Rapport sur la consultation publique concernant l'incintant : « *Analyse Cout-Bénéfice sur les exigences applicables aux installations de production d'électricité existantes et nouvelles entre 1 et 25MW* ». Cet incitant est lié à la décision (B)658E/79 de la CREG du 14 juillet 2022.

Rapport over de openbare raadpleging betreffende de stimulans *"Kosten-batenanalyse betreffende de vereisten voor producenten die van toepassing zijn op bestaande en nieuwe productie-eenheden tussen 1 en 25 MW"*. Deze stimulans hangt samen met de beslissing (B)658E/79 van de CREG van 14 juli 2022.

18/12/2023

Contents

1. Inleiding

Elia heeft een publieke consultatie georganiseerd over de stimulans *Kosten-batenanalyse betreffende de vereisten voor producenten die van toepassing zijn op bestaande en nieuwe productie-eenheden tussen 1 en 25 MW*. Deze stimulans hangt samen met de beslissing (B)658E/79 van de CREG van 14 juli 2022.

De consultatieperiode loopde van 06/11/2023 tot en met 02/12/2023.

Het doel van dit verslag is de feedback van de raadplegingen te consolideren en het standpunt van Elia met betrekking tot deze feedback te presenteren.

Aangezien alle ontvangen feedback in het Engels is opgesteld, is de bespreking van de opmerkingen in dit voorstel ook in het Engels opgesteld. Het overige werd opgesteld in het Frans en het Nederlands.

2. Ontvangen feedback

Naar aanleiding van de consultatie op de verschillende voorstellen ontving Elia antwoorden van de volgende partijen:

- Ode Vlaanderen (niet confidentieel)
- FEBEG/FEBELIEC (niet confidentieel)
- FEBEG (niet confidentieel)
- Netgebruiker (confidentieel)

Alle ontvangen reacties werden toegevoegd als bijlage aan dit rapport. Zij zullen eveneens ter beschikking gesteld worden op de website van Elia samen met dit consultatierapport.

1. Introduction

Elia organise une consultation publique concernant l'incitant *Analyse Cout-Bénéfice sur les exigences applicables aux installations de production d'électricité existantes et nouvelles entre 1 et 25MW*. Cet incitant est lié à la décision (B)658E/79 de la CREG du 14 juillet 2022.

La période de consultation s'étendait du 06/11/2023 au 02/12/2023.

L'objectif du présent rapport consiste à consolider le feed-back des consultations, en présentant la position d'Elia par rapport à ces réactions.

L'ensemble des feed-back reçus ayant été rédigés en anglais, la discussion des commentaires dans cette proposition a également été rédigée en anglais. Pour le reste, le présent rapport de consultation a été rédigé en français et en néerlandais.

2. Feed-back reçus

À la suite de la consultation sur les différentes propositions, Elia a reçu des réponses des parties suivantes :

- Ode Vlaanderen (non confidentielle)
- FEBEG/FEBELIEC (réaction commune non-confidentielle)
- FEBEG (non confidentielle)
- Utilisateur du réseau (confidentiel)

Les remarques reçues figurent à l'annexe du présent rapport. Elles seront également mises à disposition, sur le site web d'Elia, avec le présent rapport de consultation.

3. Instructies bij het lezen van dit document

Dit consultatierapport is als volgt gestructureerd:

- Sectie 1 bevat de inleidende context,
- Sectie 2 geeft een overzicht van de ontvangen opmerkingen,
- Sectie 3 bevat instructies bij het lezen van dit document
- in Sectie 4 worden de algemene opmerkingen bij de publieke consultatie besproken,

Dit consultatierapport is **geen stand-alone document**, maar dient samen worden gelezen met de voorstellen die ter consultatie voorgelegd werden en de ontvangen opmerkingen.

Dit document is als volgt gestructureerd met hieronder extra informatie over de inhoud per kolom.

