

EXPLANATORY NOTE

Explanatory note on the public consultation of the proposal of amendments to the Terms & Conditions for Balance Responsible Parties, related to BRP perimeter correction, self-billing and External Inconsistencies with addition of the previous public consultation regarding SDAC & SIDC processes and the service multiple BRP

Elia
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1. Practical information

This note serves as an explanation for the current consultation on the **proposal of amendments of the Terms and Conditions for Balance Responsible Parties** (hereafter referred to as “T&C BRP”). The purpose of this consultation is to obtain comments from the market parties. At the end of the public consultation, Elia will provide a consultation report that will be available to all market parties.

All responses to this public consultation will be made public on Elia’s website, except the comments for which market parties ask to treat their contribution as confidential. However, all responses to this public consultation will be submitted to the relevant regulatory authorities in the context of the official approval procedure¹ for the Rules organizing the T&C BRP.

Elia invites all stakeholders to submit any comments and suggestions they may have on the documents submitted for consultation. The consultation period runs from 11 December 2024 to 24 January 2025. All responses must be submitted via the online form on the Elia website. The draft proposal for the changes to the T&C BRP is available for consultation on the Elia website.

Questions regarding these documents can be sent to the following email address: simon.serrarens@elia.be, with the Key Account Manager (KAM) in cc: sybille.mettens@elia.be.

¹ Article 6(3) of Regulation 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing

2. Introduction

Elia organized a public consultation from 20/09/'24 until 18/10/'24 on the proposed amendments to the Terms and Conditions for Balance Responsible Parties (T&C BRP), addressing changes related to the Single Day-Ahead Coupling (SDAC) and Single Intraday Coupling (SIDC) processes, as well as the service for multiple BRPs. The usual next steps for this track would have been to process the feedback from the public consultation, and to submit the proposed changes to CREG by mid-November '24.

However, Elia received a Request for Amendment (RfA) from CREG on 14/11/'24 regarding BRP perimeter correction in case of activation of technical measures for incompressibility. Within the RfA, CREG urges Elia to submit a new version of the T&C BRP, including this BRP perimeter correction, on short notice but at the latest by mid-April, understanding that the incompressibility risk period starts around April. Finalizing the current revision track, and only then starting a consultation on this amendment would have led to an entry into force of the BRP perimeter correction at the earliest by July '24. Therefore, it was decided not to finalize this revision track, and conduct a new public consultation in order to accommodate CREG's request. In addition to the request within the RfA, Elia will also include changes introducing the concept of self-billing, due to a deadline imposed by the VAT administration, and address design flaws in the management of External Inconsistencies, given the priority placed on this by market parties. This public consultation also includes all amendments previously consulted, where necessary adapted to account for market feedback.

In summary, the current revision of the T&C BRP includes the following amendments:

1. **Amendments from the previous public consultation (20/09/'24 - 18/10/'24):** The previous public consultation was not concluded with a submission to, and decision by, CREG due to the Request for Amendment (RfA). The amendments will also be included in this explanatory note and public consultation. Feedback received from the previous public consultation has also been incorporated in the T&C BRP. It is important to note, however, that this previous feedback will not be submitted to CREG. Only feedback submitted in context of this public consultation will be formally submitted to CREG. Market parties are therefore kindly invited to reevaluate the previous amendments and their treatment in this version of the T&C BRP, and submit any feedback they might have via the public consultation.
2. **BRP Perimeter Correction:** When an incompressibility event occurs, in exceptional circumstances, Elia may need to resort to technical curtailment of Renewable Energy Sources (RES) and non-RES, connected to both the Elia grid and the Public Distribution Grids in order to maintain the balance within the grid. The CREG has mandated that the perimeter of the BRP is corrected with the curtailed volume, and that this BRP perimeter correction is formalized within the T&C BRP.
3. **Self-Billing:** The VAT administration has investigated Elia's current system of credit notes within the settlement process, and found it to be non-compliant with the legal framework. The VAT administration considers that the BRP delivers a service to Elia during quarter-hours for which Elia pays the (absolute value of the) imbalance price to the BRP. In those cases, the BRP should invoice Elia. As a credit note is technically



only to be used as a correction on a previous invoice, this system can not be used. To comply with the legal framework, Elia will shift towards a system of self-billing. The implementation of this new system must be completed by 01/07/'24, and is therefore included in this revision.

4. **Invoicing of External Inconsistencies:** Market parties have requested adjustments to the current system, pointing out that the existing framework is unclear about the required actions BRPs need to take during the Intraday timeframe, given that an External Inconsistency was created in Day-Ahead. Indeed, the current system is flawed in the sense that it does not provide a clear incentive to resolve a Day-Ahead External Inconsistency during Intraday, as doing so leads to a second invoice for External Inconsistencies. A solution for this problem is proposed within this revision.

3. Amendments from the previous public consultation (20/09/'24 – 18/10/'24)

On October 18, a public consultation was concluded to accommodate two large changes and some smaller changes to the T&C BRP. These changes are included in this update to the T&C BRP, taking into account market feedback received during the public consultation.

