

Febeliec answer to the Elia consultation on the technology-neutral framework for the use of units that cannot be activated following the FRR processes

Febeliec would like to thank Elia for this consultation on the technology-neutral framework for the use of units that cannot be activated following the FRR processes. Febeliec in this context prefers to refer to slow start units or units with longer lead times, as it is a more correct representation of the basis for its request for the development of such a framework, as many demand response (and generation) units require longer lead times than those applicable in the balancing timeframe in order to be able to adapt their processes and put their available flexibility at service of the system operator.

Febeliec has read the consultation document with great interest and would like to voice one fundamental concern. Febeliec is of the impression that Elia is taking a very serious risk by recommending not developing such a technology-neutral framework for slow start units. Febeliec observes that many major changes are expected in the near future regarding the balancing framework, not in the least the switch to the European balancing platforms (MARI/PICASSO), with significant change to the product specifications (more stringent) and potential substantial negative impact on liquidity. Febeliec considers the development of a technology-neutral framework for slow start units a no regrets solution, especially in light also of the situation during the winter 2018-2019 where such a product was designed in extremis but with a design and implementation discussion that extended so long in time that interested parties were caught up by time as winter was over before they could have reasonably prequalified a significant volume.

Febeliec strongly believes that such products should be designed in tempore non suspecto in order to allow for a thorough discussion on them, to put together a solid design so that when the need arises, such products can be easily taken of the shelf and be implemented. Febeliec also believe that the discussion on the possible volumes is a false discussion, as this entails a chicken-and-egg situation, where the absence of a product with a clear product design as well as a need for volumes of course will not lead to volumes being offered. However, breaking this deadlock by preemptively providing a clear design was exactly, in Febeliec's opinion, the purpose of the CREG's incentive. Febeliec's biggest concern is thus that Elia will have wasted the chance to develop a good technology-neutral framework and might come to regret it when balancing reserves in the future would be insufficient (e.g. because liquidity dried up following much more stringent product specifications or highly exceptional situations which yet might occur), in which case it would yet again have to revert to the hasty work of winter 2018-2019 without necessarily any volumes to show for. In general, Febeliec also strongly believes that any product of Elia should be made technology-neutral as it is not up to the TSO to favor certain technologies over other ones.

In conclusion, Febeliec is of the opinion that Elia did not deliver on the question to develop a technology-neutral framework for the use of units that cannot be activated following the FRR processes, as no such framework has been presented.