

Febeliec answer to the Elia consultation on the concept note regarding connections with flexible access to the federal transmission grid

Febeliec would like to thank Elia for its consultation on the concept note regarding connections with flexible access to the federal transmission grid. While Febeliec appreciates Elia's attempt to provide a first insight in a possible future framework for flexible connections, a large number of important and in some cases even fundamental issues are still open. Febeliec understands that Elia is trying to ensure that in some cases grid users can have access to the federal transmission grid earlier than currently is possible by granting flexible access, implying that the requested grid capacity will not always be available until some future investment projects and programs have been concluded.

Febeliec has a range of high level principles it considers very important for any framework related to flexible access for grid users, which have also already been discussed with Elia during the presentation of the concept note. Febeliec also remains as always available to further elaborate on them in view of putting together a comprehensive framework.

- **Voluntary:** Demand facilities should accept a temporary flexible access regime only on a voluntary basis. Whenever a normal full access regime has been or will be granted, this should not be altered again towards a flexible access unless with full and prior consent of the grid user.
- **Temporary:** Febeliec considers it of the utmost importance that any flexible access for demand facilities to the transmission grid is only on a temporary basis with a very clear timetable, unless otherwise explicitly agreed by the grid user. Febeliec is not in favor of the proposed approach where the regulator can (indefinitely?) prolong the flexible access. While Febeliec understand that there could be situations where investment programs run into delays, it is inconceivable that a demand facility would not be granted a full access to the grid as requested within the specified timeframe, as this could have major impact on their industrial activity and thus the competitive position of Belgium compared to other countries and regions. Febeliec wants explicitly to avoid that for demand facilities the temporary character would be prolonged indefinitely.
- **Tariffs:** Whenever a flexible access is granted instead of the requested full access, this should also be reflected in all relevant grid tariffs, as it is inconceivable that the normal grid tariffs would be applied for a product with a (potentially much) lower service level.
- **Lead times:** Febeliec insists that it is important for demand facilities that the lead times or notification period for deactivation of (part of) their grid connection is sufficient to avoid major damage to their installations. Moreover, Febeliec also wants to stress that the proposed approach for a flexible connection should not entail excessive technical/operational requirements.
- **Frequency of occurrence:** Febeliec insists that an estimate of the frequency of occurrence of the full capacity not being made available should be provided upfront and to the best possible knowledge, including a cap on the maximum number of activations to ensure that grid users can calculate the potential negative impact on their installations and business case.
- **Justification of activation:** Febeliec understands from the concept note that Elia will only provide a justification of its activations of flexible access to the regulator and not to the concerned grid users. Febeliec however believes that it is important to be transparent also towards grid users, as their operations will be greatly impacted, with cost implications, and thus also to them a justification should be provided.
- **Intelligent steering of deactivations:** Febeliec insists that other criteria than "technical efficiency" are considered, including a.o. the economic impact of such enforced deactivations, as it is clear that in case Elia would have the option to chose between several solutions to avoid unwanted grid situations, those with the least impact should be selected, with this impact being larger than just the technical view from Elia. Furthermore, by applying a fairly arbitrary technical efficiency criterion, some grid users might be impacted much frequently than others.
- **Impact on participation to markets:** Febeliec regrets that Elia does not seem to consider the possible impact of the flexible access on participation towards markets, including its own balancing markets. Febeliec is of the opinion that it should be possible to design a system that takes these into account, to avoid a.o. that grid users could not participate in markets out of fear to be exposed to penalties for not being able to deliver the requested services. Febeliec is at this point not yet pleading for a compensation mechanism, but not taking this element into account will have a negative impact on market participation from flexible assets as well as pricing as grid users would have to price in the possibility of penalties resulting from actions by Elia, outside their perimeter of control, and this for an unknown number of possible occurrences.

Febeliec represents corporate energy consumers in Belgium for whom energy is a significant component of production costs and a key factor of competitiveness. Febeliec strives for competitive prices for electricity and natural gas for its members, and for more security of energy supply in the context of the energy transition. Febeliec's members are 5 sector federations and more than 40 companies from various sectors (chemistry and life sciences, petroleum products, glass, pulp & paper and cardboard, mining, textiles and wood processing, brick, non-ferrous metals, steel, transportation, construction materials, data centers, telecommunications). Together they represent some 80% of industrial electricity and natural gas consumption in Belgium and 225.000 jobs (www.febеліec.be).