

Belgian Capacity Remuneration Mechanism Y-4 2027-2028 Independent Auction Auditor Report

Commission de Régulation de l'Électricité et du Gaz
(CREG)

20 October 2023



AUCTION REPORT

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1. EXECUTIVE SUMMARY

This report sets out our conclusions in relation to the auditing of the processes and procedures followed by ELIA in the conduct of the Capacity Auction Process for the 2027/2028 Y-4 Capacity Auction, with respect to Capacity Auction Bids submitted between 09:00 on 18th September 2023 and 17:00 on 30th September 2023. This audit is intended to ensure that the processes and procedures followed by ELIA have been correctly carried out in accordance with ELIA's obligations under the Capacity Remuneration Mechanism (CRM) Functioning Rules.¹

Our auditing duties, defined in the Royal Decree on the Control of the CRM published on 7th June 2021 in the Official Gazette² have been carried out using the CEPA Protocols in line with the CRM Functioning rules (EN version 3 dated 11 May 2023).

1.1. SCOPE OF THE REPORT

CEPA's role as the appointed Capacity Market Auditor for the CRM is to provide independent assurance to the market and the Commission de Régulation de l'Électricité et du Gaz (CREG) that ELIA has correctly carried out its obligations under the Functioning Rules in respect of qualification for, and running of, Auctions, as set out in the Royal Decree on the Control of the CRM published on 7th June 2021.

ELIA ran the Capacity Auction Process for the Y-4 Auction for Capacity Year 2027/2028 with Capacity Auction Bid Submissions received between 09:00 on 18th September 2023 and 17:00 on 30th September 2023, with Auction Results to be made available to CRM Candidates on 31st October 2023.

This report is produced in accordance with the terms of our engagement contract, dated 7th May 2021, for the purposes of reporting to the CREG – in connection with CEPA's arrangement as the Capacity Market Auditor in the context of supervising the correct functioning of the CRM for Belgium.

We checked the processes and procedures followed by ELIA for the Auction, as far as possible, in accordance with our auditing duties as defined in the Royal Decree and in line with our CRM checklist. We provide our conclusions in Section 1.4 below.

This report is provided in accordance with Chapter 3, Section 3, Article 7 of the Royal Decree, which sets out the requirement for the Auditor to provide a report to the CREG within five working days of the close of the Capacity Auction.

1.2. OUR APPROACH

For the 2027/2028 Y-4 Auction, we updated our CRM checklist and analytical tools to audit the processes and procedures followed by ELIA for the Auction, based on the CRM Functioning Rules (Version 3, EN version dated 11 May 2023). This update was made to reflect the new version of the CRM Functioning Rules, including the addition or removal of clauses compared to Version 2.

In carrying out our duties, we have followed a system of quality control, professional conduct and ethical behaviour of a rigorous standard. This includes documented policies and procedures related to our auditing activities, leadership responsibilities for quality control in the firm, independence and ethical requirements and management of human resources.

¹ In the remainder of this report, we refer to specific paragraphs of the Functioning Rules as "FR-###" where ### is the number of the paragraph.

² 30 MAI 2021. - Arrêté royal déterminant des modalités du contrôle du bon fonctionnement du mécanisme de rémunération de capacité par la commission de régulation de l'électricité et du gaz : <http://www.ejustice.just.fgov.be/eli/arrete/2021/05/30/2021042010/justel>

We have performed our work as the appointed Capacity Market Auditor based on our fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

1.3. INHERENT LIMITATIONS

Our conclusions are based on historical information. The projection of any information or conclusions in the attached report to any future periods would be inappropriate.

We note that the procedures we performed were not designed to and are not likely to reveal fraud.

A summary of the work we performed for the Capacity Auction Process is included in Appendix A.

1.4. CONCLUSIONS

We believe that the procedures performed, and evidence obtained, provide us with a reasonable basis that, except for the matters described in Section 4 of our report, the Capacity Auction Process for the 2027/2028 Y-4 Auction was conducted by ELIA in accordance with the requirements of the CRM Functioning Rules.

