

Information on the Capacity Remuneration Mechanism

The introduction of a capacity remuneration mechanism for the Belgian electricity market is one of the federal government measures designed to guarantee Belgium's security of supply.

Within this framework established by and pursuant to the article 7undecies §8 of the Electricity Act ([link NL - FR](#)), the Ministerial Decree of end March 2024 ([links to come](#)), instructs Elia, as Transmission System Operator to organize the auction one year before the delivery period starting on 1 November 2025 and the auction four years before the delivery period starting on 1 November 2028.

The purpose of this communication is to inform you that the prequalification procedure which is necessary for participating in this auction will start in a few weeks. This procedure may even be mandatory for certain production and storage capacities.

*Elia, as **Transmission System Operator**, wants to **inform its Grid Users and CDS Users**, which are potential participants to the CRM, to facilitate the comprehension of their **opportunities or legal obligations in the CRM**.*

What is the CRM?

*The CRM aims to compensate electrical capacity holders for their relevant costs that are not compensated by their revenues and is **requesting their availability on the market as of November 2025 or as of November 2028** in order to avoid Belgian security of supply issues.*

*The support is **accessible to eligible capacity holders via an auction** leading to a capacity contract in case of selection representing the obligations of the capacity provider and its remuneration.*

Who must or can participate in the CRM prequalification procedure?

*By law, **capacity holders of production units**, located in the Belgian control zone with a minimum of 1MW capacity after derating factor application ([Derating Factors 2023 \(update 2024 to come\)](#)) and without variable subsidies for the relevant delivery periods (November 2025-October 2026) or (November 2028-October 2029) **are required to take part in the CRM prequalification process**. Although participation in the prequalification process is mandatory for them, there is **no obligation to bid in the auctions**.*

- ⇒ *If the capacity holder **does not intend to go to the auctions**, a simplified pre-qualification procedure is designed to allow them to fulfil their legal obligation to participate: the **'Fast Track' pre-qualification procedure (see the different processes in Figure 1)**.*

***All capacity holders may participate in the CRM Auctions (bidding end September 2024)** if they comply with a set of eligibility criteria, which include the refusal of other variable subsidies during the delivery periods 2025-2026 and/or 2028-2029.*

- ⇒ *If the capacity holder **intends to go to auction**, then the Candidate follows the **standard prequalification procedure (or specific)**.*

CRM Prequalification Process

Possibilities

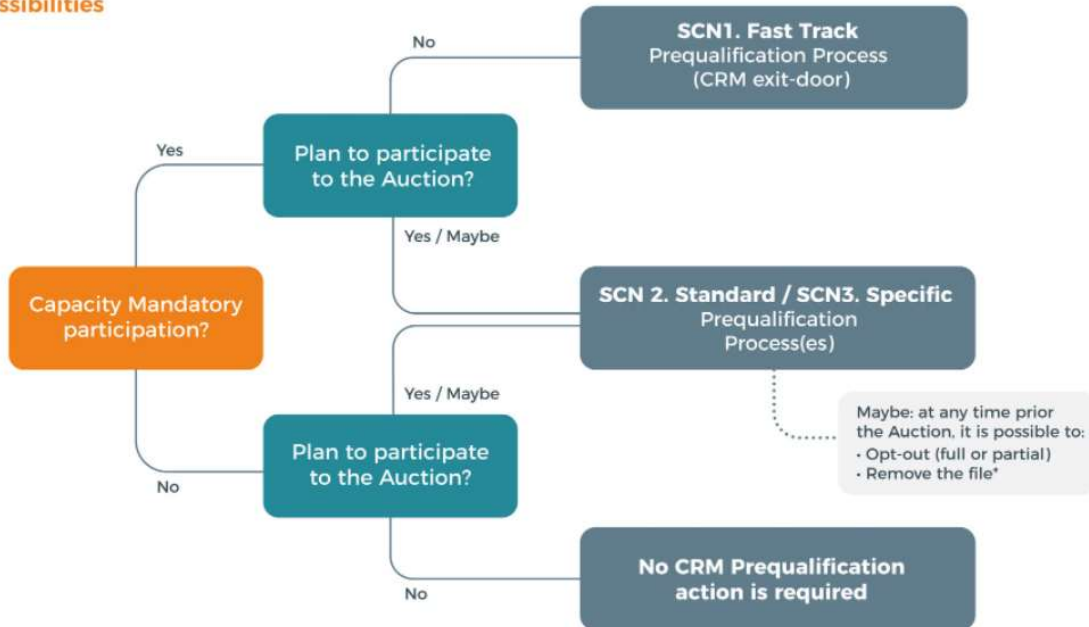


Figure 1: CRM Prequalification Process

Important note for the 1 MW criterion for the participation obligation of generating or storage units: For thermal production units with an installed capacity of less than 25MW (without a daily schedule obligation), a choice can be made between the Derating factors of the starting category (category 5 - ~63%) and those linked to a maximum number of hours per day (category 1). Several exemptions and the treatment of special cases are specified in the legal circulaire of June 4th, 2021 (for example, for emergency generators): [FR version – NL version](#)

Access to the platform for submitting prequalification files will already be available via the [CRM IT Interface](#) as of 16/05/2024 at 12pm (estimate).

The capacities prequalification files must be submitted by 15/06/2024.

For participants in the previous CRM prequalification procedure in 2023, 2022 or 2021, there are options for renewal and updating on the basis of 2023/2022/2021 files.

More information and new introductory material is available on: [Elia CRM website](#)

Please do not hesitate to contact us via: customer.crm@elia.be

Disclaimer: This communication is non-binding. It is addressed for information purposes only. It is without prejudice to the applicable legal and regulatory framework, in particular the CRM functioning rules.