

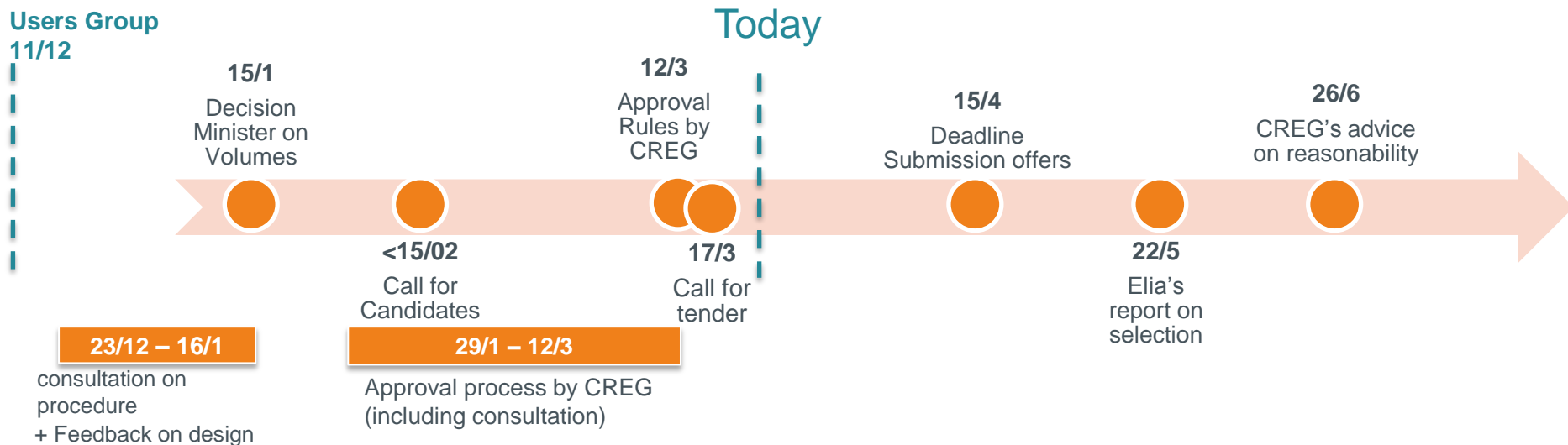
Strategic Reserve Status

Users' Group
March 19th 2015

Emeline Spire
TF ISR

Strategic reserves 2015-16

Main achievements between last user's group and today in a nutshell:



- The Minister instructed Elia to constitute Strategic Reserve on 15/1 for 2750 additional MW*
- The Procedure of constitution of the Strategic reserve for Winter 2015-16 was launched on 15/2.
 - after a 3 weeks consultation of stakeholders on the document which was published on 12/2
 - Documents for the call for tender were sent on 13/2
- Elia introduced a proposal of Functioning rules to CREG on 29/1
 - Based on feedback between taskforces as well as during public consultations
 - Taking into account last changes induced by decision minister and comments received on last task Force of 23/1
- CREG approved the Functioning rules of strategic reserve on 12/3
 - After public consultation and under some conditions
- Call for tender was launched on 17/3
- In // Final Functioning rules were published on Elia's website

Procedure of Constitution 2015-16

Main changes compared to 2014-15

□ Eligibility:

- SGR criteria didn't change as they are set by law
- SDR: introduction of 3 new „segments“:
 - ✓ **SDR DSO**: service is provided @ access points to the distribution grid
 - ✓ **SDR Submetering** : service is provided @ delivery point within the installations of GU connected to ELIA grid
 - ✓ **SDR CDS**: service is provided @ delivery point within a CDS connected to ELIA grid
- Clarification of principle described in law: small production units may not participate to SDR

□ Evolution of Certification process for SDR in order to better valorize flexibility:

- Foresees time for DSO calculations (NFS) and maximizes time for candidates within the legal deadlines
- Elia calculates the maximum power that can be contracted (Rref, and not anymore the candidate)
- Valorization of “useful” consumption even when lower than Rref
- Minimum Availability rate reduced from 85% to 80%

□ More combination possibilities between SDR and AS (ICH, R1load, R3DP)

- Final procedure takes into account remarks received during consultation.
- Notable remarks were on conditions applied on sub metering and CDS delivery points. Those led, after additional discussions with concerned parties to following actions:
 - Technical requirements for metering devices used for SDR submetering take into account industrial reality
 - Deadlines for providing proof of compliancy of metering devices as well as testing of communication were postponed in order to free up more time for candidates
 - Role of CDS operator and data transmission clarified for delivery points within a CDS

Functioning Rules 2015-16

Main changes compared to 2014-15

❖ Changes with the the logo “❖” were conditions from CREGs decision

❑ SDR product design

- Choice among DROP TO and DROP BY (f or SDR DSO only DROP By is proposed after agreement stakeholders)
- No correction of BRPs perimeter for 3 new segments (while current modus (neutralization) is maintained for existing SDR TSO segment)
- Baseline methodology developed in order to verify the activation of SDR for 3 new segments (for SDR TSO baseline = Nomination)
- Additional limit on the #hours of activations : max 60h per sliding window of 30 days
- ❖ NFS results will be taken into account in certification/settlement

❑ SGR product Design:

- Starting-up characteristics (warm up/ramp up) take into account diversity of power plants
- 1 year (on 2015-16) **or** 2 year contracts depending on selection:
 - 1year: 699 hours/131 activations
 - ❖ 2yrs: 1194 hours/229 activations
- Introduction of Concept of warm/cold start up with different characteristics and costs
- ❖ For SGR: obligation to make 2 offers for the “entire capacity “ of the Power Plant: one for 2015-16 and one for 2015-17
- ❖ Introduction of a minimum down time period between two consecutive activations if technically motivated

