are some quick wins and no regret changes (e.g. specific information which has been identified which is not necessary for a secure operation of the grid) and supports their implementation, insofar the above is taken into account.</p>	
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## 5. Next steps

On the basis of the feedback received from market players and Elia's response, as set out in this consultation report, Elia has finalized its study on the evolution of the BRP Nominations.

The final study, together with the consultation report and the implementation plan will be finally submitted to the CREG before December 23, 2022.

## 6. Attachments

### Contact

#### Elia Consultations

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Subject: FEBEG comments on ELIA's public consultation of the study on the evolution of the BRP nominations

Date: 13 October 2022

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FEBEG thanks ELIA for having the opportunity to react ELIA's Public consultation of the study on the evolution of the BRP nominations<sup>1</sup>. The inputs and suggestions of FEBEG are not confidential.

## General comments

### FEBEG welcomes simplification and improvements

First of all, FEBEG welcomes and wishes to thank ELIA for its efforts to simplify the current operational processes. This is clearly an objective that is fully supported by the market, but – off course – one should keep in mind that the simplification process as such doesn't create too much burden, e.g. we recommend to go directly to the target and avoid transitory phases requiring each time operational adjustments.

As an efficient congestion management is important for the market, FEBEG supports the proposed improvements to the congestion forecasts, i.e. shift from the top-down approach to a more accurate bottom-up approach using BRP Offtake Nominations and at some point in time require the MW Schedules for demand facilities (provided by SA).

### FEBEG lacks understanding of the drivers for this simplification

Although FEBEG fully supports the objective of simplification, it remains unclear to what extent ELIA still effectively uses (or will use) nominations for internal processes.

- As far as balancing is concerned, the focus is entirely on the shifting of the obligation to be balanced in real-time, as a result of which, we are in an ongoing process to gradually relax the day-ahead balancing obligation. What is then still the function of nominations? Is it to check if the BRP had the 'means' to go back to his position when he helps the system? Is it to identify accountability in case of security of supply issues? Are there any additional motivations we should know about?
- With respect to congestion management, improved forecasting and information obtained from other roles – often closer to real-time –, e.g. OPA, SA, ..., are becoming more important. To what extent do the nominations still have added value? Is it to be able to cross-check the quality of information of other roles? Or are there other reasons?

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<sup>1</sup> [https://www.elia.be/en/public-consultation/20220915\\_public-consultation-of-the-study-on-the-evolution-of-the-brp-nominations](https://www.elia.be/en/public-consultation/20220915_public-consultation-of-the-study-on-the-evolution-of-the-brp-nominations)

In this context, FEBEG would really welcome some additional clarification on the effective use (or utility for ELIA or the market) of the information obtained through the nominations. The importance of this information for ELIA should also be taken into account, for example, if the information is nice-to-have but not essential, this should be reflected in the regulatory framework, for example regarding verification and control by ELIA and potential liabilities and implications. It seems to us, based on the information at hand, that the importance is changing, but the regulatory framework is not adapted accordingly.

### **FEBEG's recommendations:**

#### **BRPs are likely to prefer communicating net offtake/injection**

From the considerations in the study, FEBEG understands it is more convenient for ELIA to receive the net offtake/injection. FEBEG acknowledges that it seems safer for a BRP to keep sending its total net BRP position and, hence, not to lose track on the positions of the Grid Users.

However, to be able to define a final opinion on the move towards the nomination of the net total off-take/injection nomination and the impact on the BRP nominations of no longer sending the MW schedules, more clarity on the roles, processes and liabilities between SA and BRP is needed.

#### **FEBEG would welcome a roll-back option as a safety measure "if needed"**

As stated before, the process towards simplification is highly appreciated. Nevertheless, FEBEG is wondering (especially as some understanding for the drivers of the simplification is lacking) if ELIA should not foresee – as for the relaxation of the day-ahead balancing obligation – a roll-back option as a safety measure. At this moment, for example, it is not clear if ELIA will be able to make accurate congestion forecasts without the spatial granularity on access points in the current calculations. If the quality of the congestion forecasts would deteriorate, ELIA should be able to revert to the current approach if necessary. Indeed, for FEBEG the quality of the congestion forecasts is extremely important and should not be at risk.

#### **FEBEG urges Elia to further clarify roles, responsibilities and liabilities**

First of all, roles and responsibilities need to be clearly distinguished. FEBEG wants to underline that in no way an inaccuracy of a SA (resp. BRP) can have an impact on a BRP (resp. SA), more particularly:

- A BRP cannot be liable of what SA does and vice-versa. E.g. Liabilities if DA imbalance of a BRP is computed based on injection/offtake nomination while MW schedules sent by another party. What is the impact of being unbalanced? While we acknowledge it might be a requirement from SOGL, do we have enough confidence

in the legal background of such a scheme? Are we certain there is no impact on the BRP regardless of how good the SA performs?

