



Bonn, Brussels, Den Haag, Luxembourg, Paris, 4 December 2014

CWE public consultation on the *ad hoc* and transitory adaptation of the capacity calculation in the CWE region to ease the Belgian electrical system during the winter 2014/2015

Context

The balance between generation and demand during the coming winter in Belgium can become challenging as was expressed by the Belgian TSO, Elia. This is linked to the outage of three nuclear power plants (Doel 3, Tihange 2 and Doel 4), whose availability in the next months is uncertain.

In this context, Elia, together with the Belgian regulator and the government, has established a rolling load-shedding process to ensure that a problem in this country does not proliferate to Europe as a whole.

Nevertheless, to avoid load-shedding as much as possible and make grid operations more reliable, ELIA, RTE and TenneT TSO B.V. (TenneT), in coordination with the German TSOs have developed an *ad hoc* evolution of the current CWE coordinated capacity calculation, and, consistently, of the relevant national methodologies. This evolution consists of a special procedure that authorizes to deviate from the current ATC capacity calculation rules only if:

- Elia requires more import in order to avoid load-shedding;
- it is considered secure for the other CWE TSOs to increase the capacity towards Belgium; and
- only for this winter until 31 March 2015.

CWE NRAs expect that a new capacity calculation and allocation method, addressing current and future CWE adequacy issues, namely Flow-Based Market Coupling, is available next winter. It is foreseen to be implemented in the CWE-region in Spring 2015.

The special procedure proposed by TSOs for this winter is described in the document they prepared, which is annexed to this consultation paper, and which constitutes a common basis for NRA endorsement and / or approval of this *ad hoc* change of the capacity calculation methodology.

In addition to this description, RTE has submitted to CRE an adaptation of the “*méthodologie de calcul des capacités d’échanges transfrontaliers aux frontières françaises*”, Elia has also submitted a proposal for adaptation of the capacity calculation method to CREG. These proposals are referred to at the end of this document. At the same time, TenneT has asked ACM for support.

NRA-led Public Consultation process

Because the need for Belgium is short-term (beginning of December 2014), NRAs are committed to find a quick solution for this issue. They nevertheless want to consult the market about this new procedure, which authorizes TSOs to deviate from the current ATC CWE capacity calculation rules. Although the number of expected cases is rather low, the procedure may have a significant impact on the markets and on prices. To meet these two needs, NRAs have organized this consultation at very short notice and only for a very short period.

CWE NRAs would like to invite interested market participants to answer the following questions, and send their answers by email to the following e-mail address CWEconsultation@acm.nl, no later than Wednesday 10/12/2014 at 8:30 am. Please feel free to base your answer on the common paper of TSOs and on the adaptations of the nationally reviewed documentations of TSOs.

CWE NRAs will consider your answers to be non-confidential, unless you have explicitly indicated that your identity or your answers (or parts thereof) are to be kept confidential. A synthesis of the answers will eventually be made available by CWE NRAs.

Questions to be answered by interested parties

- 1) Do you consider this capacity calculation evolution is adapted to answer the basic requirements, which are:
 - a) allowing as little load-shedding as possible in Belgium;
 - b) an adequate supply from surrounding countries; and
 - c) good market operations?
- 2) Do you consider that, given the special circumstances, this possible deviation from the ATC methodology for non-market-driven purposes, is an acceptable evolution for this winter?
- 3) What additional measures do you think are necessary in order to reduce as much as possible the impact of the special procedure proposed by TSOs for this winter on the market?
- 4) Do you consider this evolution to be balanced knowing that it is to be applied only in case the security of supply situation is very difficult on the Belgian system (assessed by Elia), and if it is secure for other TSOs to deviate from their standard rules (assessed by RTE and/or TenneT)?
- 5) Do you consider the situations for Elia to trigger this methodology are sufficiently precise and well-described?
- 6) Do you consider the criteria for RTE and/or TenneT to assess whether or not they can accept the adequacy flag required by Elia are clear and transparent enough?
- 7) Do you consider that TSOs need to put in place additional special communications towards the market to make public as soon as possible that the special procedure has been triggered? At which step would you prefer a communication of the TSOs on the activation of special measures: when an adequacy flag is triggered; when it is accepted by other TSOs; or when an NTC reduction is undone if Elia cancels its adequacy flag?
- 8) Do you have any further comments?

Please note that CREG is holding, at the same time, a formal consultation on its draft decision.

Related documentation

- common explanatory note from Elia, Rte and TenneT on exceptional TSO collaboration measures being currently agreed upon between the CWE-TSO's for the winter period 2014-2015', which can be found on each NRAs website.
- Méthodologie de calcul des capacités d'échanges transfrontaliers aux frontières françaises www.cre.fr
- CREG formal public consultation, including the proposal from Elia.