These changes concern:

1. **Updates related to the adaptations in the Single Day-Ahead Coupling (SDAC) and Single Intraday Coupling (SIDC) processes.**
 - a. Transition to 15-minute Market Time Units (MTU) in SDAC, with related changes to the Day-Ahead (DA) Nominations deadlines.
 - b. Addition of SIDC Intraday auctions (IDA).
2. **Updates that are required for both the T&C BRP and the Access Contract to allow for the possibility to assign multiple BRPs on Delivery Points behind a given Access Point.**
 - a. Integration of the possibility to assign multiple BRPs behind an Access Point. This process allows an Access Holder (ACH) to appoint a BRP on a Delivery Point (DP) downstream from their Access Point (AP). Within this constellation, the BRP on the DP (BRP_{DP}) can be different from the one on the AP (BRP_{AP}).
3. **Smaller changes including adaptations requested by CREG and changes in the market design:**
 - a. Definitions, as requested by CREG in Decision (B)2688.
 - b. Removal of reference to the tariffs in Art. 30.6 of the T&C BRP on the description of the additional alpha component, as requested by CREG in Decision (B)2688. Note that during the previous public consultation, the definition of the alpha component was conditional on the connection to either MARI or PICASSO. As the connection to PICASSO has been established at the time of writing, the alpha component is now defined within the T&C BRP, with no further reference to the tariffs.
 - c. Reference to the recently approved Market Suspension Rules.
 - d. Removal of references to the obsolete Strategic Reserves and Band Supplies.



The following sections briefly reiterate the changes proposed in the previous public consultation. The complete explanatory note of the previous public consultation, as well as the T&C BRP in track changes, can be found on Elia's website².

3.1 Adaptations in the SDAC and SIDC processes

SDAC 15' MTU & changes to DA Nomination deadlines

Due to the upcoming changes to the SDAC process, which will allow for 15' Market Time Units (MTU), the Day-Ahead nomination deadlines for Internal Commercial Trades will be extended from 14h00 to 14h30. Since the go-live of the new SDAC process is not expected before June '25, the text detailing the nomination deadlines still defines the situation before and after go-live, depending on the finest granularity of the MTUs.

The market parties who provided feedback in the previous public consultation acknowledged the changes in context of the SDAC 15' MTU in the T&C BRP, and gave no specific remarks on the content. Therefore, the changes have been included integrally in this revision of the T&C BRP.

Addition of SIDC Intraday auctions (IDA)

The SIDC process allows market parties to buy and sell energy internationally in the Intraday timeframe via their NEMOs. It is composed of two markets: Intraday Continuous Trading and Intraday Auctions (IDAs). IDAs were introduced first on 13/06/2024 for the delivery day 14/06/2024 to improve supply and demand matching through auctions that optimize social welfare and provide three additional daily price signals in addition to the existing Belgian Day-ahead reference price.

For the three IDAs, nomination deadlines are:

- For the first auction, for delivery Day D, the nomination deadline will be D-1 16h00;
- For the second auction, for delivery Day D, the nomination deadline will be D-1 23h00;
- For the third auction, for delivery Day D, the nomination deadline will be D 11h00.

The market parties who provided feedback in the previous public consultation acknowledged the changes in context of the SIDC Intraday auctions in the T&C BRP, and gave no specific remarks on the content. Therefore, the changes have been included integrally in this revision of the T&C BRP.

² The information on the public consultation of the T&C BRP 20/09/'24 – 18/10/'24 can be found [here](#).



3.2 The possibility to assign multiple BRPs on Delivery Points behind a given Access Point

Today, in most cases, there is one BRP per Access Point (AP) appointed by the Access Holder (ACH) in the Access Contract. The Access Contract foresees certain specific schemes that allow the ACH to appoint more than one BRP behind this AP, especially when there is energy production behind the AP.

A few years ago, Elia introduced the notion of multiple BRPs behind an AP. The idea was launched a first time through an incentive study and later also within the CCMD initiative, to provide more freedom to the ACH to opt for more than one BRP by allowing them to appoint separate BRPs per DP. In this context, it is key that a DP has a submeter which allows to split the offtake/injection at this DP from the rest of the site.

This concept was first made available via the Letter of Intent (LoI) for Multiple BRP, launched in 2024. The concept described in the LoI allows Access Holders to appoint BRPs on DPs behind their AP, where the BRPs on the DPs (BRP_{DP}) can be different from the BRP on the AP (BRP_{AP}) (they don't have to be different, they can also be the same).

The market parties who provided feedback in the previous public consultation were very welcoming of the addition of Multiple BRP, stressing the need for formalization of the process. FEBEG provided a number of detailed comments on errors in the text and definitions. These have been treated as outlined in Appendix 1, by making the necessary changes to the text. Aside from correcting smaller errors in the text, the content of Multiple BRP has not changed vis-à-vis the previous revision.

3.3 Smaller changes

A number of smaller changes were incorporated in the previous revision of the T&C BRP as well. The complete overview can be found in the explanatory note of this previous revision.

Note that the previous revision had a conditional definition of the alpha component, depending on whether connection to either MARI or PICASSO had been established. Since the connection to PICASSO has now been made, this conditional definition is changed. The alpha component is now defined in art 30.6 of the T&C BRP.

3.4 Overview and treatment of the remaining feedback

The feedback received from market parties on the previous public consultation can be found in appendix 1. Where relevant for the current revision of the T&C BRP, all feedback has been incorporated. It is important to note, that this feedback is considered as treated, and will not be included in the consultation report of this current revision of the T&C BRP. Elia wishes to invite market parties to reevaluate the abovementioned changes, and formally submit any feedback they might have via this public consultation.

