

## **Febeliec answer to the Elia consultation on the Terms and Conditions for Voltage Service Providers**

Febeliec thanks Elia for this consultation on the Terms and Conditions for Voltage Service Providers. Febeliec has at this point only following specific remarks:

### **General comments:**

- Febeliec wants to stress that for existing technical units with a mandatory participation, the new framework for voltage service should in no case lead to obligatory retrofits and only be related to existing capabilities. It is also important to stress that as described for certain categories of technical units, as in particular demand facilities, participation remains voluntary. Moreover, in case the framework for voltage service would change in the future (e.g. more stringent requirements or new contractual obligations) or their own capabilities would change, these voluntary participants must be allowed at each moment in time to withdraw their participation to the service.
- With respect to closed distribution systems, Febeliec asks Elia to clarify in the text when all CDSs are concerned (federal grid, local transport grid and distribution grid) and when only one or two of these categories are concerned, amongst other because of lacking or diverging regional and/or federal legislation. In any case, Febeliec wants to stress the central role of the CDSO as relevant system operator for the underlying technical units in its grid and the central role of the CDSO as VSP, in any case with respect to those CDSs connected to the federal grid (while being unclear with respect to those connected to the local transport grid and even more so with respect to those connected to the distribution grid, where presumably the public DSO to which they are connected will take up the role of VSP towards Elia, but where it remains unclear which role the CDSO would have to perform towards the public DSO).
- The consultation is conducted only in English, but in legal terms only the Dutch and French versions are relevant (e.g. p33/34 of the T&C VSP). Febeliec thus explicitly reserves itself the right to formulate comments on the future Dutch and French texts.
- The proposed texts in many instances do not take sufficiently into account the situation in which the MVAr service is delivered by a CDSO as VSP (see below for a non-exhaustive list of textual examples)
- Despite comments during the study-phase in the course of 2018, Febeliec still has to observe that still the texts seems to consider that the voltage service will be provided by generation assets, thus not paying sufficiently attention to other sources, such as for example capacitor banks, that can also fulfil the service requirements. (see below for a non-exhaustive list of textual examples)

### **Text T&C VSP**

- Twice the text still refers to Elia System Operator instead of Elia transmission Belgium
- Art3: Febeliec wants to reiterate its comment with respect to the use of English, which can be satisfactory during an information and potentially consultation phase, but where a French and Dutch version is required to make sure that all nuances have been correctly taken into account.
- **Part I General Conditions:**

- The general conditions were consulted upon in 2019 in Dutch/French, whereas now they are consulted upon in English, which does facilitate the revision.
- Most comments formulated by Febeliec in 2019 seem to have been implemented by Elia, but the general comment on the lack of clarity regarding definitions and the force majeure clause comment, for example, have not been accepted. Nevertheless, a clear set of definitions is an absolute necessity to avoid discussions about the interpretation of contractual clauses. With regard to the force majeure clause, and in particular the list of situations mentioned in Article I.7.3 (albeit with reference to the restrictive conditions in the second paragraph of Article I.7.3), Febeliec notes that these are mainly written from Elia's perspective. For example, the fourth item of the list should also be made reciprocal, since such a major situation could also occur within the network of a CDSO (which would certainly be relevant in the context of for example the MVAr service).
- **Part II Specific Conditions**
  - Definitions:
    - Febeliec wants to reiterate the same general remark about definitions as already stated by Febeliec with regard to the definitions in the General Conditions
    - Access Point: it is not clear why this definition refers to other networks if it is stated at the end of the definition that i.c. the definition will only relate to an Access Point to the Elia network
    - CDS and Elia Grid: on the basis of these two definitions, Febeliec understands that this T&C VSP only relates to the CDSs connected to the federal transmission network or to the local transmission networks (such as the local transport network in Flanders or the Walloon Region), but not to the CDS connected to a public distribution network.
    - Grid User: if Febeliec understands this definition correctly, this includes both the network users (as defined in the Federal Grid Code) and the CDS users (as defined in the Federal Grid Code). As a result, when the term Grid User is used in this T&C VSP, it is often guessing whether the CDSO or the CDS user is meant. It is strongly recommended to define both terms separately.
    - Grid Voltage: this term is defined (and depends on the definition of Service Measurement Point), but in the text (e.g. definition of Manual Control Service Type) sometimes "Elia Grid Voltage" is used and this term is not defined ...
    - Power Measured: in this definition reference is made to the term "Delivery Point" but there is no specific definition for this in the T&C VSP, so the question arises as to how exactly this term should be interpreted (which definition in the Federal Grid Code or in European regulation applies here?) - this is illustrative of our general comment on definitions that Febeliec already made regarding the General Conditions
    - Service Measurement Point: the definition raises some questions and must be discussed in any case, certainly in a CDS context, in conjunction with Article II.3.3 a)
    - Technical Unit: it is not clear to Febeliec what exactly Elia means by a "facility connected within the LFC Block of Elia". However, it is crucial that there can be no confusion as to which assets a Technical Unit can / will constitute in the light of this T&C VSP (e.g. capacitor banks)
  - Art. II.2.3: The contract assumes that if the VSP is not itself the Grid User who operates the Technical Units, then the VSP must be designated by the Grid User via Annex 11. But we assume that the signing of Annex 11 is not required on a CDS, where based on