Actual and potential instances of non-compliance are summarised in Section 4.

1.5. COOPERATION OF ELIA THROUGHOUT THE PROCESS

Throughout our monitoring of the 2027/2028 Y-4 Auction, the following items have contributed to our checks and development of this report:

Regular communication

We have had weekly meetings with ELIA to discuss any issues and updates to the workplans. ELIA has been well-prepared and forthcoming with information in these sessions, including setting clear timelines for any follow-up actions required.

IT access

ELIA has provided multiple members of the CEPA team with secure ELIA laptops, including access to the CRM IT Interface, the CRM operations mailbox, prequalification file submissions and information on bids and auction clearing. These have allowed CEPA to carry out many checks without the need for discussion with ELIA. We consider this represents a high level of transparency – particularly access to the operations mailbox, which allows us to see emails to and from CRM Actors.

Ad hoc information requests

We set up a live 'information request' file in which we communicate with ELIA on our requests and/or clarification questions. ELIA has given prompt responses to our information requests.

When required, ELIA provided additional files by making them accessible to us through the secure ELIA laptops.

Summary of our view

Overall, we consider that ELIA has been responsive and helpful in its communication with CEPA. We have had no cause to escalate any issues to the CREG.

1.6. USE OF THE REPORT

This report has been prepared for the exclusive use of CREG in accordance with the scope of our engagement contract as the CRM Auditor.

Our work was undertaken solely for the purpose of assessing that ELIA has correctly carried out the obligations placed on them under the CRM Functioning Rules in carrying out the Auction. Our work was not planned or



conducted with any other objective in mind, and so cannot be relied on for any other purpose. With the exception of providing this report to CREG and ELIA, and publishing it, our report is not to be recited or referred to in any document, copied or made available (in whole or part) to any person without our prior written express consent. To the fullest extent permitted by law, CEPA does not accept or assume responsibility to anyone, other than CREG, for this report or for the conclusions we have formed.

2. BACKGROUND AND CONTEXT

2.1. BACKGROUND

In the Belgian Capacity Remuneration Mechanism (CRM), capacity providers sell qualified capacity to the market for delivery in a future capacity year. Capacity providers that are successful in the Auction receive a regular capacity payment that assists with funding generation capacity, and, in return, they have an obligation to generate when the system is stressed.

2.2. OUR ROLE AS CAPACITY REMUNERATION MECHANISM AUDITOR

The Royal Decree states that:

“In the context of its supervisory role as regards the correct functioning of the capacity remuneration mechanism, the commission shall ensure in particular that every pre-auction, every pre-qualification procedure initiated prior to an auction, every auction and every transaction on the secondary market takes place in accordance with the Act of 29 April 1999, the implementing decrees for this Act and the operating rules. The commission shall also verify that there is no market manipulation, anti-competitive behaviour or unfair trading practices in the capacity remuneration mechanism. In the context of the execution of the capacity contracts referred to in Article 7undecies, §11 of the Act of 29 April 1999, the commission shall also ensure that the Act of 29 April 1999, the implementing decrees for this Act, the operating rules and the standard capacity contract are respected.”

It also states that:

“In order to effectively perform the supervisory role referred to in Article 2, the commission may be assisted by an Auditor of the capacity market, who is independent from all capacity holders and appointed for a maximum period of three years. To this end, the commission shall apply the relevant legislation on public contracts. In performing their duties, the Auditor of the capacity market shall act in the name and on behalf of the commission and shall act under its supervision.”

In the context of the Capacity Auction Process, we, as the Capacity Market Auditor, are required to produce a report, within five Working Days after 15th October 2023, that:

- confirms whether the computer software used by ELIA correctly applies the applicable provisions of the Functioning Rules;
- confirms our analysis of whether ELIA has conducted the Auction in accordance with the law, its implementing decrees and the Functioning Rules; and, if necessary
- where applicable, identifies any irregularities in the the conduct of the Auction; and
- states whether the list of capacities awarded capacity in the Auction is compliant.