Finally, FEBEG asked attention in their position document for the necessity of a redesign of the management of External Inconsistencies. As Elia acknowledges that a redesign is warranted, this revision contains a proposition



for an updated system for for the management of External Inconsistencies. This can be found in section 6 of this document.



4. BRP Perimeter Correction

On 14/11/24, Elia received a request for amendment (RfA) from CREG regarding BRP perimeter correction after activation of technical measures for incompressibility, by making use of Art 7.3 of the LFC BOA, which allows Elia to adapt the setpoints of power generating modules and demand units within its area, both connected to the Elia Grid and the Public Distribution Grids. At the time of writing, the only situation where Elia intends to make use of this article is in case of activation of technical measures for incompressibility. The RfA was prompted by the rising potential of incompressibility risks that Belgium could face due to the rising integration of renewable energy sources.

From April to July 2024, the Belgian grid operators worked together to develop a comprehensive solution aimed at mitigating these incompressibility risks anticipated during the summer of 2024. The proposed solution involved curtailing the injection of RES and non-RES connected to the distribution network or local transmission network, a process referred to as “activation of the technical measures”.

It is the responsibility of the BRPs to plan and utilize all reasonable means to maintain balance within its perimeter on a quarter-hourly basis. Aside from this, Elia has access to FRR energy balancing bids to solve the residual system imbalance. Consequently, the use of exceptional measures described in LFC BOA, and more specifically technical measure should be viewed as a last resort measure to ensure the safety of the electricity system. It is essential to have the option of applying technical measures to mitigate the risks associated with incompressibility.

CREG is of the opinion that when technical measures are applied through LFC BOA Art 7.3, the Balance Responsible Party (BRP) perimeter should be adjusted. Without correcting the BRP perimeter, BRPs would be financially compensated through the imbalance settlement processes for balancing actions not carried out by the BRP themselves but by Elia. European regulations require that BRPs be financially responsible for the imbalances they cause in the system.

Therefore, CREG has asked Elia that the T&C BRP outline how this perimeter correction will be managed following the application of technical measures, through application of LFC BOA Art 7.3.

Elia has consequently described a methodology on how to apply the perimeter correction in case article 7.3 of LFC BOA is used, and more specifically in case of activation of technical measures. The proposed approach is uniform for both DSO- and Elia connected generation, and applies to curtailment of wind turbines, photovoltaic installations and CHPs. The baseline for a unit will be the power measured at the last quarter-hour (Qh) before curtailment. Then, the curtailed volume for each Qh during the curtailment period is established as the difference between this power measures during the last non-curtailed Qh, and the power measured during the first fully curtailed Qh.

The DSOs will provide the data on a trimester basis, and share the data in the month after each trimester. Within 3 months after receipt of the data Elia will subsequently correct the BRP perimeter for all curtailed volumes due to incompressibility within a trimester, and settle with the BRPs in a separate incompressibility invoice, outside of the regular settlement cycle. As an example, if an incompressibility event occurs in April (i.e. the first month of the



second trimester of the year), the DSOs will calculate the relevant volumes in the month following the end of the trimester. As the second trimester is until the end of June, volumes will be calculated and shared with Elia in July. Elia will then perform the perimeter correction in September, and invoice the BRP accordingly.

The above leads to changes in 2 articles in the T&C BRP:

1. Addition of article 20.9 'Correction of the Balancing Perimeter in context of activation of technical measures', describing the BRP perimeter correction in case of activation of technical measures, in accordance with Art. 7.3 of the LFC BOA.
2. Amendment to article 29.4 'Invoicing principles', detailing the creation of an additional invoice for incompressibility settlement.

As the exact go-live date of these changes depends on approval by the relevant regulatory authorities of both the T&C BRP and the LFC BOA, this date is not yet known. All changes related to BRP perimeter correction in case of activation of technical measures in context of Incompressibility have been indicated in the text in **red**, and will enter into force at the date to be specified later, after regulatory approval of both documents.



5. Self-Billing

The Tariff for maintaining and restoring the individual balance of BRPs is invoiced to the BRP if an Imbalance, as described in Article 21 of the T&C BRP, is observed in its Balancing Perimeter. The tariff for maintaining and restoring the individual balance of Balance Responsible Parties applies to all Imbalances within the Imbalance area delineated in Article 13 of the T&C BRP, and is applied equally to both positive and negative imbalances.

Elia evaluates on a monthly basis, for each quarter-hour, the BRP’s position vis-à-vis the System Imbalance as well as the Imbalance Price. Depending on the BRP imbalance and the imbalance price, there is a payment from the TSO (i.e. Elia) to the BRP or vice versa, as can be seen in the below Table 2, from Art. 55 of EBGL.

Table 2
Payment for imbalance

	Imbalance price positive	Imbalance price negative
Positive imbalance	Payment from TSO to BRP	Payment from BRP to TSO
Negative imbalance	Payment from BRP to TSO	Payment from TSO to BRP

In the current settlement system, Elia will take the sum of all amounts due by the BRP to Elia, and all amounts due by Elia to the BRP, for any given month. If, in total, the BRP needs to pay to Elia, Elia will send an invoice to the BRP. Inversely, if Elia needs to pay the BRP, Elia will send a credit note to the BRP.

