



Grid Reserve Tender – Questions of Market Participants

In order to enable a transparent information exchange, APG anonymizes and publishes all received question regarding the grid reserve. The answers to some questions might need alignment with the regulatory authority. Therefore, it might take some time to answer the questions.

The list of questions below may be used for fast navigation.

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Question 1:

How can the tolerance range of one month in a seasonal grid reserve contract be interpreted?
Can the exact period for the availability in the grid reserve be decided at short notice during the contract, or does the decommissioning notification already have to cover the exact period?

Answer:

At the time of the notification of a temporary seasonal decommissioning, it is not necessary to specify the exact period. However, the reported period must relate to the timeframe specified in § 7 para.1 Z 66b ElWOG 2010. The point in time by which the notification of the exact period is required will be announced by APG at the latest when the conditions for the tender process of the grid reserve are published.

Complement:

If the exact period is already known at the time the decommissioning is reported, it can already be stated in the comment field of the form.

Question 2:

Is a supervisory board resolution required for the binding decommissioning notification?

Answer:

According to § 23a para. 1 ElWOG 2010, a decommissioning notifications must be binding. The requirements for a binding notification result from the internal relationship of the company operating the power plant, according to the explanations on the EAG (Austrian law on RES, German only).

Question 3:

Is there a form for the decommissioning notifications?

Answer:

In order to inform APG of the planned decommissioning, the attached form under the page decommissioning notifications must be used.

Question 4:

Is it possible to make a revision of the power plant during a seasonal network reserve contract?
How is the remuneration for the network reserve during the revision structured?

Answer:

A revision is also possible within the framework of seasonal network reserve contracts. A reduction of the remuneration is not intended as long as the revisions are reported to APG during the offer phase (second phase) of the tender.

Question 5:

Will the existing EPM contracts (for the remuneration of the activations) remain or will they be redesigned?

Answer:

If there are existing EPM contracts between APG and the providers, they will continue to be valid. Necessary adaptations to the existing EPM contracts are regulated in the case of contracting for the network reserve. These adaptations will be in the general conditions for the network reserve. If there is no EPM contract yet, this must be concluded before the start of the delivery period.

Question 6:

Can the participation in the network reserve be suspended on a monthly basis (see drop-out regulation at EPV)?

Answer:

A drop-out regulation is not foreseen according to the new legal basis on the network reserve.

Question 7:

In the opinion of APG, do hydropower plants also fall under the reporting obligation (according to § 23a ElWOG 2010)?

Answer:

In § 23a ElWOG 2010 no distinction is made between different power plant technologies. In this context, reference can be made to Section 7, Paragraph 1, Item 20 in conjunction with Item 38, Item 39 ElWOG 2010. The decommissioning of hydropower plants with a output of more than 20 MW must therefore also be notified in a binding manner.

Question 8:

In the opinion of APG, to which date does the obligation to submit a decommissioning notification apply?

Answer:

Since the analysis of the demand for the grid reserve is an annually process, the decommissioning notification must relate at least to a period of one year. Longer temporary decommissioning periods can also be reported. Decommissioning periods longer than two years have no effect on the tendering of the grid reserve, as the contracts may be concluded for a maximum of two years.

Question 9:

Is the decommissioning notification also an obligation to report the decommissioning as unavailability in accordance with REMIT?

Answer:

The mandatory notification of decommissioning in accordance with Section 23a para. 1 ElWOG must be viewed separately from those in accordance with REMIT. According to Regulation (EU) 543/2013 Art. 15 Paragraph 1.a, planned unavailability of generating units with at least 100MW must also be reported to ENTSO-E. The report is made via the provider selected for the publication of market data (e.g. EEX).

Question 10:

From APG's point of view, do longer downtimes or unavailability, e.g. resulting from maintenance measures, renovations, extensions, new buildings or revitalization, fall under the term "overhaul" or under "temporary decommissioning"?

Answer:

Temporary decommissioning denotes, according to Section 7 Para. 1 Item 66c ElWOG, "provisional measures with the exception of overhauls and technical malfunctions, which mean that the generating plant is no longer ready to start within 72 hours, but can be made operational again. The plant does not shut down completely".

From APG's point of view, non-availabilities resulting from e.g. maintenance measures of a power plant are overhauls. Longer periods of non-availability (at least > 3 months) for technical reasons such as renovations, extensions, new buildings or revitalization must be reported as temporary decommissioning.