This report summarises our findings in relation to the 2027/2028 Y-4 Auction run by ELIA with Auction Results notifications to be issued to CRM Candidates on 31st October 2023.

2.3. OBJECTIVES AND SCOPE

The main tasks set out for the Capacity Market Auditor are:

- auditing the Prequalification Process to ensure that ELIA has complied with the Functioning Rules;

- being present at the auctions, with full read access to all key software, including access to all bids and all communications between ELIA and all CRM Candidates;
- checking the application of algorithms and calculations for the Auction;
- reporting on whether we consider that ELIA has conducted the Auction in accordance with the Functioning Rules; and
- identifying any actual or potential breach of the rules and regulations or other actual or potential irregularities in the conduct of the Auction by ELIA and an assessment of the consequences.

As Capacity Market Auditor, our duty is to report on all issues that we identify, irrespective of materiality.

2.4. SCOPE EXCLUSIONS

In line with our duties, as set out in the Royal Decree, the scope of our review excludes the following:

- investigation of the software itself (other than its outputs);
- areas that come after the submission of the auction report, e.g., pre-delivery control, availability obligation, payback obligation, etc.; and
- detailed investigations of the metering requirements in Annex A of the CRM Functioning Rules.

3. PROVISIONAL AUCTION RESULTS

The Bid Submission Period for the 2027/2028 Y-4 Auction began at 09:00 on 18th September 2023 and ended at 17:00 on 30th September 2023.

The online platform was used by CRM Candidates to submit their bids. The Bids were saved in ELIA internal CRM software (Ademar.Prod version 1.7.2.0). ELIA used two different software to run the Auction: 1) Artelys and 2) N-Side. Note that we, as the Capacity Market Auditor, did not have read access to these two applications and Auction algorithms. Instead, we had access to the Auction results saved in AdeMar.

The parameters of the Demand Curve used in the 2027/2028 Y-4 Auction are set out in Table 3.1.

Table 3.1: Original Demand Curve used for the 2027/2028 Y-4 Capacity Auction

Points	Quantity (MW)	Price (EUR/MW)
y-intercept	0.00	84,800.00
Point A	6,450.00	84,800.00
Point B	6,605.00	56,500.00
Point C	6,605.00	0.00

As described in the Functioning Rules, there are three types of corrections to the Demand Curve:

- **downward volume corrections** that result in a reduction of the volume to be contracted, implemented by shifting the Demand Curve to the left before the clearing of the Auction;
- **upward volume corrections** that result in an increase of the volume to be contracted, implemented by shifting the Demand Curve to the right before the clearing of the Auction; and
- **conditional volume corrections** that result in a reduction or an increase of the volume to be purchased depending on the selection of bids during the Auction Clearing, implemented through conditional volume correction bids.

The inputs in Table 3.2 below were used by ELIA to adjust the Original Demand Curve. The conditional volume corrections in Table 3.2 relate to three new-build CMUs which submitted a ‘partial opt-out’ and whose bids were selected in the Auction. This resulted in an amendment to the classification of their Opt-out Volumes (totalling 13.18MW) after auction clearing from “OUT” to “IN”, as per FR-180.