Recently, the VAT administration has investigated this practice, and ruled that it is not in line with the legislation in force. According to regulations, a credit note can only be issued as a correction to a previously issued invoice; it cannot serve as a stand-alone document for a specific invoicing period. As a result, credit notes cannot be used independently for issuing compensations. The VAT administration has ruled that this practice needs to be changed by 01/07/25. Understanding the complexity of the imbalance settlement, the VAT administration has ruled that the system of credit notes does not need to be corrected retroactively. For information, the decision of the VAT administration can be found in appendix 2 of this explanatory note.

The VAT administration considers that there exists an exchange of services between Elia and the BRPs as mutual services, determined on a quarter-hourly basis, depending on the interaction between the residual imbalance, the BRPs' imbalances, and the imbalance tariff. When the resulting payment for imbalance (as described in Table 2



above) is from the BRP to the TSO, Elia will issue an invoice to the BRP. When the resulting payment is from the TSO to the BRP, BRP should issue an invoice to Elia.

These quarter-hourly evaluations are aggregated monthly, leading to two types of invoices:

- Elia-invoice: Elia invoices the BRP for amounts owed to Elia;
- BRP-invoice: the BRP invoices Elia for amounts owed to the BRP.

The VAT administration allows Elia to implement a system of self-billing, in order to simplify the process. Under this new system, Elia will use self-billing to generate invoices, on behalf of the BRP, for amounts owed to the BRP, while still issuing invoices for amounts the BRP owes to Elia.

Both the BRP and Elia agree to using the system of self-billing as of Entry into Force of the T&C BRP. In the case of invoicing from the BRP to Elia, Elia must issue the invoice in the name and on behalf of the BRP.

These invoices are then netted to produce a final Net-document. If the result is positive, the Net-document will show a positive net amount, indicating a payment due from the BRP to Elia. If the result is negative, the document will show a negative amount, indicating a payment due from Elia to the BRP.

The relevant changes can be found in the following articles of the T&C BRP:

- Art. 1 'Glossary', to add definition of Elia-invoice, BRP-invoice...
- Art. 5 'Invoicing and payment terms', to add the notion of self-billing, Elia-invoice and BRP-invoice. The reference to credit notes are removed.
- Art. 18.4 'Amount of the required financial guarantee', to ensure the financial guarantee is calculated in the same way as before, taking into account the new concepts.
- Art. 23 of the T&C BRP 'Pooling Agreement', to include reference to Art. 5.
- Art. 29.2 'Tariffs applicable to BRPs', to remove notions of credit notes.
- Art. 29.3 'VAT', to add notions of BRP-invoice and Elia-invoice.

As the exact go-live date of these changes depends on approval by the relevant regulatory authorities of the T&C BRP as well as updates in the IT-systems to support the changes, this date is not yet known, although it will not be before 01/05/'25. All changes related to self-billing have been indicated in the text in **yellow**, and will enter into force at the date to be specified later.



6. External Inconsistencies

The current design of the energy nomination system is based on the double-sided nomination principle, requiring two BRPs who agree on an exchange of energy to nominate this exchange to one another. An external inconsistency arises when there is a mismatch in the nominations between two BRPs, either in Day-Ahead (DA) or Intraday (ID). An external inconsistency leads to an invoice for external inconsistencies, to incentivize the BRPs to correctly make their nominations. Elia has recently observed an increase in external inconsistencies, especially in the Day-Ahead timeframe. The increase in external inconsistencies has given rise to the request from market parties to revise the double-sided nomination principle. However, this is an important principle, for the following reasons:

- It ensures the involved market parties have an accurate view on their confirmed trades;
- Both nominations are important, as having the responsibility with only one BRP (even if they are CCP) can lead to errors, which in turn cause uncertainty of what will happen on the Elia grid.
- The DA nominations are an important input for calculating the Day-Ahead imbalance of each BRP involved. The Maximum Authorized Day-Ahead Imbalance needs to be respected.

Additionally, market parties indicate that the current system of invoicing for external inconsistencies leads to a double penalization. Indeed, under the current design, the invoicing scheme provides no clear guidance for BRPs on whether they should make a counternomination in ID, which leads to an external inconsistency in the ID timeframe or refrain from nominating, which in most cases results in an imbalance. Correcting the nomination during ID leads to a second external inconsistency invoice, while not nominating leads in most cases to an imbalance invoice, which could be either positive or negative, depending on whether the BRP's imbalance helped or aggravated the System Imbalance and on the sign of the Imbalance Price.

As such, the current design provides no clear guidance or incentive to market parties as to whether to make a correction in the ID timeframe or not. Since the goal is for the BRPs to indeed make this correction, the design has been updated to provide clear incentives to BRPs to rectify their nomination before the ID nomination deadline (i.e. D+1 14h), by introducing a new "Rectification Nomination" and by adjusting the rules to apply the Tariff for external inconsistencies. Instead of applying the Tariff for external inconsistencies in case of DA external inconsistency at the DA nomination deadline (such as it is the case today), Elia will now apply this Tariff only for DA external inconsistencies that have not been solved before the ID nomination deadline.

Additionally, in order to support BRPs and help them increase the quality of their nominations, Elia intends to add additional warning systems in the nomination platform in order to notify BRPs proactively when there are mismatches between their nomination and the one their counterparty, or unexpected values in their nominations, or when nominations seem to be missing while the nomination deadline approaches.



