



Feedback from TF Balancing

Users' Group 28/03/2013



Key dates

- 11/01 TF Balancing
- 01/02 Elia-Tennet Stakeholders' workshop
- 01/03 TF Balancing
- 22/03 1st Expert Group meeting
- 27/03 1st training session
- 17/04 Next TF Balancing

Topics discussed

- Training sessions on Balancing
- Elia-Tennet study on XB Balancing
- Balancing publications
- Bid Ladder project
- Contractual model for participation of alternative resources in balancing and AS

Training Sessions on Balancing

Feedback from 1st training session 27/3



Objective

- Variety of stakeholders, multiple requests for better understanding
- Set- up standard multi-party training sessions (several times a year)
- Session “basics” is set-up; session “Expert” to come, depending on needs.
- Goal: understand current market mechanisms, underlying principles, roles and responsibilities; be able to participate in the product discussions

Agenda

- Morning session:
 - Elia introduction
 - Electricity market actors
 - Regulated perimeter
 - ARP – roles and responsibilities
 - Nominations
 - Imbalance pricing
 - IT - tools
- Afternoon session:
 - Reserve power (R1, R2, R3)
 - Free bids
 - Entso-e rules
 - Workgroup session/ Q&A

Practical details

- One full day
- 25 participants per session
- Price: 200€

- Next session planned on 12/6/2013

Elia-Tennet Study on XB Balancing

Feedback stakeholder workshop XB Tennet-Elia 1st Feb.



XB Balancing study

- Drivers:
 - Understand risks and opportunities for XB-balancing
 - Identify key requirement for the future European balancing market
 - Identify possible synergies BE-NL
- With DNV KEMA
- Starting with a qualitative phase (existing markets, implications of integration scenarios)

Stakeholders' workshop

- In-depth comparison of respective balancing market design /products in BE and NL presented.
- Stakeholders expressed very positive feedback on the work done.
- Key preliminary findings:
 - BE and NL share a similar market design in terms of general principles (reactive balancing, no replacement reserves)
 - However a closer analysis reveals important differences (e.g. product specifications, remuneration, use of products)
 - Further synergies require some substantial changes, e.g. to products, processes and principles for activation and remuneration, rules and regulation.
 - A gross assessment of the potential benefits, taking into account the size of balancing markets and cross-border constraints, needs to be performed.

Next steps

- Workshop slides are available on Elia website
- Full report of the first phase currently being completed
- Quantitative phase to be started Q2 2013

Balancing Publications

A priority for 2013



DGO Infeed publication: implementation project started

- Publication telemesures of Elia infeed of 406 posts on quasi real time (not per DGO)
- Go-live date October 2013

Solar Forecasting: publication on-line and of March 2013

- See previous presentation

Wind Forecasting: improvements foreseen

- Statistical learning
- Upgrade installed capacity
- Investigate intraday forecasting (~ solar forecasting)

Balancing data: improvements to be determined in consultation with stakeholders

- Intraday update of the published available reserves and bidding prices?
- B2B-connection for use of published data in internal processes
- System warnings in case of planned maintenance or problems on critical IT-applications (problems with ACE, imbalance prices,)
- Archiving of sent balancing warning messages
- SMS-service in case of incompressibility or very large system imbalance.
- Others?

Bid Ladder Project

Status of discussions



Contractual model

- How is flexibility offered onto the bid ladder platform?
- Larger issue; to be discussed also for the different AS

Congestion Management

- Goal: portfolio bidding, but balancing actions should take (TSO and potentially DSO) grid constraints into account
- Proposed design:
 - explicit portfolio bidding with locational information
 - locational information is used by Elia to filter activations (technico-eco merit order)
 - ex-post transparency on grid constraints
 - implementation of the bid ladder platform and upgrades of the grid model can be decoupled

Next discussion item

- Products
- Contractual implications, IT platform, roll-out

Short term workaround: Aggregated Power Plant

- Creation of a virtual power plant in CIPU framework composed of an aggregation of load and/or small injections of their perimeter.
 - ARP can offer aggregated flexibility to Elia
 - 1 volume & 1 price per QH per APP
 - Using existing CIPU tools/procedures/contracts
 - Prerequisites: CIPU contract, interface to Probid

Contractual model for participation to AS and balancing

Participation of load and alternative resources



Goal

- Extend participation in balancing and AS to new resources

	As is		To Be
Contractual framework	• CIPU contract		• TBD
Flexibility resources used for AS	• Centralized Production Units covered by a CIPU contract • TSO-grid users (ICH, R1 Load) or pools of GU		• Centralized Production Units • Decentralized production units • Load • TSO • DSO grid

Key questions

- Can BSPs be different from BRPs? For what products/ markets?
- Can BSPs have no contractual link with BRPs? For what products/ markets?

Various views around the table. Complex issues to solve.

Key points to be taken into account

- Central role of BRPs in energy markets
- Free bids (not reserved = residual flexibility from the energy market)
- Correction of BRP perimeter in case of activation? If BSP not BRP:
 - How to compensate BRP/ supplier for an energy supplied but not sold?
 - How to avoid impact on BRP if activation not provided

Current status

- Proceed with development of Bid Ladder, to allow at least all BRPs to offer flex.
- In //, develop a contractual framework with independent BSPs... with a distinction to be made between products with a large energy content and other products?

Contractual model for participation to AS and balancing

Participation of load and alternative resources



Two tracks (different approach could be needed)

- TSO-grid: Elia will work on a possible solution and report to TF
- DSO-Grid: creation of a specific working group of experts with BRPs, DSOs, DGUs, aggregators + CREG

Expert Group on participation of distributed resources

- Mission: examine overall contractual and implementation issues related to provision of AS/ balancing from DSO grid
- Deliverables: concrete design adaptations proposals for the short-term, recommendations for the longer-term
- Conclusions reported to TF Balancing
- 1st meeting 22/3
 - Lessons learned from experimentation with aggregator Restore
 - Elements to consider in order to diversify A.S. Resources
 - R3 from Distributed Energy Resources: proposed solution for 2014

=> New product to be proposed by Elia for 2014

- Designed in order to allow participation of DSO-grid resources in pre-contracted R3; extendibility to Elia-grid loads under investigation
- Inspired by experiment with aggregator Restore and lessons from it
- Capacity-only product without compensation of BRP perimeter
- 100% availability, with pre-defined # of activations, max activation duration, recovery periods
- Limited volume (~ 50MW), in competition with R3 production
- Involving DSOs in the pre-qualification process and data provision