the contract itself (art. II.3.3, c) the CDSO is by definition the VSP, without having to be designated by the CDS-user (Grid User?)?

- Art II.3.1 - Open Prequalification Procedure (in the definition list an Open Qualification Procedure instead instead of the Open Prequalification Procedure):
  - In order to qualify as a VSP, a sworn statement must be issued and proof of financial solvency must be submitted. Does this also apply to the CDSO as a VSP?
- Art. II.3.2, a): the Technical Requirements (and more specifically the "relative sensitivity coefficient alpha") refer to certain criteria that are defined for this purpose in the "Connection Contract for the Technical Unit". But there is no connection contract for the Technical Unit, there is for the CDS.
- Art. II.3.2, d): this provision is unclear, as there appears to be a suspension prior to the execution of the Communication Test, but also a suspension of the compensation after the failure of the Communication Test?
- Art. II.3.3, b):
  - General: Febeliec remains with many questions about this section of the T&C VSP and would like to discuss this in more detail with Elia
  - What exactly does Elia mean by "is not influenced in an unpredictable way" and what exactly does Elia want to achieve with this?
  - Active "Active Power measurements for each Technical Unit" - is a separate measurement meant for each Technical Unit / required by Elia? However, frequency inverters, for example, are never measured separately. Moreover, during the WG Belgian Grid, Elia (Mrs. Tsiokanos) explicitly confirmed that the Technical Units do not require a separate measurement. This passage is probably written with only (large) generators in mind, without also taking into account, for example, frequency converters or capacitor banks
  - The last bullet, which refers to the BRP of all Technical Units, raises a lot of eyebrows in our eyes, because the BRP has, among other things, no role to play in this. After all, the MVAR service is not provided by the BRP but by the Technical Units. A capacitor bank does not even have a BRP ... It seems to be forgotten here that it is about reactive energy instead of active energy.
- Art. II.3.3, g): just like with the last bullet of Art. II.3.3, b Febeliec completely misses the meaning of this passage, certainly in a CDS context. For example, there is not even a BRP contract for a capacitor bank.
- Art. II.4.2: also this passage (and in particular the reference to the Elia Grid) does not make any sense for a CDS, because if Febeliec reads this passage literally, e.g. a large generator that is not directly connected to the Elia grid but to a CDS grid would not be able to participate in the MVAR service. In addition, this would also exclude capacitor banks from participating in the MVAR service, because capacitor banks do not inject or purchase Active Power (a capacitor bank is not considered a "load")
- Art. II.5: in contrast to, for example, art. II.7, there is no clear structure in this article, as a result of which it is currently unclear which clauses apply precisely to which type of Technical Units.
- Art. II.6.2: We assume that, in accordance with the Federal Grid Code, the measurement on a CDS is in principle always done by the CDSO (also in the context of the MVAR service). However, this is currently insufficiently apparent from the text.
- Art. II.7: the concrete interpretation of the texts in the boxes still needs to be discussed in detail between Elia and the CDS operators

- **Part III Annexes**

- General: Febeliec notes that in the Annexes definitions are not always used correctly (eg Annex 2: requested Reactive Power instead of Reactive Power Required, etc.)
- Annex 11: as mentioned earlier, Febeliec assumes that CDS users should not use this Annex 11 to designate the CDSO as a VSP, since the CDSO already by definition acts as a VSP for the Technical Units in the CDS
- Annex 13:
  - How does this “Prequalification Procedure” relate to the so-called Open Qualification Procedure (Art. II.3)?
  - The term "Technical Band" is not defined