

MARI-iCAROS: Info Session

Activation price formula

23/04/2024



Redispatching (RD) activation price formula – Requirements from SA contract

- Template in Annex 1.C of the SA contract is to be filled for each Operating Mode
- The template includes the components impacting the activation price

Annex 1 activation price formula											
Technical Facility name:											
Operating Mode 1	Operating Mode Name:	Operating Mode EAN		Formula(s)				Comments on formula			
	Components impacting the activation price:										
	Name	Unit	Comment								

As a reminder, the components of the activation price formula should respect the following principles:

- The price is **reasonable**
 - ➔ the costs reflect an additional cost or loss of revenue that cannot be recovered or remunerated elsewhere, based on available information at the moment of the submission.
- The price is **demonstrable**
 - ➔ the Party charging the cost must be able to justify the amount by supporting information of a reliable source (invoices, price offers of a contractor, reference prices, ...), which must be kept at disposal for the CREG and for ELIA.
- The price is **directly related to the request**
 - ➔ the cost would not have been incurred if the request for activation had not taken place.

Activation price formula – Non exhaustive list of components



Accepted components	Not accepted components
Fuel costs	Loss of opportunity related to e.g. no volumes sold on ID/balancing market
CO2 related costs	Investment costs (for developing tools, for enabling the provision of the service etc)
Loss of subventions (e.g. green certificates)	Costs related to risk-taken e.g. integrating possible penalties for non-delivery
Start-up/shut-down costs (for specific relevant situations)	
Impact on industrial processes directly related to the activated Operating Mode	
The costs to restore the state of charge change due to the activation, in case a Technical Facility with limited energy reservoir was used for the activation	
Operational costs (impact on life cycle, additional maintenance etc)	

- For each cost, the proportionality to the RD Power and the unit cost are defined by supporting information of a reliable source (invoices, contracts, reference prices, ...)
- Components in the formula is either possible to compute based on data accessible to Elia (such as reference prices) or is indicated as an explicit amount in €/MWh

Activation price formula – Provision process

- Annex 1. C including the components of the price formula is to be filled and provided to Elia
- **Questions** related to the integration of some components in the formula can be addressed to **your KAM energy**
- As indicated in the contract, a **revision** of the (components of the) formula can be **requested by the regulator**

- ▲ II.3.10 Per Operating Mode related to the list of Delivery Points, the SA and ELIA agree on the activation price formula, which is cost based pursuant to Annex 6, based on the template in Annex 1.C.
- II.3.11 Elia can, in agreement with the CREG, impose a revision of the activation price formula, mentioned in Annex 1.C. |

Thank you.