Onderwerp	Stakeholder	Opmerking	Actie ondernommen door Elia
A	B	C	D

3. Instructions pour la lecture du présent document

Le présent rapport de consultation est structuré comme suit :

- la Section 1 contient le contexte introductif,
- la Section 2 donne un aperçu des feed-back reçus,
- La Section 3 contient instructions pour la lecture du présent document,
- la Section 4 aborde les remarques générales reçues lors de la consultation publique,

Ce rapport de consultation n'est **pas un document autonome** : il doit être lu concurremment avec les propositions soumises à la consultation et les remarques reçues.

Les remarques sont présentées sous forme de tableau rédigé comme suit :

Sujet	Stakeholder	Remarque	Action entreprise par Elia
A	B	C	D

4. Remarques reçues lors de la consultation publique / Ontvangen opmerkingen bij de publieke consultatie

Cette section contient les remarques reçues durant la consutation publique, ainsi que la réaction d'Elia.

Deze sectie bevat de opmerkingen ontvangen tijdens de raadpleding, en de reactie van Elia.

Topic	Stakeholder	Remark	Actions undertaken by Elia
General remark	Ode Vlaanderen, FEBEC, FEBELIEC	Appreciation of efforts made by Elia and the opportunity to react to the public consultation on this incentive.	Elia thanks the market parties for this supporting message and their reactions to the consultation.
Great variety of existing PGMs	ODE Vlaanderen	ODE points out that although the outome of the CBA seems positive on some technical parts, there is a great variety of renewable PGMs that would be affected by it. The outcome of the quantitative and qualitative analysis can not be generalized for all assets that are in scope of the CBA.	Elia agrees with the fact that the great variety of existing PGMs and the great variety of costs associated to a potential upgrade do not allow to draw general conclusion that could be applicable directly on existing PGMs based on quantitative CBAs. However, it could be useful to conduct a quantitative CBA, based on case-by-case analysis of certain requirements and PGMs if a specific need was identified on the grid. The concept of limiting element should be always taken into account in order to avoid any excessive costs for the existing PGMs.
	FEBEG	FEBEG fully agrees with following statement made by ELIA "It is difficult to see a global trend in the answers provided. This stresses the fact that only a case- by-case application where the limiting elements can be provided by the grid users makes sense".	
Complexity to perform CBAs	ODE Vlaanderen	ODE mentioned that not all modifications are technically possible and definitely not financially viable for many existing PGMs. Although the sector has provided input for the CBA this complexity is not fully visible in the report.	Elia totally agrees with the complexity of performing relevant quantitative CBAs for a whole group of PGMs due to the vastness of scope and the big variation of technologies and lifetime of existing PGMs. Furthermore, performing CBAs on a wide range of PGMs is time consuming with important uncertainties regarding the results of the CBAs due to the wide range of situations to be taken into account.

	FEBEG/Febeliec	- The high technicality of the topic, the huge efforts that were needed to perform the study and the high complexity of the practicalities behind the study are for FEBEG and Febeliec already a clear indication that performing such CBA is extremely complex and therefore unlikely to results in simple and straightforward conclusions. It is also time consuming for the market parties. - The study highlighted the vastness of the scope (more than 100 PGMs) and the big variation in the technologies and lifetimes of the assets which adds to the complexity.	
	FEBEG	- On the lack of quantitative information given by market parties, FEBEG refers to the above comments. Indeed, the analysis is only possible "case by case" and no high level conclusion is possible. Therefore, an evidence based and reliable cost assessment is practically impossible. To have reliable and accurate estimates of the costs, in depth studies, performed by external consultants and experts in Grid Code requirements, would be needed for dozens of assets. This would take several months, and the costs would be too high compared to any potential benefits.	
Quantification of the benefits /"Qualitative +" CBA results	FEBEG/Febeliec	Potential benefits are still not sufficiently quantified and for FEBEG and Febeliex it is very unlikely that these would be higher than the costs.	As explained, performing CBAs on a wide range of PGMs is particularly complex. For the benefits quantification, Elia developed in the report a qualitative methodology based on Elia's expert views. This qualitative quantification of the benefits compared to the costs given by the market parties allowed to draw high level conclusions on some requirements that could have a positive CBA based on this "qualitative +" CBA methodology. However,