With this digital solution, Elia trusts that BRPs will incur fewer external inconsistencies as are currently observed in the Day-Ahead timeframe. Therefore, and in order to provide clear guidance and incentivize to BRPs to rectify their DA nominations before the ID nomination deadline when they miss the DA nomination deadline, Elia suggests to stop sending invoices for external inconsistencies in case of external inconsistency at the Day-Ahead nomination deadline and to only apply the Tariff for external inconsistency when the DA external inconsistency is not solved at the ID nomination deadline.

This does not, however, exempt the BRPs from their contractual obligation to submit Day-ahead internal commercial schedules to Elia according to the timing specified in article 25 of the T&C BRP. As explained above, these nominations remain important for Elia as they allow to calculate the global DA imbalance that is published on Elia website at the end of the DA market, to compute the individual imbalance of each BRP and compare it to the Maximum DA imbalance contractually allowed and to perform some checks that may help and/or accelerate the detection of grid balancing issues. As a consequence, these nominations should be of good quality and communicated in due time to Elia. Elia therefore reserves the right to address repeated shortcomings of the contractual obligation of BRPs to provide DA internal commercial schedules to Elia before the DA deadline by :

- Launching the suspension procedure if the error is observed in a limited number of BRPs;
- Quickly reverting back to the currently applicable situation, where the Tariff for external inconsistency is applied (in its entirety) in case of DA external inconsistency at the DA nomination deadline, possibly leading to a double penalization if the DA external inconsistency is not solved before the ID nomination deadline. This is made possible by the introduction of the parameter “Reduction Factor for External Inconsistencies” or “RFEI” in article 24 of the T&C BRP, as outlined below. This parameter can be quickly adjusted from 0% to 100% at Elia’s request and after CREG’s approval in case the BRPs reduce the attention they pay to their DA nominations and regularly miss the DA nomination deadline. To avoid any confusion regarding the value of this parameter “RFEI”, the value in force will be published on Elia website.

To clarify the design, three types of external inconsistencies are distinguished.

6.1 DA External inconsistency at the DA nomination deadline

There are 4 situations which lead to an external inconsistency at the DA nomination deadline, as defined in section 24.3.5 of the T&C BRP:

1. A BRP fails to submit their nomination before the Day-Ahead (DA) nomination deadline; or
2. A BRP nominates towards a wrong counterparty. Typically, the BRP then also generates the first situation (by not nominating to the correct counterparty); or



3. A BRP submits a nomination before the DA nomination deadline, but with a mismatching volume compared to their counterparty (e.g. BRP A nominates 50MW toward BRP B for a certain quarter-hour, BRP B nominates 40MW to BRP A for said quarter-hour); or
4. Any of the above, with the BRP's counterparty being a CCP.

All of the above situations lead to an external inconsistency in the Day-Ahead nomination deadline. Currently, an invoice is issued, i.e. the Tariff for External Inconsistencies. As mentioned above, Elia considers that the invoice for DA external inconsistencies is not warranted, provided that the BRPs submit qualitative DA nominations prior to the Day-Ahead nomination deadline, and that errors as described in any of the above situation occur only rarely. The digital solution as outlined above aims to support the BRPs in this.

Therefore, the external inconsistency resolution system and invoice is updated as follows, with a description for each of the 4 situations above. In all of the 4 invoicing situations, the Reduction Factor for External Inconsistencies (RFEI) is added. The value of the RFEI will be published on the Elia website. At the time of writing, the RFEI will be set to 0%, effectively canceling the invoice for DA external inconsistencies at the DA nomination deadline. However, as mentioned above, should Elia notice an increase in missing or poorly qualitative nominations, Elia will, in agreement with CREG, increase the RFEI on short notice. The invoicing situations:

- A. For situation I. above: the BRP who missed the DA nomination deadline, should perform a Rectification Nomination before the Intraday Nomination Deadline. It will receive the invoice as follows, which is zero when the RFEI is set to 0%:

Invoice DA external inconsistency at DA Nomination Deadline = RFEI x Tariff for external inconsistency;

- B. For situation II. above: the BRP who nominated towards the wrong BRP, should perform a Rectification Nomination before the Intraday Nomination Deadline towards this BRP. The BRP will receive the following invoice, which is zero when the RFEI is set to 0%:

Invoice DA external inconsistency at DA Nomination Deadline = RFEI x Tariff for external inconsistency;

- C. For situation III. above: either one BRP makes a Rectification Nomination before the Intraday Nomination deadline, to bring its nomination in line with the nomination of its counterparty, or both BRPs update their nominations to a common value. The BRP who made the Rectification Nomination will receive the following invoice, which is zero when the RFEI is set to 0%. In case both BRPs made a Rectification Nomination, they will each receive an invoice for half the amount:

Invoice DA external inconsistency at DA Nomination Deadline = RFEI x Tariff for external inconsistency;



- D. For situation IV. above, the BRPs counterparty is the CCP. In this case, Elia will assume the CCP is correct, meaning the other BRP will need to make the Rectification Nomination and will receive an invoice. However, if Elia has sufficient evidence that it is the CCP who generated the external inconsistency, the CCP will be invoiced instead.

