

Jacques Gheury

From: Van Bossuyt M. <MVanBossuyt@febeliec.be>
Sent: 04 October 2017 09:08
To: consult.1658
Cc: febeliec; Andreas Tirez
Subject: Febeliec answer to the public consultation on the proposal for decision (PRD)1658 from the CREG on the Elia Balancing Rules

Dear Sir, Madam,

Please find below the Febeliec answer to the public consultation on the proposal for decision (PRD)1658 from the CREG on the Elia Balancing Rules.

If you have any questions, please do not hesitate to contact me.

Kind regards,

Michaël

Febeliec answer to the public consultation on the proposal for decision (PRD)1658 from the CREG on the Elia Balancing Rules

Febeliec would like to thank the CREG for the opportunity to provide input on the public consultation on the proposal for decision (PRD)1658 from the CREG on the Elia Balancing Rules to be applicable as of 01/01/2018.

Febeliec would like to reiterate that over the course of the last few years, the balancing rules and corresponding balancing products from the TSO have made progress in reducing the discrimination between generation on the one hand and demand side response on the other hand, as also described by the CREG in the consulted document, but that a full level-playing field has up until now not yet been achieved. The endeavor to remove all remaining barriers and obstacles, be them legal, regulatory or technical/product-related, should remain at the center of attention of all concerned parties, be them system operators, but also regulators and governments. The participation of all sources of flexibility, in particular demand side response, will be needed to allow sufficient competition and a minimization of the total system cost, to the benefit of all grid users.

Clear examples of elements beyond the responsibility of the TSO that need to be addressed are a.o. the modification of the Federal Grid Code to allow merit order based mFRR activation, but also the removal of regulatory provisions excluding certain delivery points from participation to balancing products (non-concurrent participation of such delivery points to strategic reserve and balancing products). Examples provided and discussed with the CREG as well as Elia include a.o. industrial processes on a same delivery point where part of the process can react within the required timeframes of balancing products, but other parts of the same process on the same delivery point can only react within the longer timeframes provided by the strategic reserve products. Both reactions can be separated from each other and would thus not entail a potential cross-product overlap. The pre-cited regulatory provision reduces the available sources of flexibility and thus decreases competition. Febeliec urges the CREG as well as Elia to find alternative solutions to prevent such exclusion or at least minimize the impact hereof (e.g. by introducing bands per delivery point of which volumes can participate in which products).

With respect to the consultation at hand, Febeliec has no specific comments, but still regrets that the interruptible contracts are abolished as of 2018, as they have proven their value over the last decade and have been a cheap source of tertiary reserve capacity.

Michaël Van Bossuyt

Federation of Belgian Industrial Energy Consumers

Diamant Building

Bld A. Reyers, 80

B-1030 BRUSSELS

☎ +32 473 88 55 83

mvanbossuyt@febeliec.be

www.febeliec.be

Febeliec represents the industrial consumers of electricity and natural gas in Belgium.