

Minutes of Meeting of WG Balancing on March 27th

Meeting	
Date	27/03/2024
Organiser	Jan Voet

Participants		Attended	Excused
Axpo	Saracco Jacopo	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BASF	Verrydt Eric	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BASF	Waelkens Tom	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bnewable	Walkiers Thomas	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BStor	Fieuws Arthur	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BStor	Van De Keer Lieven	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Centrica	Gillis Jeroen	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Centrica	Mashlakov Aleksei	<input checked="" type="checkbox"/>	<input type="checkbox"/>
COGEN Vlaanderen	Vandersyppe Hans	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CREG	Maenhoudt Marijn	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Danske Commodities	Lumbye Thomsen Peter	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Eneco	Van den Berg Jasper	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Eneco	Bhatt Dhruv	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Eneco	Hooper Rory	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Eneco	Williame Jean-Francois	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Eneco	Masiak Eryk	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Eneria	Taverniers Hans	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ENGIE	Donnay de Casteau Loïc	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ENGIE	Laleman Ruben	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FEPEG	Wagnier Jean-François	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Flexcity	Gaillard Julien	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Infrabel	De Taeye Bert	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Luminus	Van Engeland Sam	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Luminus	Harlem Steven	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Luminus	Chafaqi Laïla	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Next Kraftwerke	Adao da Fonseca Mariana	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ORES	Buisseret Thomas	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Otary	Van Nuffel Margot	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Powernaut	Morel Serge	<input checked="" type="checkbox"/>	<input type="checkbox"/>
RWE	Lazarescu Anca Manuela	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Scholt Energy	Demeyer Valentijn	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Scoptvision	Borgions Kristof	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Synergrid	Glorieux Jacques	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Thy-Marcinelle	Marin Alexandre	<input checked="" type="checkbox"/>	<input type="checkbox"/>



TotalEnergies	Van Buylaere Lionel	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Virya-Energy	Schryvers Vincent	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Participants		Attended	Excused
Elia	Attanasi Arnaud	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Attanasi Gautier	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Bakker Carsten	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Bosschaerts Caroline	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Buijs Patrik	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	De Vos Kristof	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Illegems Viviane	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Koelman Nicolas	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Leroux Amandine	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Mathy Aline	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Mettens Sybille	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Oldenhove Thomas	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Pellegrin Cécile	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Pierreux Nicolas	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Elia	Torreale Alexandre	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Tsiokanos Anna	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Van der Vorst Thomas	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Verelst Martine	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elia	Voet Jan	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Report

Author	Thomas Van der Vorst		
Function	WG Balancing secretary		
Date report	27/03/2024		
Status	<input type="checkbox"/> Draft	<input checked="" type="checkbox"/> Final version	

1. Agenda

1. Introduction
2. Overview of the 2023 balancing volumes & costs
3. EU & BE Balancing program update
4. Flexibility roadmap
5. DFD Report and milestones 2024
6. Smart Testing
7. Reserve dimensioning
8. Incompressibility
9. Faster settlement ancillary services
10. AOB

2. Report

1. Introduction

- MoM of last meeting are approved.
- Elia shares an organisational change: Jan Voet will be replaced by Alexandre Torreele as president of WG Bal after this meeting.

2. Overview of the 2023 balancing volumes & costs

- Eneco asks if Elia has any comparison for mFRR energy activation bid/offer prices between 2022 and 2023. The information is not available in the slides shared. Elia expects that it follows the Day-Ahead prices, but it depends on the technology.
- Engie notices that Pass-Through figures are null in the context of Transfer of Energy statistics for mFRR DP_{PG} and asks whether it is not available. Regarding Engie's question, the "null values" reported in the tables are true Zeros.
- Danske Commodities asks why we see a big shift from using aFRR towards IGCC. Elia replies that there is no straightforward reason but recalls that IGCC comes first in the order of activations.
- Engie points out that there is a structural bias in the ACE. The ACE has been this year structurally negative indeed. There is however no specific driver for that.
- Danske Commodities asks to explain what FRCE is. Elia replies FRCE stands for Frequency Regulation Control Error, which is another naming for the Area Control Error (ACE). The statistics shown report on the quality of the regulation indicating whether on average and under more stressed conditions the FRCE remained within the required thresholds, which was largely the case for 2023.

