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Febeliec answer to the Elia consultation on the System Imbalance forecast and evaluation of its publication

Febeliec would like to thank Elia for this consultation on the System Imbalance (SI) forecast and the evaluation of its publication and the extensive work that has been done (although without the underlying datasets and models it is difficult to grasp the full extent and scope). Febeliec nevertheless wonders to what extent this work on SI forecasting will provide added value to the system and the consumers. Febeliec remains in doubt towards the ultimate goal of these forecasts: if the purpose is to make better predictions regarding intermittent production, Febeliec is not convinced that this is the best way forward, as results from the (recent) past are not necessarily the best predictor for the (near) future. Rather weather conditions and some other parameters might provide a better bottom-up approach towards that end, as is currently already being done, as the major other elements impacting the system imbalance (in particular forced outages or cross-border related issues) are random with regard to forecasting (when using as input recent historical data from the recent timeframe). An outage or cross-border related issue can extend in time if it has already occurred (and thus it might be possible to forecast its duration) but the proposed models will not help predict the occurrence of such (non-intermittent generation related) events; even for storm events, the forecast tools apparently handle them "comparatively well", but whether that would be sufficient to have a real impact on system management remains an open question to Febeliec.

In any case, as Febeliec considers the additional benefits for the system operation to be questionable, Febeliec believes that the only value for consumers of a better forecast of the SI as proposed by Elia would lie in the fact that less balancing capacity would have to be reserved (and paid for by consumers), yet based on the above Febeliec wonders whether such objective would be achieved. Moreover, the publication of the Elia SI forecast could even lead to adverse effects in case all market parties start using potentially erroneous data as input for their models, in the worst case thus even potentially introducing a new systemic risk component in the system.