

## Febeliec answer to the Elia consultation on substantial modernisation

Febeliec would like to thank Elia for this consultation on the guidelines for defining substantial modernisation in the new Federal Grid Code of 22/04/2019.

Febeliec would like to voice its concern towards the fact that the Belgian Federal Grid Code goes even beyond the scope of the European Network Codes RfG and DCC, by also including power generating modules of type B in the scope, whereas this is not a European obligation. Febeliec was not even under the impression that this was a concern of the transmission system operator, as this was never discussed during the discussions on the Federal Grid Code. Febeliec is concerned that by going beyond the European obligations (and also beyond the obligations in most if not all other European Member States) Belgium would get a competitive disadvantage. Moreover, by including unnecessarily units of type B in the scope of substantial modernisation (other than in case of a category switch to type C), these units will have to comply unduly with additional and more stringent obligations, which will come to a cost, increase the overall system cost (without any European obligation) to the detriment of consumers.

On the general principles of a substantial modernisation Febeliec would like reflect on the fact that existing installations will at least have to comply with the existing prescriptions at the date of their entry into operation, which will require a strict overview of versioning of the applicable Federal Grid Code at each modification, in order to ensure a correct compliance over time. Febeliec is not opposed but would like to know how this will be handled, as presumable the Federal Grid Code will be undergoing modifications more frequently than in the past.

Concerning the process regarding substantial modernisation, Febeliec strongly supports the proposal of Elia for a simplified process for production units of type B and demand facilities, especially since the former are not even including in the scope of the European Network Codes. Febeliec would also like to get a better understanding on the timeline, in specific the starting point, for the process related to substantial modernisation. Moreover, Febeliec urges all involved parties to avoid any additional costly administrative burden, with many involved parties, that would not bring any substantial additional value to the system. Concerning demand facilities, Febeliec wants to point to the special status of closed distribution systems (where the CDSO is for most technical requirements the relevant system operator) and the need for coordination between the concerned system operators, covered in point 5 of the note, which Febeliec supports. For demand facilities in particular, Febeliec would also like Elia to define functional blocks, as the scope hereof is unclear in this context. Also the concept of essential technical element, forced stop and emergency should be defined and the 10% rule process, which is supported by Febeliec, should be more detailed, including a timeline for the different steps and the roles of the different involved parties (in particular towards the verification of the 10% rule).

On the criteria for full or partial substantial modernisation of production units, Febeliec has no additional comments other than the comment on type B mentioned above, and in any case would ask all involved parties to follow a pragmatic approach in order to avoid unduly and unnecessarily adding obligations which would increase the overall system cost.

Febeliec would also like to thank Elia for the examples for clarification and in this context would like to refer to its comment on the definition of functional block in the framework of demand facilities, with also attention to the situation of a closed distribution system where different legal entities can own parts of integrated facilities.