3. EU & BE Balancing Program Update

- Luminus asks what changes are made in the T&C. Elia replies that most document changes are minor in the T&C mFRR and Balancing Rules. Regarding the T&C iCAROS Elia indicates the main conclusions regarding the financial implications for market parties, namely (1) RTS design is fully maintained, (2) inconsistency checks are maintained and will be reported to individual market parties and CREG given their relevance for good quality operational security analysis and CRI but the administrative fees are withdrawn and (3) RD activation control is limited to the settlement of the impact of the imbalance price at go-live. Elia will present the updated T&C mFRR in the next WG Balancing session.
- Elia thanks all parties for their involvement in the testing and will provide individual feedbacks.
- Eneco asks if the Go-Live of iCAROS phase 1 and mFRR local is still likely to happen mid-May. Elia replies that based on today's available information it holds. But it is not 100% certain yet because it depends on the results of the tests. There should be a communication about the definitive Go-Live decision around the 20th of April.

4. Flexibility Roadmap

- Danske Commodities asks Elia to be a bit more specific in terms of how barriers to become BRP will be decreased. Elia is working on implementation barriers as well as financial ones. In particular, the minimum threshold of bank guarantee is designed for large market parties. It is a huge barrier for smaller market parties. Therefore, Elia wants to reduce this barrier, as well as simplify the administrative burden, introduce design changes such as multiple BRP's behind the meter, and

collaborate with EPEX to allow the participation to the spot markets of small players. Moreover, Elia wants to develop a digital environment on Epic.

- Danske Commodities asks Elia to confirm that it will then still require assets to become BRP, but just allow for smaller asset to be BRP. Elia confirms as the idea is not to create new roles.
- Luminus asks about the legal basis for the exchange of energy bids. Elia refers to the next WG CCMD session where the subject could be discussed in detail.
- Luminus insists on the importance of harmonization with the DSOs and expresses concerns on the compatibility between iCAROS and a different system implemented by the DSOs. Elia stresses in Synergrid that a single platform is the best way forward and that is also supported by the new European Guidelines regarding demand response that will come into force however Elia cannot guarantee that iCAROS will be the only system. Elia is currently working full force on iCAROS phase 1 and DSOs are regularly informed regarding the design and the implementation. Once iCAROS phase 1 is implemented and live, the implementation of iCAROS phase 2 will be addressed with the DSOs. Elia highlights the implementation of iCAROS phase 2 will be more complex than the implementation of iCAROS phase 1 given the distribution of the levels of competencies and responsibilities in Belgium regarding congestion management as well as the amount of market parties involved.
- Engie insists that demand side facilities et DP <25MW must comply as soon as possible too and would appreciate to have a better view on the timeline of the roadmap 2025-2027. Since the public consultation of the implementation roadmap for iCAROS phase 2 during the summer of 2023, there has been a delay on the Go-Live of iCAROS phase 1 and new discussions in the framework of GUFlex has popped up. It gave the opportunity to reflect on all means at disposal to solve congestion issues. The iCAROS phase 2 implementation plan does not hold a solution for all congestion issues as such Elia cannot be certain today that phase 2 will be delivered at the date foreseen this will depend on the priority given to the congestion issues tackled by the implementation plan of iCAROS phase 2.
- Luminus supports the view of Engie in the sense that iCAROS phase 2 is part of the package deal and is disappointed that something must go quick while others can take the time. Elia indicates that implementation lead time of iCAROS phase 1 was taken into account when proposing the roadmap for implementation of iCAROS phase 2. Elia indicates that no straightforward copying of the design of iCAROS phase 1 is possible for iCAROS phase 2 as there are e.g., new roles and no automatic BRP assignment and small units with different technical constraints than big units. Also, the operational processes of the regional control centers need to be incorporated in the design. Elia understands the comments but cannot implement multiple design changes at the same time just as all involved market parties. As such the priority on which congestion design to tackle first whether it will be flexible access or iCAROS phase 2 will be determined together with market parties and regulators given the resources available at Elia but also at market parties.
- Danske Commodities asks whether Elia considered a market-based approach for congestion management similar to the ones TenneT applies in Netherlands (GOPACS), which is traded on known exchanges (EPEX & ETPA). For congestion management, Elia is currently working on short term measures and a long-term vision. In the latter, we will consider market-based approaches and evaluate the pros and cons.
- Elia invites the market parties to share their feedback on the Flexibility Roadmap within three weeks.

