

Febeliec answer to the Elia consultation on the T&C BSP aFRR

Febeliec would like to thank Elia for this latest consultation on its T&C BSP aFRR. Febeliec would like to refer to the very lengthy discussions on this topic during the meetings of the WG Balancing and confirms that the proposal by Elia is a good reflection of the compromise reached during those discussions. Febeliec nevertheless, insists that the ultimate goal is to enable as much participation (and thus liquidity) as possible to the aFRR market, both in capacity and in energy, and thus urges Elia to continue to evaluate the impact of the proposed changes on this ultimate goal.

Moreover, as also discussed, Febeliec insists that the Reference Cost Factor and the TCO Degradation Cap Factor should be revised as soon as possible in order to ensure the lowest possible overall system costs as these two factors currently might provide some beneficial impact for attracting new participants and improving market functioning through better liquidity, but it is clear that these factors should no longer be required in a maturing market. Febeliec thus most strongly urges Elia and CREG to follow this aspect up very closely and abolish or at least reduce their negative overall cost impact as soon as possible.