As mentioned in the situations above, the BRP must make a corrective nomination before the Intraday Nomination Deadline. This is done through a Rectification Nomination, which updates the existing nomination and will not result in a new External Inconsistency.

In this new system, the BRP who makes the Rectification Nomination will be assumed to be the BRP who made a mistake in the Day-Ahead timeframe, and therefore be the one who is invoiced. If no BRP makes a Rectification Nomination, the invoice will be sent to the BRP who made the nominations and a new external inconsistency is created: the DA external inconsistency at ID nomination deadline, as described in the next section.

6.2 DA external inconsistency at ID nomination deadline

If a BRP fails to resolve the Day-Ahead External Inconsistency created at the Day-Ahead nomination deadline (as defined in Article 24.3.5 of the T&C BRP) by submitting a Rectification Nomination before the Intraday Nomination deadline, a second external inconsistency arises. This is defined as the Day-Ahead External Inconsistency at the Intraday deadline. Again 4 situations are distinguished:

- I. A BRP fails to nominate towards another BRP in DA, and no Rectification Nomination was made before the Intraday nomination deadline.
- II. A BRP nominated towards another BRP who was not involved in any trade with this first BRP, and the first BRP did not make a Rectification Nomination before the Intraday nomination deadline.
- III. There is a mismatch in the nominations between BRPs, and neither of them corrects before the Intraday nomination deadline
- IV. Any of the above situations, where one of the counterparties involved is the CCP.

The invoicing will occur as follows, in order of the situations above:

- A. In situation I. above, Elia can not know with certainty that if a BRP makes no nomination, they are involved in a trade with another BRP who made a nomination towards them. If they make the Rectification Nomination, as described earlier, then this BRP reveals themselves as having made a mistake. If they do not, Elia will invoice the BRP who did make the nomination. In case this BRP contests and can present proof of an agreement with the BRP who made no nomination, or if Elia has sufficient evidence that this first BRP was involved, the BRP who did not make the nomination will be invoiced. In either case, the invoice is the following:



Invoice DA external inconsistency during ID timeframe = Tariff for external inconsistency

- B. In situation II. above, the BRP who made the nomination will receive the invoice. Note the parallel with invoicing process A for situation I. Again, in case this BRP can prove that they did not create the external inconsistency, their counterparty will be invoiced.

Invoice DA external inconsistency during ID timeframe = Tariff for external inconsistency

- C. In situation III. above, Elia will invoice both BRPs for half of the Tariff for external inconsistencies, since Elia can not know which BRP made an error, as no Rectification Nomination was made.

Invoice DA external inconsistency during ID timeframe = $\frac{\text{Tariff for external inconsistency}}{2}$

- V. For situation IV. above, the BRPs counterparty is the CCP. In this case, Elia will assume the CCP is correct, meaning the other BRP will receive an invoice. However, if Elia has sufficient evidence that it is the CCP who generated the external inconsistency, the CCP will be invoiced instead.

Note that the invoice for the DA external inconsistency at the ID deadline is in addition to the invoice for the DA external inconsistency at the DA deadline.

As such, during the ID timeframe the full tariff for external inconsistencies is applied. Elia considers this to be a fair application of the invoice, since the BRP was given the chance to rectify the situation. Elia considers that the possibility for gaming is eliminated, as there is no opportunity for the BRP to await the System Imbalance, since the combined total of both invoices will be equal or larger than any amount the BRP can gain by creating an imbalance in their perimeter.

6.3 ID external inconsistency

The design for the Intraday External inconsistency remains the same, in the sense that an Intraday External Inconsistency will lead to the application of the Tariff for external inconsistencies. Section 24.3.6 of the T&C BRP was rewritten, however, to bring the structure in line with the previous sections.

6.4 Digital solution

In order to support BRPs in making their nominations, the updated design will be accompanied by an update to the platform for nominations. Elia proposes to add the following functionalities:

- A warning 30' before the nomination deadline, in case the BRP received a counternomination for which they did not make a nomination yet;



- A warning when a BRP submits a nomination towards another BRP, for which the nomination value of this other BRP towards the first BRP is different;
- A warning in case the BRP makes a nomination that is much larger than their portfolio size, to warn for 'fat finger error'. As an example, consider a BRP who trades typically about 100 MWh per quarter hour. If this BRP submits a nomination for 1000 MWh for a given quarter-hour, there is a good chance the BRP might have made a mistake.

As the exact go-live date of these changes depends on approval by the relevant regulatory authorities of the T&C BRP as well as updates in the IT-systems to support the changes, this date is not yet known. All changes related to the management of external inconsistencies have been indicated in the text in **blue**, and will enter into force at the date to be specified later.

6.5 examples of management of external inconsistencies

As mentioned above, the RFEI will be set to 0, pending evaluation of the quality of nominations of the BRPs. This section serves to provide a non-exhaustive list of examples, to illustrate how the new system for external inconsistencies might work.