In addition, unavailability in which the power plant owner decides to temporarily stop operating the power plant for other technical, legal or economic reasons must also be reported as temporary decommissioning.



Question 11:

Is there a distinction between summer and winter demand? How is the breakdown between yearly and seasonal contracts?

Answer:

The maximum grid reserve demand and the relevant products are published in accordance with 23b (2) 1 ElWOG 2010 in the call for expressions of interest. The total contracted grid reserve capacity for the summer and the winter of the first year of the period under consideration is published within reasonable time, pursuant to chapter 9 in the Tender Documents (Attachment II).

Question 12:

Is an offer possible for each unit and also for each location (several units combined)?

Answer:

In the submission of the offer, several units can be combined to form a combination offer, provided that individual offers are also made for the units. Further information on this is published in the tender documents (Chapter 5).

Question 13:

If APG requests an activation test, does APG also pay the costs?

Answer:

The costs of an activation test initiated by APG are borne by APG.

Question 14:

Does a corona-related postponement of a maintenance due to state rules represent a case of force majeure?

Answer:

The answer to this question must of course be tailored to the individual case; In principle, official orders and disruptions which the contractual partner cannot prevent are listed as force majeure in the contractual conditions. In cases of force majeure, the relevant contractual obligations on both sides are suspended.

Question 15:

Can revisions that fall within the contract period (in the case of a seasonal grid reserve contract) lead to a "disadvantage" in the tendering process? When is the revision scheduling carried out?

Answer:

In the tendering process, the planned revisions are also taken into account in the evaluation of the offers. Further information on this is published in the tender documents (Chapter 7).

Additional detailed information about the evaluation of the revisions (including examples) in the tendering process will be published before the start of the offer phase.

Note: In accordance with the General Terms and Conditions (Chapter 13), the unit must be kept available for EPM activations outside of the revision times. This means that other unavailability (e.g. due to official requirements, restrictions of the connection network operator) is subsumed under revisions and must be announced in the offer phase.

In the tendering process, the planned revisions as well as the possibility of postponing the revisions must be announced. The final coordination of the exact revision periods will take place after the tendering process.

Question 16:

Are there any obligations outside of the contract period (in the case of a seasonal grid reserve contract)? Such as, for example, "increased availability" or revision dates to be coordinated outside the contract period?

Answer:

In the case of seasonal network reserve contracts, increased availability applies in the tolerance months (see tender documents, Chapter 4.2c).

Outside the contract period (e.g. in the winter months), the availability must be guaranteed for producers > 20MW, provided that no decommissioning according to §23a Paragraph 1 ElWOG 2010 has been announced.

In addition, the revisions must be coordinated with APG.

Question 17:

In the event of a decommissioning of a unit, does this result in obligations such as a binding "lead time for any recommissioning during the decommissioning period"?

Answer:

In the case of temporary or temporary seasonal decommissioning, restarting of the unit must be guaranteed until the end of the indicated decommissioning period.

Question 18:

Do you already have a specific idea of the point in time by which the notification of the exact period of the decommissioning is required? Is it possible to adapt to meteorological conditions as promptly as possible?

Is the tolerance range of one month upwards and downwards to be understood in such a way that both the decommissioning and commissioning time can be shifted one month forwards or backwards and by when the final determination of the temporary decommissioning must be reported?

Answer:

The final notification of the exact period of temporary seasonal decommissioning or tolerance months must be made no later than 2 weeks before the start of the respective tolerance month. It should therefore be possible to take into account the meteorological conditions. Further information on this is published in the tender documents (Chapter 4).

This can be used to shorten the duration of the grid reserve at the beginning or at the end of the period. However, an interruption of the grid reserve period is not permitted.

Question 19:

How is the participation from providers from abroad guaranteed?

Answer:

The conditions of participation for foreign providers are published in the tender documents (Chapter 3 and Chapter 7.3).

Question 20:

Are revisions taken into account in the selection process? If yes how?

Answer:

In the tendering process, the planned revisions are also taken into account in the evaluation of the offers. Further information on this is published in the tender documents (Chapter 7).

Additional detailed information about the evaluation of the revisions (including examples) in the tendering process will be published before the start of the offer phase.

