

Febeliec answer to the Elia consultation on the designation of multiple Balance Responsible Parties on an Access Point

Febeliec would like to thank Elia for this consultation on the designation of multiple Balance Responsible Parties on an Access Point. Febeliec appreciates that Elia has conducted this analysis, which has been requested by a.o. industrial consumers for many years.

In general, Febeliec would like to stress that this topic of multiple BRPs per access point is important for industrial consumers, classified as Demand Facility directly connected to a public transmission/grid operator¹, (and thus not only pressing for off-shore wind farms as Elia indicates in the document), as it would enable industrial consumers to slice up their overall offtake/consumption and spread it over several BRPs (and suppliers), thus allowing also in the market for the (very) large consumers more competition between suppliers (as large consumers might be too large in their total for a single supplier, thus limiting liquidity and competition on the market). At the same time, the designation of multiple BRPs per access point will also facilitate flexibility with a third party, as rightfully indicated by Elia.

On a high level, Febeliec strongly believes that in analogy with annex 14 the solution to the topic of multiple BRPs per access point lies in the creation of a new annex which covers the same topics as the annex 14, but then for those demand facilities that are not CDSs. Febeliec believes this presumably should involve no important new developments and could even be easier from an operational point of view as for such non-CDS demand facilities there would be less need for very stringent metering and accounting to ensure that all legal entities are correctly allocated and invoiced, as in principle (as opposed to CDSs) there should only be a single legal entity and thus indeed an agreement between this legal entity and the different BRPs active on its access points on topics such as metering and allocation of losses should be more straightforward.

Specific comments and questions:

- Febeliec notices that Elia states that, regarding the articles 204 and 205 of the Federal Grid Code, “*an analysis should however be made to determine whether these articles need to be changes before applying any proposed solution involving more than one BRP*” and wonders who will conduct such analysis and in which timeframe, as it is important that this does not become a blocking element in a later (implementation) timeframe. Febeliec insists that such analysis will be conducted as soon as possible and by preference before the end of the year and the conclusion of the overall analysis by Elia (and thus under the framework of the incentive of the CREG) as Febeliec considers this an integral part of such analysis.
- Febeliec also takes note of the references to certain annexes of the Access Contract (e.g. 9 and 10), which will probably be removed towards the future. Febeliec however does not see this as a major issue, as it is clear that a better overall solution is required. Febeliec in the framework of the discussion on the Access Contract also always has made this remark, as it could agree with the removal of several (non-used) annexes in light of an alternative (better) solution.

¹ Febeliec wants to clarify that for CDSs, as opposed to non-CDS Demand Facilities, multiple BRPs per (Elia) Access Point are already now no longer an issue through the application of the concept of Market Access Point (which is also very similar to the RTE CART solution), which only requires a correct application of metering, based on a strict application of the accepted internal meters and metering protocols as agreed within the Access Contract. Febeliec wants to stress that CDSs have currently successfully applied such a solution for many Elia products, including market and balancing products as well as strategic reserve, however with sometimes slightly differing data flows and with a clear need for the allocating party to have a complete and concise overview.

- As already stated above concerning the references to the current solution in place for Closed Distribution Systems, Febeliec indeed believes that this solution would be a good basis an overall solution (beyond the scope of CDSs). Febeliec would like to stress that, as Elia indicates in its reference to CDS, the designation of multiple BRP's per CDS-Access Point is already possible through the concept of Market Access Point, which through its multilevel design is designed to enable multiple BRP's and Flex for a CDS GU (Cf. also point 3.4, p17).
- On the notion of the balancing delivery point (BDP), Febeliec does not necessarily understand why this cannot be downstream from another BDP or a TU, as it believes that solutions can be devised to facilitate this. Febeliec would like to have a more in-depth discussion on this point, to better understand the reasoning by Elia for not allowing such combinations. In light also of the future market design and the implications with respect to iCAROS, Febeliec would like to get some better understanding on how Elia envisages this concept, also from a practical perspective. E.g. in point 6.2 on the BDP it is stated that this is "by default the Access Point unless requested otherwise by the Access Contract Holder and agreed upon by Elia based on the conditions listed in the chapter". As Elia states here agreed upon by Elia and not the RSO, Febeliec wonders to what extent this solution will be applicable for all possible situations (which is the intention of Elia as stated), also where Elia is not the RSO. Febeliec wants to refer in this context towards the concept of market access point as this covers all required elements without introducing new denominations and slightly different concepts and should thus lead to a more rational streamlining.
- On the impact on the calculation of federal losses in case of several BRPs behind a certain access point and the lack of netting of energy between different BRPs (which leads to artificially high federal losses to be provided), Febeliec strongly appreciates that Elia is analyzing this point, but would like to have some more clarity on when a such analysis on the practical implementation of a solution that solves this longstanding issue and hopes that this will also be part of the overall scope of the incentive of the CREG and thus be conducted throughout 2021. Febeliec indeed agrees that this can be treated independently from the track on the designation of multiple BRPs on an access point, but insists that this does not lead to a much longer implementation time for such a solution and is included in the overall implementation plan to be delivered to the CREG.
- As already referred to above, Febeliec does not agree completely with the general statement of Elia in point 3.3, Annex 14, that, in a CDS, the CDSO and the CDS grid users may use their own private meters. The concept of the Market Access Point, in combination with the CDS Metering, is able to facilitate the multiple BRP-questions and most of the flexibility products. As stated in the FTR, in case the metering used for the allocations for the financial settlement are not suited to measure the flexible product, the CDSO and CDSGU will find a best solution, where a CDS grid user-meter is a possible option. In order to 'Avoid introducing unnecessary strict requirements and complexity as well as incoherencies with metering obligations', as correctly stated by Elia in art 4, Febeliec insists on the conservation and the intelligent conversion of these FTR rules.
- In point 7, Febeliec does not understand what Elia means with "Closed Loop Losses only exist if the BRP has this responsibility" and asks for additional clarification.

Febeliec would like to ask Elia to organize a bilateral meeting to discuss the above points as well as some other open issues with respect to the proposal (e.g. concerning the application of transfer of energy). While Febeliec is in favor of (intelligently) transposing the existing solution for CDSs to Demand Facilities that are no CDS, the proposed solution by Elia raises some questions towards the application of the concepts for CDSs to non-CDSs. Amongst others, it should be clear that in case such a non-CDS Demand Facility were to become over time a CDS, this should not lead to fundamental change of their operations, which is not necessarily guaranteed by the current proposal of Elia. Febeliec also would like to further discuss the metering and metering requirements as Febeliec understands from the Elia proposal in point 6.4 that "allocations should be made by the Contract Holder based on metering and calculations as agreed with the BRPs active within the Access Point". While Febeliec supports such approach in general, it wants to better understand what the intentions of Elia are towards this topic to avoid that this leads to unsustainable situations for the Access Holder with respect to the allocations.