	FEBEG	FEBEG cannot agree with many of the "high level" conclusions that have been made by ELIA in the qualitative assessment. Indeed many of the qualitative assessments as performed by ELIA (based on internal and therefore limited knowledge) were clearly not in line with the feedback that was given by the market parties, who know best the assets they own and for which they are responsible. Overall, one could wonder what is the value of such qualitative analysis if not based on the real life experience with and in-depth knowledge of the technical reality behind the PGMs	this should not lead to a retroactive application of the requirements flagged with a positive "qualitative +" CBA if no specific need to do so has been identified on the grid and without taking into account the concept of "limiting element".
Retroactive application of requirements to existing PGMs	ODE Vlaanderen	ODE Vlaanderen wants to emphasize the objection to any changes in RfG for existing PGMs since this would severely endanger the economic viability and could lead to renewable production capacity exiting the market. Ode warns that depending on the age and type of generators, the investment costs to comply with any changes could be too high causing a loss in capacities.	- Based on a "qualitative +" CBA, Elia proposed a set of eligible requirements that might have a positive CBA. However, this should not lead to a retroactive application of the requirements with a "qualitative +" positive CBA if no specific need to do so has been identified on the grid. - Even with better quantitative cost estimates, it would make little sense to expand a quantitative CBA given the wide range of existing PGMs. However, it could be useful to conduct a quantitative CBA of certain requirements and PGMs if a specific need is identified on the grid. In that case, the results of the "qualitative +" CBA could serve as a valuable starting point for the application of Articles 4.1b and 4.3 of the NC RfG to existing PGMs with an installed capacity between 1 and 25 MW. - **In any case, the retro-active application of one or several requirements is not foreseen in the scope of this incentive.**
	FEBEG/Febeliec	- FEBEG and Febeliec are strongly against any ex-post implementation of grid code requirements as this would create extreme legal uncertainty and create a precedent for other retro-active changes to grid codes in the future. - Societal costs could be very high when taking into account the possible (early) termination of existing PGMs, the shock of ex-post interventions and therefore lost of confidence and trust for future projects and overall negative signale to the market parties.	

	FEBEG	The big issues with a potential ex-post implementation of requirements on a high-level basis is already very clear from the table on page 45 which shows that only 1 requirement could be considered (models) since all the other requirements are simply technically impossible. For FEBEG the conclusion is very simple: the CBA demonstrated that any ex-post implementation is impossible except for "models". We can in therefore remove all the other requirements in the list. In addition, we wish to underline that modelling could nevertheless be very difficult and/or impossible for older assets (as you just cannot get the information). Putting "zero" for the modelling, is already far-fetched and very optimistic in our opinion.	
Extension of the scope of the substantial modernisation	FEBEG/Febeliec	- FEBEG and Febeliec we can align with the following specific conclusion, taking into account that extending the scope to existing type B PGMs is therefore currently not considered : "Extending the scope of the concept of substantial modernisation to existing type B PGMs does not currently make sense if no need to do so has been identified on the grid. However, if such a need were identified, the list of requirements with a "quantitative +" CBA might be good candidates for the scope of the substantial modernisation as long as the concept of " limiting element" is taken into account. This concept would protect eligible PGM owners from excessive upgrading costs as long as they can demonstrate that the cost of the required upgrades would exceed the costs of the initial project by X%".	- Elia confirms that the extension of the scope of the substantial modernisation is not currently considered as long a there is no need on the grid identified to so and is not in the scope of this incentive.
Application of the requirements	Grid User (confidential)	- Grid User can follow the reasoning to apply the more stringent requirements of new generators to existing generators, for fuel-based generators that can be steered. - The application of these requirements do not make sense for generators linked to chemical processes. As the energy of these generators is delivered by a chemical process, which is interrupted anyhow during a serious voltage dip, they are anyhow unavailable to help to counter this. These process generators can only comply to the following two requirements: -Voltage withstand capacity -Reactive power	- Elia points out that European network codes, requirements of general application and Federal and regional grid codes describe connection requirements which are applicable to either existing or new PGMs as soon as they are connected to the grid. No distinction is made for generators that can be steered versus generators linked to chemical processes.