

### 3<sup>rd</sup> ACER DSF Expert Group Meeting

10 November 2021 from 09:30 to 16:30

Virtual meeting

Represented institutions	Remarks
ACER / Athina Tellidou, Guro Grøtterud	Chair
E-CONTROL (Austria) Stefan Vogel	Chair
CREG (Belgium) Marijn Maenhoudt	Project team
CRU (Ireland) Adam Fitzpatrick	Project team
CRE (France) Cyprien Videlaïne, Juliette Leboda	Project team
ACM (Netherlands) Timon Dubbeling	Project Team
ARERA / Stefano Rossi	Project Team
BNETZA (Germany) Simon Behrens	Project Team
EI (Sweden) David Fried	Project Team
Enel / Daniel Davi Arderius	Expert
University of Ljubljana / Edin Lakic	Expert
PGE Dystrybucja / Ewa Mataczynska	Expert
DNV / Hans de Heer	Expert
Comillas Pontifical University / Jose Pablo Chaves Avila	Expert
PSE / Robert Kielak	Expert
Elia / Anna Tsiokanos	Expert
Digital4grids / Laurent Schmitt	Expert
Enel X / Paul Troughton	Expert
EDF / Yannick Phulpin	Expert
European Commission / Sabine Chrome, Mathilde Lallemand Dupuy	Observer
EU DSO / Torsten Knop, Paul de Wit, Carolina Vereda	Observer
ENTSO-E / Olivia Alonso Garcia, George Trienekens, Victor Charbonnier	Observer

## **1. OPENING**

ACER welcomed the participants and presented the agenda, which was approved, and the housekeeping rules. The minutes from the last meeting were approved.

## **2. EXPERT PRESENTATIONS**

Nine Experts gave short presentations about their inputs and experience, with focus on their views on needed changes and additions in the European framework in order to enable the development of DSF.

The discussions included the following topics:

- The need to avoid unnecessary burdens for consumers to participate in DSF. Too heavy/lengthy/costly requirements, such as prequalification and testing, may be a dealbreaker.
- Consequences of being a Significant Grid User (SGU) and to which extent SGU requirements are appropriate for DSF. It appears that some requirements may be too heavy for smaller assets, so that their application may need to be investigated in detail in order to avoid unnecessarily heavy requirements (dealbreaker).
- Harmonisation of DSO management of physical constraints although TSO management of physical constraints is not harmonised: as DSO active grid management is less developed today, this may be an opportunity to harmonise to a wider extent.
- Harmonisation of models for independent aggregator for low voltage customers: although some harmonisation may be desirable, experience shows that this is a difficult issue, especially as concerns submetering.
- Lack of terminology and regulations for mitigating local network problems
- Lack of a model for flexibility markets
- Prequalification, baselining and products: prequalification and baselining methodology should have the same scope (European, national, local) as the product definitions.
- The high diversity of DSO grids and needs, and the complexity of processes and products make it difficult to frame and offer flexibility.
- The local character of markets makes long term visibility difficult
- Interrelation between voltage levels may be a bigger challenge than SO cooperation.
- Pros and cons, among these gaming possibilities, with different timelines of flexibility markets combined with existing markets.

Due to time constraints, ACER suggested to open also for written questions to the presentations.

## **3. TOPIC MAPPING**

ACER presented an updated mapping of topics that may be covered by the DSF FG, based on the legal starting point.

It was suggested to add implicit DSF, tariff design and submetering to the potential topics.

## **4. MEASURING, VALIDATION, SETTLEMENT, BASELINE METHODOLOGY**

ACER introduced the topic.

The experts discussed the use of submeters. The use of submeters at residential level may be detrimental to their participation in flexibility services. The technology is available, however

it should not be decided on European level whether submetering should be allowed or not, rather the (potential) use should be framed and defined. It was also discussed who should collect and validate data from submeters – should aggregators be trusted to measure their own product?

It was further discussed whether baselining could be avoided. Views were to some extent diverging, however several experts considered that for explicit products, baselining is necessary. However, these are based on counterfactuals, and may therefore be difficult to establish, in particular for products that are activated regularly. For bigger entities the forward commitment may be used for a baseline, however this seems not applicable for smaller entities, for which such a requirement may be a dealbreaker.

As concerns the development of baseline methodologies, the TSO/DSO could be in charge, potentially also the NRA. The perimeter should be the same as the product: national baseline for national products etc. However, on European level, some guiding principles and sharing of best practices could be useful.

## **5. AGGREGATION**

ACER introduced the topic.

The experts considered portfolio management to be a topic that needs to be solved – portfolio changes should not necessitate a new prequalification process.

As concerns aggregation, it is necessary to differentiate markets. Different markets/products may need different requirements for aggregation, or for disaggregation (like for local congestion management).

The experts also discussed the capability of aggregators to actually provide services, as one expert considered that choosing within a large portfolio you can always find the desired behaviour to justify that a product has been delivered. Others considered that aggregators are fully able to deliver complex products – the question is rather to identify barriers to such delivery.

As concerns European harmonisation on aggregation, the national freedom of choosing the model is a strong one. However, some harmonisation may be required, also in order to enable delivery of appropriate technology to a common market (example of EV manufacturer).

## **6. CONGESTION MANAGEMENT**

The NRA chair introduced the topic.

Several experts considered local congestion management to be a topic of cross border relevance. Congestion on the transmission grid is subject to cost sharing. As concerns local congestion management at distribution level, this will be more efficient with more competition between flexibility service providers. Suboptimal congestion management on local level may also impact available cross-border capacities.

A European framework should help streamlining processes and principles, whereas each TSO could have their own platforms and processes and specific rules where necessary. Full harmonisation is not necessary, but low-hanging fruits could be information exchange and standardised interfaces in order to facilitate the access for flexibility services providers.

## **7. BALANCING**

The NRA chair introduced the topic.

Frequency containment reserve is an attractive product for flexibility service providers. However, requirement for symmetric products is a barrier for their participation. The potential could be unlocked by making products asymmetric.

## **8. CONCLUSIONS/AOB**

### **8.1 AOB**

Nothing under AoB.

### **8.2 Next meetings**

Next EG 3 December.