1. Two BRPs have an agreement to exchange 50MW for a given quarter hour, at an imbalance price of 100 EUR/MWh. One of the 2 BRPs ('BRP A') makes the correct nomination in DA, the other BRP ('BRP B') forgets.
 - a. If BRP B, who forgot the DA nomination, submits a Rectification Nomination before the ID nomination deadline, they will only receive the invoice for DA external inconsistency at DA nomination deadline. With an RFEI = 0, this evaluates to zero.
 - b. If the BRP B, who forgot the DA nomination, does not submit a Rectification Nomination before the ID nomination deadline, Elia can not know if said BRP B was involved in the trade. Therefore, Elia will invoice the BRP A, who did make the nomination, unless this BRP A can prove that it was the BRP B who made a mistake, or if Elia has sufficient evidence of this. Two invoices are applied. With an RFEI = 0, the invoice for DA external inconsistency at DA nomination deadline will be zero. The invoice for DA external inconsistency at ID deadline, will be

$$\text{volume} \times \text{imbalance price} = \frac{50}{4} \text{ MWh} \times 100 \frac{\text{EUR}}{\text{MWh}} = 1250 \text{ EUR}$$
2. In case Elia has found that the nomination quality at an RFEI set at zero has deteriorated, Elia will submit a report to CREG to motivate the increase of the RFEI to 100. Upon CREG agreement, the above example will be evaluated with an RFEI set at 100. With the other parameters of the example equal, this then comes down to:
 - a. If BRP B, who forgot the DA nomination, submits a Rectification Nomination before the ID nomination deadline, they will only receive the invoice for DA external inconsistency at DA



nomination deadline. With an RFEI = 100, this evaluates to *volume x imbalance price* =

$$\frac{50}{4} MWh \times 100 \frac{EUR}{MWh} = 1250 EUR.$$

- b. If the BRP B, who forgot the DA nomination, does not submit a Rectification Nomination before the ID nomination deadline, Elia can not know if said BRP B was involved in the trade. Therefore, Elia will invoice the BRP A, who did make the nomination, unless this BRP A can prove that it was the BRP B who made a mistake, or if Elia has sufficient evidence of this. Two invoices are applied. With an RFEI = 100, the invoice for DA external inconsistency at DA nomination deadline will be 1250 EUR as outlined above. The invoice for DA external inconsistency at ID deadline, will be *volume x imbalance price* = $\frac{50}{4} MWh \times 100 \frac{EUR}{MWh} = 1250 EUR$. Therefore, the sum of the two invoices to be paid is 2500 EUR.
3. In case Elia finds that generally the BRPs submit qualitative nominations, but BRP B in the example above has repeatedly offended the obligation to submit timely and qualitative nominations, Elia will warn said BRP B. If BRP B continues to fail to submit timely negotiations, this will eventually lead to suspension.



7. Appendix 1

Overview of all non-confidential feedback received in the previous public consultation. This appendix serves as an overview of the feedback received. Where relevant, the feedback was treated as indicated below. Note that this feedback will not be formally submitted for CREG. Should market parties wish to formulate feedback on the changes of the first public consultation, they are kindly invited to formally submit their feedback.

Feedback with no need for changes to the T&C BRP

Submitting party	Feedback	Elia response
Febeliec	<p>Febeliec at this point has no specific comments on the proposal of amendments to the T&C BRP of Elia, but wants to strongly support the formal introduction of the multiple BRP service, as this is an essential element for a wide range of industrial consumers to ensure that the physical reality of their sites and strategies can be reflected in their contracts with suppliers and/or BRPS. Febeliec also urges to extend such approach to all voltage levels, including distribution grids.</p>	<p>Elia thanks Febeliec for their response to the public consultation.</p>
FEBEG	<p>FEBEG would like to confirm that the multiple BRP scheme is a highly necessary improvement of the market design. There have been multiple use cases requiring such an evolution (for example, offshore or batteries behind the meter) over the past months/ years. FEBEG welcomes the formalization of the multiple-BRP framework. The idea of “multiple BRPs” has been discussed with market parties for several years now, and in meantime, several POCs have been launched (via a Letter of Intent). Experience shows that it worked efficiently and genuinely responds to a blind spot in the market design. Indeed, we can only acknowledge the need to formally enable the “multiple BRP” framework in Belgium at Elia level. This is a positive and necessary step to allow as many grid users and BRPs to benefit from this additional possibility. In addition, the proposed changes to the T&C BRP concern updates related to the adaptations in the Single Day-Ahead Coupling (SDAC) and Single Intraday Coupling (SIDC) processes. We understand the changes proposed in the T&C BRP corresponds to the evolution of those 2 markets (i.e. SDAC & SIDC). We do not have specific remarks. The global settlement in case of external inconsistency, taking into account the imbalance of each BRP involved and the tariff for external inconsistency, should not</p>	<p>Elia thanks FEBEG for their response. As mentioned below, the feedback on the text was described and treated above. Elia takes note of FEBEG’s request to address the redesign of external inconsistencies, and proposes the redesign as outlined in section 6.</p>