Table 3.2: Volume corrections for the 2027/2028 Y-4 Capacity Auction

Volume corrections (MW)	Standard	Fast-track	Other³	Total
Downward volume corrections	2,994.70	2,364.79	127.57	5,487.06
<i>Opt-out “IN” Volumes</i>	<i>2,564.75</i>	<i>2,364.79</i>		<i>4,929.54</i>
<i>Adjustment for energy constrained CMUs with an existing capacity contract which overlaps the 2027/2028 Delivery Period and for which the Derating Factor has improved</i>	<i>27.15</i>			<i>27.15</i>
<i>Non-eligible capacities which were not considered during the calibration of the Demand Curve and which have not provide a definitive closure/structural capacity reduction notification)</i>			<i>95.58</i>	<i>95.58</i>
<i>Capacities with an obligation to submit a Prequalification (PQ) File but which cannot participate in the Auction because the PQ file was rejected or archived</i>	<i>429.95</i>			<i>429.95</i>
<i>Capacities that will contribute to security of supply during the 2027/2028 Delivery Period but which did not participate in the Prequalification Process and have not been taken into account in the demand curve</i>			<i>4.84</i>	<i>4.84</i>
Upward volume corrections	185.89	436.98		622.87
<i>Capacities considered non-eligible during the calibration of the Demand Curve but have since prequalified (FR-295)</i>	<i>136.56</i>	<i>244.55</i>		<i>381.11</i>
<i>Capacities considered non-eligible during the calibration of the Demand Curve but have since prequalified (FR-296)</i>	<i>49.33</i>	<i>192.43</i>		<i>241.76</i>
Conditional volume corrections	13.18			13.18
<i>Capacities for which it is indicated in an EDS related to another CMU that these need to be decommissioned as a prerequisite of this other CMU (FR-179)</i>				0.00
<i>Opt-out volumes for new build CMUs which have submitted a “partial opt-out”(FR-180)</i>	<i>13.18</i>			13.18
Net (downward) volume correction, pre-auction	2,808.81	1,927.81	127.57	4,864.19
Net (downward) volume correction, post-auction	2,821.99	1,927.81	127.57	4,877.37

³ ‘Other’ column represents capacities which did not participate in the Prequalification Process for the 2027/2028 Y-4 Auction.

The resulting pre-auction Demand Curve and post-auction Demand Curve after applying the volume corrections are shown in Table 3.3 and Table 3.4 below, respectively.

Table 3.3: Pre-auction Demand Curve for the 2027/2028 Y-4 Capacity Auction

Points	Quantity (MW)	Price (EUR/MW)
y-intercept	0.00	84,800.00
Point A	1,585.81	84,800.00
Point B	1,740.81	56,500.00
Point C	1,740.81	0.00

Table 3.4: Post-auction Demand Curve for the 2027-28 Y-4 Capacity Auction

Points	Quantity (MW)	Price (EUR/MW)
y-intercept	0.00	84,800.00
Point A	1,572.63	84,800.00
Point B	1,727.63	56,500.00
Point C	1,727.63	0.00

For the 2027/2028 Y-4 Auction, ELIA informed us that there were no external grid constraints.

A total of 26 bids were submitted from 22 CMUs (out of a total of 55 prequalified CMUs) with the total capacity offered equal to 1,576.29 MW.

Auction Clearing

[8<]

A total of 1,576.29 MW cleared in the Auction, with 22 CMUs being awarded capacity. The weighted average price subject to the Intermediate Price cap was €25,825.13 per MW per year. The weighted average price subject to the Global Price Cap was €53,402.82 per MW per year. The average capacity volume was 60.63 MW per bid.

Based on the outcome of the Y-4 Auction for Capacity Year 2027/2028, Table 3.5 lists the CRM Candidates and corresponding CMUs that have been provisionally awarded capacity.

CRM candidate	CMU ID	CMU status	CMU Technology	Opt-out volume (MW)	Capacity Contract Duration (years)	Volume of selected bid (MW)	Linked bid
[<]	[<]	[<]	[<]	[<]	[<]	[<]	[<]
[<]	[<]	[<]	[<]	[<]	[<]	[<]	[<]
[<]	[<]	[<]	[<]	[<]	[<]	[<]	[<]
[<]	[<]	[<]	[<]	[<]	[<]	[<]	[<]
[<]	[<]	[<]	[<]	[<]	[<]	[<]	[<]
[<]	[<]	[<]	[<]	[<]	[<]	[<]	[<]

3.2. CMUs PROVISIONALLY NOT AWARDED CAPACITY IN THIS CAPACITY AUCTION

None.