- A BRP/SA cannot be cornered and be obliged to accept – and take responsibility – for a very complex scheme that would be hard to implement or where risk would not be acceptable (e.g. far-fetched multiple BRPs on very complex industrial sites).
- Which role will ELIA play between SA, BRP and GU? Will there be coordination, cross-checks, etc. Will there be a tolerance margin when discrepancies would be detected?

Secondly, the contractual responsibilities and liabilities should evolve and be adapted to the new situation:

- The liabilities should be proportionate to the importance of the data for the operation of the grid. If the BRP nominations become less important, the related liabilities should decrease as well.
- On top of that, the liability rules should be harmonized between the different roles, to the extent they provide information with the same importance for the management of the grid.

Thirdly, article 3ter of the current BRP contract should anyhow be amended to clarify that only net off-take and net injection should be nominated.

### **FEBEG also wants to express some concerns regarding the implementation**

As FEBEG, we would first like to have sufficient clarity on the roles, liabilities and responsibilities (cf above). If the clarifications and proposals of ELIA are reassuring and acceptable, we would ask ELIA to go directly to the target (final) solution, as we cannot afford to have multiple implementations with transitory solutions to reach the same target.

Indeed, it is for FEBEG still not clear – see also the first comment – why the final solution cannot be directly implemented without going through the intermediate step. Actually, the game changer seems to be the shift from gross injection/offtake to net injection/offtake as proposed in the second step. Step 1 seems to only tackle the legal obligation to split SA & BRP while it is really unsure whether or not there are parties which will make use of this split in reality (as there are still hurdles such as agreement between SA & BRP needed, RD activations,...).

ELIA should make sure that the developments are synchronized with iCAROS phase 2 (or next phase) and we ask ELIA not to impose extra implementations between the phases.

## Febeliec answer to the Elia Public consultation of the study on the evolution of the BRP nominations

Febeliec would like to thank Elia for this consultation on the study on the evolution of the BRP nominations.

Febeliec would like to indicate that it is of the utmost importance to ensure that the proposed modifications are feasible both from a design perspective as well as from an implementation perspective, implying that sufficient time is foreseen for all concerned parties to be able to move towards the target design, in particular for those parties who currently have no direct obligations, referring a.o. to the responsibility of providing information on the expected offtake of demand facilities in MW schedules. In general, Febeliec wants to insist that any (additional) information, especially from parties who had no prior obligations and will thus have to allocate additional resources, should only be requested when a clear added value for the system is identified which outweighs the related costs. Moreover, Febeliec wants to point out the specific situation of a.o. closed distribution systems, with often multiple demand and generation facilities owned by different actors, as well as the treatment and responsibilities concerning schedules for smaller grid users, up to the level of SMEs and even residential consumers. Febeliec asks for timely clarity on the final design as well as a realistic timeframe for the development and deployment of a framework for allocating the responsibility of providing information on the expected offtake of demand facilities to the role of the scheduling agent, for which at the moment a derogation is in place. Febeliec strongly insists on a co-creation process for the design and contractual framework, in close relation with all concerned stakeholders.

Concerning the full removal of the day-ahead balancing obligation, Febeliec wants to stress that the decision on the permanent and full removal has not yet been taken and is still subject to analyses on the potential negative impact of such removal on a.o. the stability of the system as well as balancing volumes and costs. Hence, it is not guaranteed that this necessary boundary condition will be met, for which the decision should be completely independent of the impact on the discussion on BRP nominations.

In light of the above comments on the boundary conditions and insofar those conditions would be met, Febeliec supports a multi-step approach with a realistic timeline for the implementation of the different steps. Febeliec insists that only efforts will be requested from grid users that will effectively be used and cannot be obtained in sufficient quality by any other means, while at the same time Febeliec understands that in order to ensure a secure operation of the grid information is needed to be able to conduct the necessary analyses. Febeliec understands that there are some quick wins and no regret changes (e.g. specific information which has been identified which is not necessary for a secure operation of the grid) and supports their implementation, insofar the above is taken into account.

Dear all,

Thanks for your valuable work of analysis related to the possible evolution of BRP Nominations. We do not have specific remarks on the issues outlined, nonetheless we would like to take the opportunity to ask in general for the possibility to align ELIA's procedure to the most common in continental Europe.

In particular we ask for:

- The possibility to align DA internal and external nomination to 14.30 D-1
- The possibility to nominate ID internal schedule as the total BRP position for each relevant period (i.e. not only the sum of the internal trades concluded in intraday time frame)

Thank you in advance for considering our comments.

Kind regards