

Febeliec answer to the Elia public consultation of the proposal of exemption from the obligation to procure upward and downward balancing capacity for aFRR separately

Febeliec would like to thank Elia for this consultation of the proposal of exemption from the obligation to procure upward and downward balancing capacity for aFRR separately. Febeliec supports the proposal for exemption of Elia, as well as the re-evaluation of this exemption proposed by Elia in order to see whether significant evolutions have taken place in the market that would permit removing this exemption or whether again an exemption request should be introduced. However, under the current market situation and conditions, Febeliec strongly supports a total cost optimization approach in order to limit the reservation costs for consumers, which currently entails a combined procurement. As stated above, Febeliec believes that this exemption might no longer be required at some point in the future, when sufficient additional market players have surfaced and liquidity has increased and allows for a separate procurement of downward and upward aFRR. Febeliec at this point however agrees with Elia that the exemption will allow for a more efficient distribution of must run costs and thus a lower overall costs.

Febeliec represents industrial energy consumers in Belgium. It strives for competitive prices for electricity and natural gas for industrial activities in Belgium, and for an increased security of energy supply. Febeliec has as members 5 business associations (Chemistry and life sciences, Glass, pulp & paper and cardboard, Mining, Textiles and wood processing, Brick) and 38 companies (Air Liquide, Air Products, Aperam, ArcelorMittal, Arlanxéo Belgium, Aurubis Belgium, BASF Antwerpen, Bayer Agriculture, Bekaert, Borealis, Brussels Airport Company, Covestro, Dow Belgium, Evonik Antwerpen, Glaxosmithkline Biologicals, Google, Ineos, Infrabel, Inovyn Belgium, Kaneka Belgium, Kronos, Lanxess, Nippon Gases Belgium, Nippon Shokubai Europe, NLMK Belgium, Nyrstar Belgium, Oleon, Proxiums, Recticel, Sol, Tessenderlo Group, Thy-Marcinelle, Total Petrochemicals & Refining, UCB Pharma, Umicore, Unilin, Vynova and Yara). Together they represent over 80% of industrial electricity and natural gas consumption in Belgium and some 230.000 industrial jobs.