4. SUMMARY OF ISSUES IDENTIFIED WITH THE CAPACITY AUCTION PROCESS

We performed our role as CRM Auditor in relation to the Capacity Auction Process for the Y-4 Auction for Delivery 2027/2028, in line with our obligations to audit the conduct of the CRM Auctions by ELIA.

In Section 4.1, we summarise identified instances of non-compliance, for which we have prepared Issue Logs. In Section 4.2, we highlight any further considerations, which represent other issues that we wish to bring to CREG’s attention with respect to this Capacity Auction Process.

4.1. SUMMARY OF ISSUES

In carrying out our CRM Auditor duties, we identified one issue that we consider constitutes non-compliance with the CRM Functioning Rules, noting our obligation to report all issues to CREG irrespective of materiality.

Table 4.1 below sets out a high-level summary of the issue identified within the Capacity Auction Process. The relevant Issue Log is then provided in 0, giving a full description of the issue and any remedies that we are aware have been implemented.

Table 4.1: Summary of issues identified within the Capacity Auction Process

Issue number	Description of issue
001	FR-350 requires that ELIA submits the details of the final Demand Curve, and all information relating to corrections made to the initial Demand Curve, to the CREG by 15 th October. ELIA submitted this information on 13 th October 2023, but did not include information on the conditional volume corrections.

4.2. FURTHER CONSIDERATIONS

In the sub-sections below, we set out some areas that do not represent non-compliance with the Functioning Rules, but for which we consider it appropriate to bring to the CREG’s attention.

4.2.1. Classification of Opt-out Volumes for volume corrections

Volume corrections are calculated by ELIA for each Auction to adjust the Demand Curve. The calculation of the downward volume correction is calculated as per FR-292, and includes the Opt-out “IN” Volumes submitted by prequalified CMUs. The principles for classifying Opt-out Volumes as “IN” or “OUT” is set out in FR-178, FR-179, FR-180 and FR-263.

Classification of Opt-out Volumes for aggregated CMUs

During the calculation of the volume corrections, ELIA made a manual adjustment to change the classification of the Opt-out Volume for an aggregated CMU ([§<]) from “OUT” to “IN”. This CMU consists of two Combined Heat and Power (CHP) delivery points and two Demand Side Management (DSM) delivery points.

ELIA explained that the AdeMar auction tool automatically classified the Opt-out Volume as “OUT” due to the presence of the DSM delivery points, in accordance with the sixth bullet of FR-178:

“the volume relates to a CMU that is associated to an SLA category, to the extent the capacities part of the CMU do not have an obligation to submit a Prequalification File as described in article 7undecies, §, 8 al. 2 of the Electricity Act and complemented by the description in § 101, second alineaa”

However, ELIA considered that the Opt-out Volume should not be classified as “OUT”, as it was impossible to know whether the Opt-out related to the CHP or DSM delivery points. ELIA said that they would only be able to reasonably assume that the Opt-out Volume related to the DSM delivery points if either:

- the Opt-out Volume matched exactly with the volume of the DSM in the CMU, or
- the CMU had submitted a full opt-out.

The Opt-out Volume ([§<]MW) was only a partial opt-out and did not match the volume of the DSM delivery points, so ELIA decided the best approach would be to classify the Opt-out Volume as “IN”.

The classification of this Opt-out Volume as “IN” versus “OUT” had no impact on the results of the Auction. Classifying the Opt-out Volume as “OUT” would have reduced the downward adjustment to the Demand Curve by [§<]MW. However, the volume offered in the Auction (1,576.29 MW) was significantly below the maximum volume of the Demand Curve (1,727.63 MW) and so, in either case, the set of selected bids would have been identical.