5. DFD report and milestones 2024

- Engie asks Elia to give examples of mitigation measures. Elia mentions activating aFRR, or mFRR, or a mix of the two. Mitigation measures are detailed in the report.

6. Smart Testing

- No comments

7. Reserve Dimensioning

- Luminus understands from the figures shown in the presentation that there is no downward reserve issue and wonders whether the exceptional measures are therefore used with consequent frequency. Elia precises that the figures relate to legal compliance of covering the reserve needs with the balancing means, without implying that there is no operational risk. First of all, the results do not demonstrate a 100% compliance and there are thus moments that the reserve needs are not fully covered (but Elia explains that the frequency and trends do not justify procurement). Secondly, it can occur that the needs are covered by the means but that the system imbalance is greater than the reserve needs and available balancing means. This is as the SO Regulation (and the regulatory framework based on it) only requires covering the 99% of the imbalance risks (or the dimensioning incident) and not every potential imbalance risk. Elia aims to cover infrequent but large imbalances with its exceptional balancing measures. Elia refers to the next presentation for further discussion on incompressibility.
- Engie remarks that in the future, that BSPs will need to send the volumes in explicit bids will completely change the game. Elia agrees that in the current computation using implicit bidding, there may be inaccuracies as all volume can be not available in practice. This methodology is foreseen to be adapted when changing towards explicit bidding. However, Elia does not expect a considerable difference though with implicit bidding, and explains that it will need to investigate if large differences between the explicit and implicit bidding would occur.

8. Incompressibility

- Elia points out that it is a shared responsibility and expects all BRPs to take the necessary actions to balance their portfolio.
- Elia also insists that it is not a Belgian only problem – a similar situation (which is even less reassuring) is present in the other European countries – and recalls that solutions are to be sought on European level.
- Engie asks to clarify how remaining issues are managed by European FCR as the system imbalance remains the national responsibility. Elia confirms and clarify that unmanaged situations will resort in an Area Control Error. These will impact FCR activations when those translate into frequency deviations when these Area Control Errors are not netted, or are even re-enforced, by other countries.
- Elia also clarifies that the only solution for this problem is to have flexibility in the system and increase consumption (including the potential reaction of decentralized PV) in those situations. Actions are ongoing but most of the solution is in the hands of the market parties. Elia hopes that we all share the urgency to act.
- Engie comments that a cost-based price (as from the Go-Live of MARI) for the incompressibility shut-down measure is not a major issue if it remains exceptional. Elia stresses that the trigger is precisely designed to be activated in exceptional circumstances by means of the three-layered trigger (incompressibility trigger, FRR needs larger than the means and a large and enduring real-time ACE. Elia will also monitor and report on the potential activation of the measure (and stresses it never had to activate the measure last year).



- Luminus asks whether the regulatory framework imposes that the price is cost-based. Elia confirms that the cost-based price (as from the Go-Live of mFRR local), as well as a revision of the trigger, is a direct consequence of the regulatory framework. Elia precises that there is a formal process to confirm the Go-Live of iCAROS phase 1 and mFRR local. The date mentioned in the presentation is an indicative target date. As long as the Go-Live of mFRR local has not taken place, we remain with the existing framework.

9. Faster Settlement AS

- No comments

10. AOB

- As next session date is close to the Go-Live date of MARI, Elia will communicate in between.

3. Date for next meeting

- WG BAL 21/05/2024 09:00 – 13:00
- WG BAL 28/06/2024 13:30 – 17:30
- WG BAL 30/09/2024 14:00 – 18:00
- WG BAL 22/11/2024 13:30 – 17:30
- WG BAL 19/12/2024 14:00 – 18:00