

Febeliec answer to the Elia consultation on the proposal of amendments of the T&C BRP in the context of the connection to the balancing platforms

Febeliec would like to thank Elia for this consultation on its proposal of amendments of the T&C BRP in the context of the connection to the balancing platforms. Febeliec would like to refer also to its answer to previous consultations on this topic. Regarding the consultation at hand, Febeliec wants to voice its support to the Elia proposal, as it provides a good compromise which was discussed at great length during the meetings of the WG Balancing.

Febeliec **fully supports** the reasoning behind and the application of a cap and floor concept (to avoid perverse effects in imbalance price formation), the deadband concept (which it considers an essential component to ensure that no over/undershooting is taking place by BRPs and that the Belgian system imbalance would result in wild oscillations around a balanced position in some cases) and the application of the alpha factor (as its reason for existence, the observation of sustained periods with substantial imbalances and hardly any (re)actions from BRPs can still be observed in the balancing markets). Febeliec considers **all three components to be quintessential elements of a future-proof modification of the T&C BRP** to ensure that Elia can maintain the balance in the Belgian perimeter without an undue increase of the overall system costs or perverse effects which could have a negative impact on the participation of market parties to the balancing markets and thus negatively impact market functioning.

Considering the relaxation of the day head balance obligation for BRPs, Febeliec understands that this should result soon in the de facto abolition of this obligation yet remains very worried about this evolution as it considers this to undermine the central role of the obligation to be balanced for BRPs, with Elia only being responsible for the residual system imbalances. Febeliec insists that a very strict monitoring of the impact of this relaxation is maintained and that if any negative influence should be detected of this relaxation, that this would again be introduced or alternative solutions applied in order to avoid any negative impact on the overall system costs and the invoices of Elia grid users.