Overall, we consider the approach taken by ELIA to be prudent and in line with the general principle set out in FR-176: that Opt-out Volumes that are considered to contribute to adequacy are classified as “IN”, while Opt-out Volumes that are not considered to contribute to adequacy are classified as “OUT”. In ELIA’s view, there was no firm reason to believe that the Opt-out Volume of [§<]MW would not contribute to adequacy, and accordingly chose to classify it as “IN”.

We suggest that the next version of the Functioning Rules be amended to provide further guidance on the correct approach in this kind of situation. Specifically, the amendment should clarify how Opt-out Volumes should be classified if there is a CMU which is partially made up of capacities to which the sixth bullet of FR-178 applies.

We also discussed ELIA’s approach with the CREG, who subsequently discussed the issue with ELIA and informed us that they were satisfied with ELIA’s approach. CREG agreed that further clarity was needed in the Functioning Rules in this area.

CMUs which indicate a definitive closure

The fourth bullet of FR-178 sets out that “*Opt-out Volumes associated with a definitive decommissioning or definitive structural reduction of capacity notification, in accordance with article 4bis of the Electricity Act during the Delivery Period to which the Opt-out Notification relates*”, should be classified as “OUT”.

The CREG identified that one CMU ([§<]) which had indicated a definitive closure to ELIA, had their Opt-out Volume of [§<]MW classified as “OUT”. However, the CREG noted that the definitive closure of this CMU was not in accordance of article 4bis of the Electricity Act, and so the Opt-out Volume should have been classified as “IN” and included in the downward volume correction.

This issue did not have an impact on the Auction results. Including the CMU’s Opt-out Volume in the downward volume correction would have increased the downward volume correction by [§<]MW. However, even with a larger downward volume volume correction, the volume offered in the Auction (1,576.29 MW) remains significantly below the maximum volume of the Demand Curve and so, in either case, the set of selected bids would have been identical.

We are unable to independently verify whether the CMU’s definitive closure is in accordance with article 4bis of the Electricity Act, and so cannot definitively say whether this is an instance of non-compliance with FR-178.

Inconsistency in English translation of Functioning Rules

During our checks, we identified an inconsistency between the English version of the Functioning Rules and the official French and Dutch versions of the Functioning Rules.

In the official French and Dutch versions of the Functioning Rules, FR-263 begins with “*Ces Volumes d’Opt-out sont classés en tant que « IN », sauf si...*” and “*Deze Opt-outvolumes zijn geclassificeerd als “IN”, tenzij...*” (“*These Opt-out Volumes are classified as “IN”, except if...*”), respectively, indicating that the exceptions outlined in FR-263 only apply to the Opt-out Volumes described in the previous paragraph, FR-262.

However, in the English version of the Functioning Rules, FR-263 begins with “**The** Opt-out Volumes are classified as “*IN, except if...*” (emphasis added). The use of the word “*The*” instead of “*These*” in the English version means that it is not clear that the exceptions outlined in FR-263 only apply to the Opt-out Volumes described in FR-262.

While we acknowledge that the English version of the Functioning Rules is not official or binding under Belgian law, we recommend that this inconsistency is amended in future versions of the Functioning Rules to improve clarity. We also suggest that FR-263 be amended in the French, Dutch and English versions of the Functioning Rules to explicitly refer to FR-262, in order to remove any potential ambiguity.

4.2.2. Upward volume correction for Prequalified CMUs that were considered as non-eligible during the calibration of the Demand Curve

The calculation of the upward volume correction to the Demand Curve is calculated as per FR-293 to FR-298. FR-296 sets out how Prequalified Capacities which could not be mapped to the list of non-eligible capacities provided to ELIA by the Federal Public Service Economy contribute to the upward volume correction.