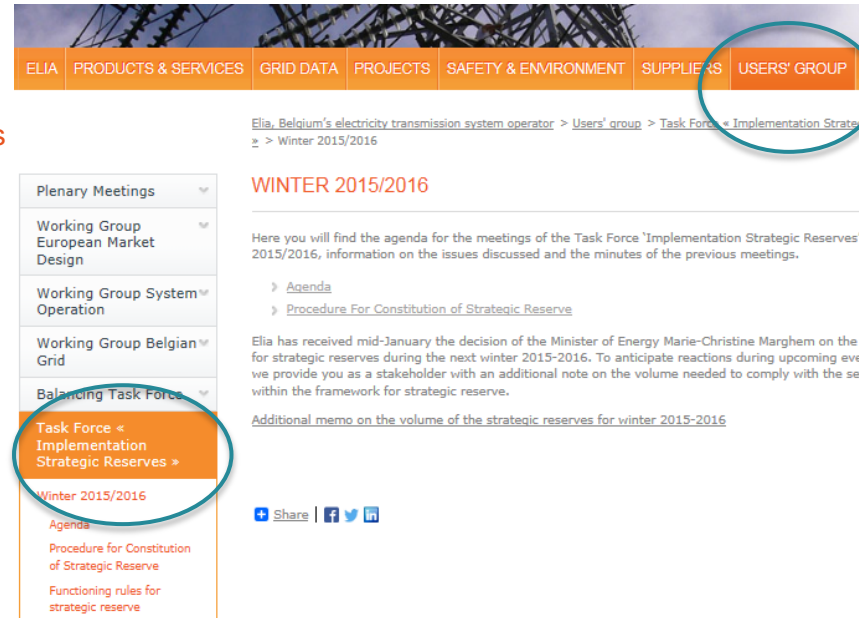
❑ Tender Design: Selection of offers

- Total Cost (based on reservation & activation prices) will differ depending on final decision on volumes(30/6)
 - 20 activations/130 hours if Volume \geq 1500MW
 - 4 activations/13 hours if volume $<$ 1500MW

❑ Market design:

- ❖ Elia will proceed at least to one activation per contract per Winter period: test or real
- The window during which the 4500€/MWh could be triggered is reduced in order not to take into account (variable) ramp-up delays

Available documents



Following useful documents can be consulted on

www.elia.be > [usersgroup](#) > [Task Force Implementation Strategic Reserves](#)
> [Winter 2015/2016](#)

Information over Task Forces

- Presentations
- Minutes of meeting

Procedure of Constitution

- Final Document
- Reactions received (in on confidential) during consultation
- Summary of all reactions and Elia's answers/actions
- Technical requirements for submetering and CDS delivery points
- SDR Certification guidelines and Tool

Functioning Rules

- Final Document that takes into account CREG's approval conditions
- Original Document sent to CREG

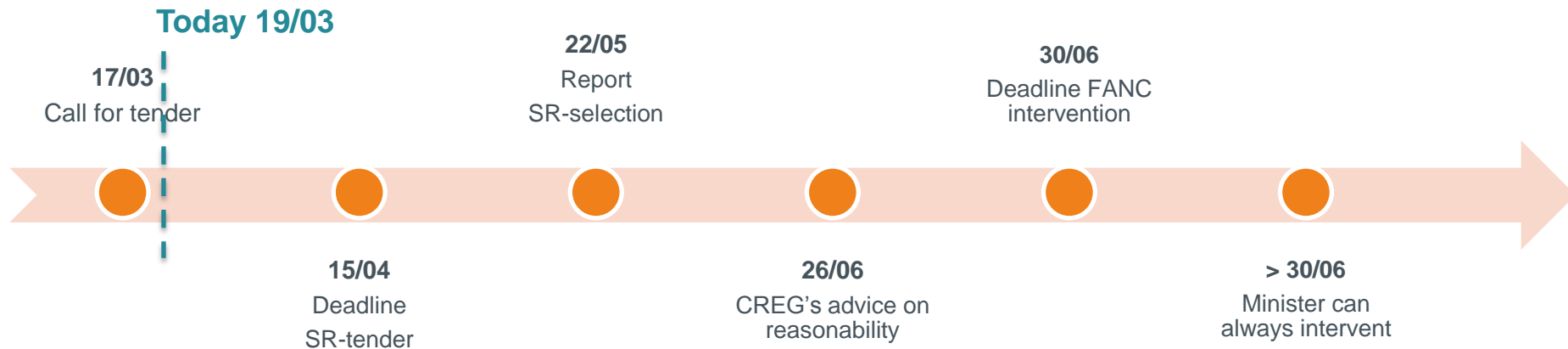
Additional memo on the volume of the strategic reserves for winter 2015-2016

Moreover, accepted candidates received following documents for the tendering:

- Bidding instructions & Bidding Sheet
- Contract templates & General Terms for SR
- Check list of all necessary and useful documents to fulfill (Technical requirements for submetering, CDS operator declaration, certification guidelines)
- Note: [If sufficient interest an information session for SDR candidates will be organized on 25/3/215.](#)

Strategic reserves 2015-16

After the tendering process



- Application file: admission to tender granted Friday 13/03
- Functioning Rules published on Elia.be website Monday 16/03 20h
- Call of Tender contract data, bidding sheets/instructions & sub-metering offer provided to candidates Tue 17/03
- Call of Tender closure by Wednesday 15/04 18h CET
- Until Tuesday 30/06 24h FANC can announce return of one or more nuclear productions to Belgian zone; in that case Minister might adapt SR volume;
- For 6 scenario pre-defined with FOD we will provide 22/05 SR offer selections to CREG