Note: In accordance with the General Terms and Conditions (Chapter 13), the unit must be kept available for EPM activations outside of the revision times. This means that other unavailability (e.g. due to official requirements, restrictions of the connection network operator) is subsumed under revisions and must be announced in the offer phase.



Question 21:

Is the remuneration also paid during revisions / repair downtimes / test operation?

Answer:

The remuneration is also paid during the revisions / repair downtime / test operation, provided that this was announced at the start of the offer phase. Further information on this is published in the General Terms and Conditions (Chapter 13).

Question 22:

When is the coordination of the revisions carried out in the course? Answer:

In the tendering process, the planned revisions as well as the possibility of postponing the revisions are queried. The final coordination of the exact revision periods will take place after the tendering process.

Question 23:

Are changes planned regarding the specifications for the calculation of the EPM activations? If yes, which?

Answer:

The offer of a specific EPM activations may still only contain the specific variable costs. Costs related to the availability (grid reserve) may not be offset in the course of the EPM activation. Further information on this is published in the general terms and conditions (Chapter 5).

Question 24:

In your opinion, what is the point in time when we know for sure that we have been contracted?

Answer:

The second phase of the tendering process is expected to be completed by the end of May with the selection of offers. According to §23b (6) ElWOG 2010, however, a contract is only possible after approval of the selection by the regulatory authority (statutory period of max. 8 weeks).

Question 25:

What does "ability and capability" no longer mean in practice?

Answer:

With the conclusion of a network reserve contract, the system operator undertakes to keep the system available for EPM calls (with the exception of reported revisions and force majeure).



Corresponding regulations can be found in the published General Terms and Conditions (Chapter 10 and Chapter 13).

Question 26:

Do consumption units have to use their grid reserve capacity the whole year?

Answer:

During the contract duration, consumption units must permanently obtain at least the offered grid reserve capacity (with the exception of the reported maintenance periods). Further information on this is published in the tender documents (Section 3.5).

Question 27:

Is for the ranking of the offers a price per day calculated?

Answer:

More detailed information on the selection process and the evaluation of the offers are published in the tender documents (Chapter 7). Additional detailed information about the evaluation (including examples) will be published before the start of the offer phase.

Question 28:

Contractual penalty: is there a tolerance threshold? How is the penalty exactly defined? E.g. max. 1 monthly salary per year or per month?

Answer:

The penalty in the amount of the monthly fee must be provided for each individual case, i.e. for each activation, which was not fulfilled (see General Terms and Conditions, Chapter 8). A tolerance threshold is not provided.

Question 29:

Is there a more precise definition for "unavailability"? It can be possible that techn. or environmental conditions lead to performance restrictions ...

Answer:

In accordance with the tender documents and General Terms and Conditions, maintenance is a planned or unplanned unavailability of the unit for maintenance and to fix defects to assure availability for the purpose of participating in the grid reserve. Unavailability resulting from work on the connecting grid is not considered maintenance. If their effect on the availability of the grid reserve unit is the same, planned unavailability caused by work on the connecting grid is generally handled like maintenance and the regulations for general maintenance of the unit will be applied,



unless the circumstances of the individual case give reason to decide otherwise. (Chapter 2.g and 2.n general terms and conditions; chapter 5.6 tender documents) The system must be kept available for EPM activations outside of the revision periods. Unavailability caused by work on the connecting grid could be handled like maintenance and must therefore be announced during the offer phase.

Unavailability due to force majeure is regulated in the General Terms and Conditions (Chapter 10).

Question 30:

Is a bonus / malus system being considered for the duration of the revisions?

Answer:

If the reported revision period is exceeded, only a malus system is provided. Further information on this is published in the General Terms and Conditions (Chapter 13).

Question 31:

Is it planned to take into account limits for the contractual penalties for the unavailability? (e.g. brief unavailability of a few hours).

Answer:

The penalty in the amount of the monthly fee is provided for each individual case, i.e. for each activation that was not fulfilled (see General Terms and Conditions, Chapter 8). A tolerance threshold is not provided.

Question 32:

Do combination offers also apply to units that are offered in different phases?

Answer:

A provider can combine several units classified as suitable and submit an additional combination offer for them. In principle, this also applies to a combination of offers over different product periods. In any case, a separate offer must be submitted for each individual system or each individual product period.