	<p>lead to a double penalization, i.e. the payment of the imbalance tariff AND the payment of the tariff for external inconsistency (looking at the level of both BRPs together). Although not subject to consultation, these requests remain important to FEBEG.</p> <p>As a conclusion, we would like to reemphasize the urgency to implement the multiple BRPs scheme because the current T&C's do not allow to correctly manage the balancing perimeter of certain assets/ in certain use cases. Complex industrial sites with multiple offtakes and injection behind an access point or large scale production parks would welcome the possibility to appoint separate BRPs. Such sites seem also to grow in importance (local wind or COGEN, large PV, ...). Therefore, FEBEG asks Elia and CREG to validate these market design evolutions and promptly enforce its implementation.</p>	
<p>Yuso</p>	<p>We see a mismatch on the correction for losses in the BRP perimeter for CDS customers and customers using the multiple-brps-behind-one-ap set-up.</p> <p>The loss correction is applied by Elia per CDS Access Point on the net offtake. Why is it not applied on injection/offtake per BRP on the CDS? Similarly to the DSO grid, the sum of the net offtake per CDS access point is not equal to the total offtake at the CDS connection point since some offtake will be covered by local production on the CDS and hence for that portion the transmission grid will not be used nor will there be transmission losses incurred for that portion.</p> <p>Example:</p> <ul style="list-style-type: none"> - CDS AP1 (BRP A) = 50 MW of offtake - CDS AP2 (BRP B) = 30 MW of injection (Local production) - CDS AP3 (BRP C) = 10 MW of offtake - Interconnection Point CDS-ELIA: 30 MW of net offtake <p>The loss correction (e.g. 2%) is applied by Elia per CDS Access Point on the net offtake:</p> <ul style="list-style-type: none"> - BRP A loss correction on offtake = 50 MW * 2% = 1 MW - BRP B loss correction on injection = 0 MW - BRP C loss correction on offtake = 0.2 MW <p>Actual losses on the interconnection point with Elia: 30 MW * 2% = 0.6 MW. The losses at the interconnection point to</p>	<p>Elia thanks Yuso for their feedback to the public consultation. While the losses for CDSs are not part of the scope of this revision, Elia will further investigate this topic for the upcoming revision.</p>



	<p>the Elia grid do not match with the sum of the allocated losses on net offtake energy per BRP.</p> <p>Why is the correction not applied on injection/offtake per BRP on the CDS as it is done on the DSO grid and indicated in the example below?</p> <ul style="list-style-type: none"> - BRP A loss correction on offtake = 50 MW * 2% = 1 MW - BRP B loss correction on injection = -30 MW * 2% MW = -0.6 MW - BRP C loss correction on offtake = 0.2 MW <p>The above calculation matches with the losses on the inter-connection point.</p> <p>Similar considerations apply to the multiple-brp-behind-one-access point</p>	
RWE	<p>We welcome the proposals to move the internal nomination deadline to 14:30 and to include IDAs in the rules with specified nomination deadlines. Adjusting the deadline helps to establish a consistent Day-Ahead deadline across all processes in Belgium, which is essential for operational efficiency. Additionally, we appreciate the proposal to allow multiple BRPs to be assigned to a single Access Point. This change has the potential to enhance flexibility within operations. Finally, to facilitate a smooth transition and implementation, we kindly request further clarity regarding the roles and processes of the involved BRPs. This information will be invaluable in ensuring that Market Participants fully understand and can effectively navigate the upcoming changes.</p>	<p>Elia thanks RWE for their feedback on the public consultation, and will reach out to RWE to clarify any questions they might be.</p>

Feedback regarding the formalization of the Service Multiple BRP



Overview and treatment of the FEBEG feedback:

Feedback from FEBEG on Multiple BRP	Treatment
<p>We understand that in the framework of the T&C BRP, a Delivery Point can be connected to another grid than the Elia grid, while in the framework of the Access Contract a DP is defined as connected to the Elia Grid. Can Elia confirm our understanding ?</p> <p>Except for this difference, we suggest to align as much as possible the definition in both contracts (terms and specifications like in the consultation on the Access Contract: ancillary service, service of coordination and congestion management, CRM,...).</p>	<p>Elia confirms that indeed, depending on the contract, concepts such as Delivery Point can have a different definition.</p> <p>Elia acknowledges the need to align the definitions as much as possible between the regulated documents. The upcoming Lifting of the T&C BRP aims to address, among others, this issue. Where relevant, certain concepts (such as Delivery Point in this case) will still have a definition depending on the document.</p>
<p>'Energy Adjustment' : it should be clarified that only the DP(s) for which a BRP_DP different from the BRP_AP is assigned, are included in the calculation of the Energy Adjustment (cfr list of DPx in Appendix 7) (i.e. the DPs determined for other reasons like the delivery of an ancillary service,..., are not included).</p>	<p>Elia agrees with the comments, and will adapt accordingly.</p>
<p>'corrected metering data' : a definition should be added.</p>	
<p>'adjustment for Day D' : data should be made available per Qh.</p>	
<p>'power measured per Delivery Point' / 'Power Measured per Delivery Point': a definition should be added (also 'DPmeasured' is used and should be defined).</p>	
<p>'Service' is not defined in this contract. It should be re-phrased that 'DPx' are DP for which a BRP_DP different from BRP_AP is assigned.</p>	
<p>'Losses allocated to BRP_DP' : the formula should be adapted to include cases with several BRPs_DP and/or several DPs assigned to a BRP_DP.</p>	



Feedback on the smaller changes

No feedback was received on the smaller changes, except from FEBEG. The feedback from FEBEG was treated as outlined below:

Feedback from FEBEG on the smaller changes	Treatment
‘Market Suspension Rules’ : typo : ‘restauration’ should be corrected to ‘restoration’.	Elia agrees with the comments, and will adapt accordingly.
‘Strategic Generation Reserve’ and ‘Strategic Reserve Functioning Rules’ : references to strategic reserve have been removed in the rest of the document, these definitions are thus not useful anymore.	

8. Appendix 2

Decision of the VAT administration

