

Febeliec answer to the CREG consultation (PRD)2409 on a Code of Conduct for electricity

Febeliec would like to thank CREG for this consultation on its proposal for a Code of Conduct concerning the conditions for connection and access to the transmission grid, the methodologies for the calculation and determination of the requirements for providing ancillary services, the access to cross-border infrastructure, including the procedures for the allocation of capacity and congestion management, as well as the approval of the proposal of Elia concerning the connection procedures to the transmission grid.

As a first but very essential comment, Febeliec regrets that it has not received the new version of the Federal Grid Code as it is very difficult to voice an opinion over the Code of Conduct without knowing what is retained in the Federal Grid Code and how both documents interact and potentially counteract. As such, all comments by Febeliec are at this stage only preliminary and could, after consideration of the future Federal Grid Code, need to be modified or amended with additional comments.

As a second important comment, Febeliec insists that sufficient time is attributed for grid users to comply with any changes in the Code of Conduct (and the new Federal Grid Code) compared to the current Federal Grid Code. A very large part of the (current) Federal Grid Code and the Code of Conduct and (future) Federal Grid Code cover the physical connections and “hardware” of installations grid users, in particular industrial consumers, as opposed to some other parts or other regulatory and legal documents which touch more upon the operation and “software” of these installations, and as such sudden changes in requirements can have a very important impact (including very costly investments or modifications) on grid users. As a result, sufficient time should be allowed for grid users to be able to comply to new requirements. The same applies for modifying all the related (regulatory, legal and other) documents, which all have undergone or are undergoing very detailed and thus lengthy modification and approval procedures to ensure that no unwanted negative side effects are created. As such, Febeliec most strongly insists that while a new Code of Conduct is published, sufficient attention is given to these aspects in order to avoid important cost increases and inefficiencies or even worse. As such for example, a direct entry into force on the first of September 2022 without transitory measures seems unacceptable to Febeliec as it could wreak havoc for grid users. Febeliec welcomes the efforts already done by the CREG to mitigate this impact, but insists, especially also in light of the very first comment, that this point is taken duly into account in order to avoid non-compliance by grid users against their own volition.

Specific preliminary comments:

- Definition 39 access point in a CDS: CREG is mentioning measuring configurations, Febeliec would like CREG to validate that this also encompasses the current practice of calculated values in concordance with the currently applicable rules for this.
- Art 10: In this article, but also in several other articles (e.g. 11, 12, 13, ...), CREG refers to all applicable legislation, with the exclusion of the code of conduct at hand and/or the federal grid code. As the text of the (future) federal grid code is not available, it is very difficult for Febeliec to validate such articles and as such, also referring to the general comments above. As such, the comments from Febeliec on this code of conduct can be at best preliminary and non-exhaustive.
- Art 40: Febeliec would like CREG the final part of this article, as shared connections might also be useful within a CDS, and the article might need to be modified to ensure that the application field is only towards shared connections on the transmission grid.
- Art 52: CREG mentions in the second bullet a public consultation, Febeliec would like to better understand in which specific cases and under which format such public consultation concerning an individual connection to the transmission grid should be conducted and which information would be shared in such public consultation as (part of) this information could be confidential and/or business critical.
- Art 63: Febeliec regrets that all stipulations regarding testing and simulations to validate conformity of the installations have been removed from the code of conduct, which makes it less clear for grid users to which elements they need to comply. Moreover, it is unclear where such stipulations will now be provided, which also introduces an issue on the stability of such stipulations.
- Febeliec strongly regrets that the former title 3.6.3 on the system defence plan, system restoration plan and test plan has been completely removed, as it is important for grid users that there is a legal or regulatory

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 39 companies (Air Liquide, Air Products, Aperam, ArcelorMittal, Arlanxeo Belgium, Aurubis Belgium, BASF Antwerpen, Bayer Agriculture, Borealis, Brussels Airport Company, Covestro, Dow Belgium, Evonik Antwerpen, Glaxosmithkline Biologicals, Google, Ineos, Infrabel, Inovyn Belgium, Janssen Pharmaceutica, Kaneka Belgium, Kronos, Lanxess, Nippon Gases Belgium, Nippon Shokubai Europe, NLMK Belgium, Nyrstar Belgium, Oleon, Pfizer, Proxiums, Sol, Solvay, 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.

framework to ensure that they are timely and completely informed about these plans, including specifically the (confidential) elements that are applicable to their specific installations. Indeed, a more than substantial part of aforementioned plans is not publicly available and as such it would be very difficult for grid users to comply if they did not get timely access to those elements applicable to them. Febeliec would prefer a legal or regulatory framework ensuring this element, including the applicable timelines.

- Art 216: Febeliec does not understand why the grid user and not the applicable FSP (in case the grid user is not his own FSP) is to sign a contract for balancing services (or ancillary services in a broader sense) for specific installations. Especially when grid users will have a wide range of different FSPs providing ancillary services, including balancing services, this will become a very complex situation which would be much more easily covered by having the FSPs, with validation by the grid user, signing such contracts. As several incentives from the CREG as well as many evolutions in ancillary services products are exactly trying to evolve towards less market barriers for participation to multiple services with multiple FSPs, such condition here would to a certain extent nullify these endeavours and risks creating a market barrier.
- Art 222 §3: Febeliec wonders whether the timeline of maximum 12 months after entry into force of this code of conduct is not a bit too ambitious, taking into account all the other on-going developments. Febeliec insists that timelines are kept reasonable to ensure that market parties have sufficient time to validate any changes, in order to ensure that no significant negative impacts on market functioning arise which could jeopardize system security or substantially increase system costs.
- Art 240: Febeliec wants to refer in this context also to the comment made on art 222, as it seems overly ambitious to conduct a thorough analysis of all mentioned documents during a period of maximum 12 months, taking into account all the other essential work already scheduled. Moreover, due to the external market context, many grid users are currently focusing on the evolutions on the markets, in some cases potentially jeopardising the continuation of their business. Febeliec would find it non-realistic to add an important additional burden with a very short timeline, as this could lead to insufficiently validated documents and changes which could further endanger the currently already dire situation for many grid users.
- Art 241: While Febeliec understands the endeavour of CREG, it is important to understand that a period of only 1 month for signing a connection contract for sometimes very complex situations is for many grid users overly ambitious. It is also unclear to Febeliec what would be the consequences if such timeframe would be impossible to comply with.
- Art 243: Febeliec wants to reiterate the comments made for art 240.