Question 33:

Does this mean that there are different reference values for summer and winter? If YES, what is the planned procedure if an offer is above the reference value only in one period?



Answer:

A product-independent reference value is calculated as part of the tender. Further information on this is published in the tender documents (Chapter 6).

Question 34:

The decision to shorten the network reserve does not correspond to a possibility of prompt adaptation to meteorological conditions - there is no valid weather forecast 1 month in advance! A maximum of a 2 week forecast - can that be shortened to 2 weeks?

Answer:

The final notification of the exact period of temporary seasonal decommissioning or tolerance months must be made no later than 2 weeks before the start of the respective tolerance month. It should therefore be possible to take into account the meteorological conditions. Further information on this is published in the tender documents (Chapter 4). This message can be used to shorten the period at the beginning or at the end of the grid reserve period. However, an interruption of the grid reserve period is not permitted.

Question 35:

If damage occurs during the term of the contract, no remuneration will be paid for the downtime - is that correct?

Answer:

During an unplanned unavailability due to force majeure (Chapter 10 of the General Terms and Conditions), no network reserve fee will be paid. In cases of force majeure, the relevant contractual obligations on both sides are suspended.

Question 36:

What information is expected in the form "Expression of interests" under "Grid connection point"?

Answer:

For operators who know to which substation their unit is connected, the name of the substation should be entered. If this information is not available, the address where the unit is located is sufficient.



Question 37:

Does the quality of the grid reserve also have to be fulfilled during the tolerance months? (e.g. same eligibility criteria, contractual penalties, availability)?

Answer:

In the case of seasonal grid reserve contracts for the summer, all requirements must be met during the maximum product period (April-October). Exceptions to this are the requirements regarding the option to participate in the energy market and the remuneration in the tolerance months, provided that the tolerance month is used to shorten the temporary seasonal decommissioning notification. The final announcement of the exact period of temporary seasonal decommissioning notifications or tolerance months must be communicated no later than 2 weeks before the start of the respective tolerance month.

Question 38:

Tolerance month: Does it make a difference for the selection of offers whether a offer is made from April-October or from June-August?

Answer:

In the case of seasonal grid reserve contracts for the summer, all requirements must be met during the maximum product period (April-October). Exceptions to this are the requirements regarding the option to participate in the energy market and the remuneration in the tolerance months, provided that the tolerance month is used to shorten the temporary seasonal decommissioning notification.

For the selection, the offer value in euros and the actual availability over the maximum product period are decisive. More detailed information is published in the tender documents (Chapter 7). In addition, additional explanations including examples regarding the evaluation of the offers are published before the start of the offer phase.

Question 39:

How are costs for unscheduled repairs compensated in the grid reserve?

Answer:

Due to the market-based grid reserve procurement, the remuneration is no longer cost-based. Unscheduled repairs are therefore not paid for separately. More information on the remuneration is published in the General Terms and Conditions (Chapter 7).

Question 40:

Is a flexibility in the revision period also taken into account in the evaluation of the offers?

Answer:

The selection of the offers is based on the principle that the grid reserve demand in the first year of the observation period can be covered at the lowest cost in accordance with § 23a (2) ElWOG 2010 (§ 23b (6) ElWOG 2010). APG reserves the right to exclude offers from the selection process, if the overall unavailability (unavailability due to revisions and restrictions of the connection and transmission system operator) or if the revisions cannot be postponed, from the selection process, if therefore the grid reserve demand cannot be met consistently (see tender documents, chapter 5.6).

Question 41:

How is it ensured that other providers who are not allowed to participate in the grid reserve are not discriminated compared to grid reserve participants in case of an EPM activation?

Answer:

A Participation in the grid reserve is not a decision criterion for an EPM activation. The deployment decision is made based on availability, effectiveness and costs.

Question 42:

Is a 100% guaranteed gas supply required in the eligibility criteria for combined cycle power plants?

Answer:

According to the general terms and conditions, the providers are required to procure all fuel and auxiliary materials as well as emission allowances required for the provision of the grid reserve unit or grid reserve capacity independently and in good time and use the necessary procurement, storage and contract management. (general terms and conditions, chapter 3.6 (f))

In addition, according to the tender documents chapter 3.4, it is required that providers can continuously feed in the offered grid reserve capacity.

Question 43:

Does the remuneration change if the maintenance period is shorter than planned?

