



Feedback from TF Balancing

Users' Group 26/09/2013



Meetings since last UG

- 24/6 Expert WG
- 27/6 TF Balancing
- 23/9 TF Balancing

Main topics discussed

- Update today
 - Tendering Ancillary Services 2014
 - Short-term sourcing
 - R3 Dynamic Profile
 - I-GCC
 - Balancing publications
 - Bid Ladder
 - Pilot Project BE-NL for XB Balancing
- Specific presentation today
 - ARP contract
 - Report on conditions for balance of the Belgian control zone
- Other
 - NC Balancing

- CREG approved Rx Volumes 2014 (26/06/2013) and Balancing Rules 2014 (4/7/2013).
- 2/9/2013 Elia report to CREG and Minister on offers received => Volumes OK
- 11/9/2013 CREG report assessing the reasonability of selected offers => OK

=> No Royal Decree needed

- Short Term Volumes for R1 & R2 can be confirmed, the only remaining variable that could still influence (according to our estimations max ± 1 -2MW) is the confirmation of entso-e about the 81MW of primary control required by BE.
 - **2014, Short Term, R1 Symmetrical 100mHz = 26,5MW**
 - **2014, Short Term, R2 Short Term = 20MW**
 - This represents 28% of total R1_{100mHz} and R2 volumes (within 20-30% range)
 - In order to make this a success it's critical that all resources (including those not running for provision of reserves) technically able to provide R1_{100mHz} and R2 Up or Down offer their available capacity on the short term market!

Short Term Sourcing

=> Short Term Auction of Reserves R1 R2 – Key messages



Market actors:

- ❖ Feedback on slides 23/9 and proposals are more than welcome

Elia < 11/2013:

- ❖ IT development & business testing of Rx auction platform & solver
- ❖ Tendering Calendar proposition
- ❖ Training sessions on functional use of STAR + follow-up in future TF's Balancing
- ❖ Website publications of contracted volumes per Rx type and average prices

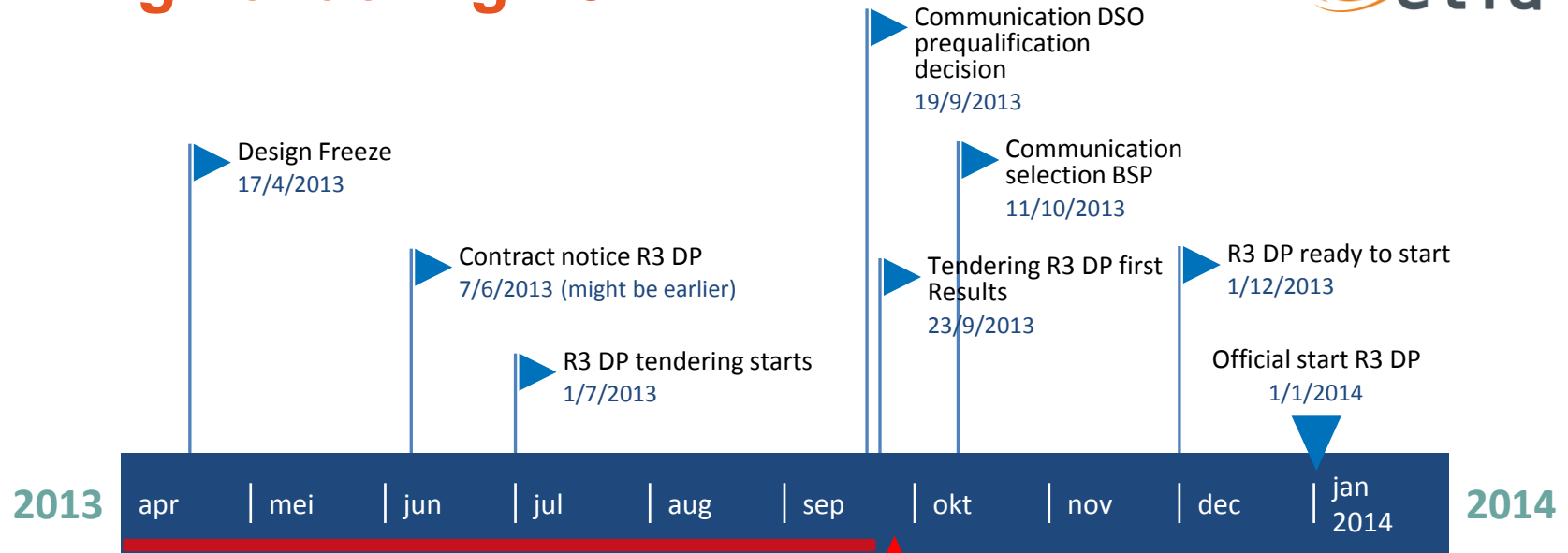
Elia & Market actors <10/12/2013:

- ❖ B2C testing of Rx auction platform in a training session
- ❖ Doodle request will be sent out asap
- ❖ Availability will be necessary between end of November – start of December

Attention Suppliers: first operational use envisioned for 10/12/2013:

- ☐ First GCT1 = 12hrs, Tuesday 10 December (timing tb adapted based on feedback)
- ☐ First GCT2 = 12hrs, Thursday 12 December (idem)
- ☐ First Delivery Period = 0hrs 1st January until 0hrs 1st February

Timing Tendering R3 DP



Today

Drafting of contracts 17/4/2013 — 30/5/2013

Finalization contract — 17/5/2013 — 30/6/2013

Tendering procedure — 1/7/2013 — 22/9/2013

Prequalification by DSO — 7/6/2013 — 19/9/2013

Selection of BSP — 23/9/2013 — 11/10/2013

Signing of contracts + implementation — 28/10/2013 — 30/11/2013

Testing period — 1/12/2013 — 31/12/2013

- Starts at contract notice;
- BSP must submit EAN's to DSO with required information before Aug 19th at the latest;
- From May 15th to Aug 19th, BSP can ask for "preliminary advise" from DSO for certain EAN;
- DSO communicates the officially validated EAN by Sep 19th

This is minimum time Elia & BSP need for adapting IT-tools, Installation of communication lines, ...

Contracting of R3 DP still depends on several prerequisites

- Adjustments ARP contract:
 - Approval by all 4 regulators (beginning of December)
- DSO – BSP contract:
 - Approval by regional regulators
 - Signature by all selected BSPs
- Opinion CREG on R3 DP selection
- Final R1 ENTSO-E volume (end of October): some of the R3-DP offers depend on possible selection for R1 Load



Elia targets to announce the selection mid-October, subject to those conditions, in order to be able to start technical and administrative preparation (incl. tests).

However, signature of the R3DP contracts remains subject to all above prerequisites, which must be fulfilled by early December.

We urge all concerned parties to maintain their efforts to reach this result.

Launch of a new optimization tool which allows a more optimal use of cross-border capacities (increase iGCC potential).

- Current optimization tool:
 - Germany functions as a HUB.
 - The first 300MW of the border capacity for iGCC on the border NL-GER is for TenneT NL, the rest for Elia.

- Future optimization tool:
 - No HUB anymore, all borders / TSO's will be taken into account
 - Direct exchanges between Elia and TenneT NL possible
 - Pro rata split of the border capacity based on the demand.

When: Go-live planned 09 October 2013

Pilot project 7: Cross border exchange of balancing energy from (both automatic and manual) FRR; liquid reactive balancing markets as an objective



Elia
TenneT TSO B.V.

How will this project contribute to the intermediate/final target model?

1. Study to assess the feasibility and added value of the target model; exchange of aFRR and mFRR between 2 different bidding zones
2. Harmonisation of balancing products and settlement procedure.
3. Adequate balancing market design reducing balancing needs and fostering liquid ID markets.

9