Strategische reserves

UG – WG Belgian Grid 28/1/2014





Overview

- Context
- Organization & next steps



Context: Plan Wathelet

The "Plan Wathelet" is a broad plan initiated by Secretary of State for Energy Wathelet with the aim of guaranteeing Belgian electricity security of supply in the (near) future.

As such, the "Plan Wathelet" consists of several elements: *(based on the government decision of 5 July 2013)*

- Reinforcement of the profitability of existing power plants and thereby avoiding their decommissioning
- > A public tender aiming for 800 MW of new gas-fired units
- > 10 year lifetime extension of the nuclear plant Tihange 1
- > Creation of strategic reserves
- Increasing interconnection capacity
- Improving demand side participation



From "Plan" to implementation of strategic reserves

• Government Decision of 16/12

How do strategic reserves look like?

(based on the information available on the public website of M. Wathelet)

- At the end of the year (by 15/11 at the latest) Elia analyses the situation and the risks for security of supply for the winter of the next year
- Based on this analysis, the administration will provide an advice
- Based on this advice, the Minister for Energy decides on the need and, if any, the size of strategic reserves
- Elia will then organize a tender for this strategic reserve
- Have to participate: all production units for which closure is announced + all production units which are temporarily shut down
- Can participate: demand side (large consumers, aggregators)
- CREG will control the contracted prices and approve the functioning rules for using the reserve in order to guarantee that the reserve won't negatively impact the market.



When can there be strategic reserves?

- First, the legal framework should be created.
- The government has initiated the necessary steps to amend the Electricity Law
- Second, the volume should be set.

 \rightarrow the Minister for Energy has to take a decision on the required volume for strategic reserves.

- ➔ The first winter with strategic reserves in place <u>might</u> already be winter 2014/2015
- ➔ Given the above possibility, Elia is proactively preparing the necessary steps

Task Force "Implementation Strategic Reserver" a

Goal:

- Inform about strategic reserves implementation track
- Consult on the specific items

Invited for the TF ISR (cf. TF balancing)

- Representatives from UG members
- Representatives from non-UG members with an interest in strategic reserves
- CREG
- Administration
- → The concerned parties are very recently informed by e-mail and requested to assign their representatives

The TF ISR will report on its activities to the plenary UG.

President: Emeline Spire

Secretary: Patrik Buijs

First TF ISR meeting: 17 February 2014, 16h-17h30

Agenda and exact schedule will be communicated on 10 February 2014, at the latest.