During a discussion with the CREG regarding the Demand Curve corrections, the CREG highlighted to us that they had identified a Fast-Track CMU which had been incorporated in the upward volume correction under FR-296 ([§<]MW), but which was not considered as non-eligible during the calibration of the initial Demand Curve and thus should not have been incorporated in the upward volume correction.

The CREG raised this point with ELIA, who agreed to investigate the matter. In any case, the inclusion of this CMU in the upward volume correction has no impact on the results of the Auction as the derated Fast-Track Volume of this CMU was only [§<]MW. Excluding this CMU from the upward volume correction would have resulted in a smaller upward adjustment to the Demand Curve. However, the volume offered in the Auction (1,576.29 MW) was significantly below maximum volume of the Demand Curve (1,727.63 MW) and so, in either case, the set of selected bids would be identical.

Appendix A **SUMMARY OF WORK PERFORMED**

The areas of the Functioning Rules checked at the time of issuing this report are outlined in the table below.

Table A.1: Summary of the CRM Functioning Rules sections checked by the Auditor in preparing this report

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Appendix B **SUMMARIES OF OBSERVED ISSUES RESULTING FROM THE CAPACITY AUCTION PROCESS**

B.1. ISSUE LOG 001

Issue ID	Relevant Auction	Compliance status	Severity										
001	2027-2028 Y-4	Non-compliant	Low										
Summary													
FR-350 requires that ELIA submits the details of the final Demand Curve, and all information relating to corrections made to the initial Demand Curve, to the CREG by 15 th October. ELIA submitted this information on 13 th October 2023, but did not include information on the conditional volume corrections.													
Description of issue													
FR-350 requires that ELIA submits the details of the final Demand Curve, and all information relating to corrections made to the initial Demand Curve, to the CREG by 15 th October. The corrections made to the Demand Curve include downward volume corrections, upward volume corrections and conditional volume corrections.													
FR-180 sets out the conditional volume corrections to the Demand Curve which concern the partial Opt-out Volumes of new build CMUs which have submitted a bid in the Auction. For the 2027-2028 Y-4 Auction, this conditional volume correction comprised the Opt-Out Volumes of three CMUs, with a total Opt-out Volume of 13.18MW:													
<table border="1"> <thead> <tr> <th>CMU ID</th> <th>Opt-out volume (MW)</th> </tr> </thead> <tbody> <tr> <td>[§<]</td> <td>[§<]</td> </tr> <tr> <td>[§<]</td> <td>[§<]</td> </tr> <tr> <td>[§<]</td> <td>[§<]</td> </tr> <tr> <td>Total</td> <td>13.18</td> </tr> </tbody> </table>				CMU ID	Opt-out volume (MW)	[§<]	[§<]	[§<]	[§<]	[§<]	[§<]	Total	13.18
CMU ID	Opt-out volume (MW)												
[§<]	[§<]												
[§<]	[§<]												
[§<]	[§<]												
Total	13.18												
As per FR-301, the Opt-out Volumes for these CMUs are classified as “OUT” prior to the Auction, then reclassified to “IN”, post-auction clearing, on the condition that the bid for the CMU in question is selected. Each of these CMUs had their bid selected in the Auction, and the Demand Curve was subsequently adjusted by ELIA to reflect the reclassification of the Opt-out Volumes for these CMUs from “OUT” to “IN”.													
According to FR-350, ELIA should have included information on this conditional volume correction in the information submitted to the CREG. However, during our checks we ascertained that the information was not included in ELIA’s submission to the CREG on 13 th October 2023.													
After we highlighted the omission to ELIA, they informed us that the omission was identified by ELIA operators at the end of the day on 13 th October 2023. ELIA discussed the issue with the CREG in a meeting on 20 th October 2023 and will provide the CREG with an updated report incorporating the conditional volume corrections.													
Auditor’s comments													
We consider this issue to represent non-compliance with the Functioning Rules.													
However, the magnitude of the conditional volume correction in question is small, has no impact on the results of the Auction and will be reflected in ELIA’s final Auction Report.													



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