Answer:

If the duration of the maintenance period is shortened, there is no change in the remuneration. Further information is published in the general terms and conditions (chapter 13).

Question 44:

In the case of gas turbines participating in the grid reserve, the revision period depends on the number of activations per year. For precise planning, APG should also provide information on this.

Answer:

The EPM activations depend on the actual energy market conditions (water supply, feed-in of renewable energy sources, international import / export,...) and can therefore not be precisely forecasted over a longer period. However, the number of the measures required in the past is published on the APG homepage

(<https://www.apg.at/en/markt/Markttransparenz/Uebertragung/Redispatch>).

In addition, it should be noted that an actual use or EPM activation of the grid reserve units during the contract duration is not guaranteed. The operator has no entitlement to an actual use or EPM activation of the grid reserve unit. (general terms and conditions chapter 5.1)

Question 45:

If I have notified the decommissioning from April to October, can I still use the tolerance month despite the decommissioning and use my system in the market, e.g. in May?

Answer:

For the units, which are shut down, the same conditions apply regarding the use or reporting of the tolerance months (see question 18), as for contracted network reserve systems.

Question 46:

The contractual penalties and reductions are described in chapter 8 of the general conditions for the grid reserve. It states that regardless of the fault of the power plant operator, a contractual penalty is imminent if the required service is not provided, with the exceptions in accordance with chapter 10. My question now: Is there a risk of a contractual penalty in the amount of the monthly remuneration for every e.g. burst pipe, stuck valve, leakage, start-up failure ..., which leads to non-availability?

Answer:

Whether unavailability, disruptions, etc. fall under "Disruption of the contract / force majeure" (Chapter 10) must be checked in each individual case. Normally such events can be considered as



force majeure, if the power plant operator has regularly carried out maintenance of the power plant.

Question 47:

General conditions chapter 3.3., why is the information of the “gradient” necessary?

Answer:

The gradient is used by APG as additional information for changes in performance when accessing redispatch, but it is not a criterion for suitability.

Question 48:

General conditions chapter 6.2. What is the number of test activations for seasonal products?

Answer:

The number of test activations is independent of the product.

Question 49:

Tender documents, chapter 4.2. (b). Summer product: Summer product for which a combined offer has been accepted and the product period is shortened after the contract is signed by the provider: Can individual partial units be shortened on a monthly basis? How is the fee for the available units calculated?

Answer:

In the offer phase it is possible to combine several individual offers into a single offer (i.e. combination offer). It is also possible to use the tolerance month only for one of the combined units. The grid reserve remuneration of the subunits is calculated from the offer value of the combination offer aliquot according to the individual offers, see Tender documents Chapter 5.

Question 50:

Tender documents, chapter 3.3, grid reserve power at an ambient temperature of less than 20°C: This is about the performance in the temperature range less than or equal to 20°C? In CCGT systems in condensation mode, the electrical output increases when the outside temperature falls, so can the higher output at -15 ° C also be entered here?

Answer:

The minimum network reserve power that can be made available in the entire specified ambient temperature range of less than or equal to 20 ° C must be specified. In addition, the performance



should be transmitted depending on the ambient temperature in accordance with point 3.11 (c) of the tender documents.

Question: 51:

Does the required power of attorney according to Appendix X have to be notarized or one of the company's authorized signatories is sufficient.

Answer:

A notarial certification of the power of attorney is not necessary, but the power of attorney must be signed by authorized signatories of the company (provider). Proof of authorization to sign must be provided (extract from the commercial register, etc.).

Question 52:

Is it possible that a "different" company within the same group than that of the plant operator who submitted the notification of decommissioning in accordance with Section 23a (1) EIWOG participates in the tendering process and submits or subscribes the expression of interest and the offer?

Answer:

Yes, this assumes in any case that a comprehensive power of attorney from the plant operator (who submitted the notification of decommissioning) is presented when expressing interest. The power of attorney must contain that the system operator authorizes the "respective" company to participate in the tendering process as a provider on his behalf and to take all actions required within the framework of the tendering process for the grid reserve - with a binding effect on the power plant operator (expression of interest and submission of offers). This power of attorney must also include that the authorized company is authorized to conclude the grid reserve contract (or seasonal grid reserve contract) on behalf of the power plant operator.

Question 53:

Tender documents, chapter 5.6 APG reserves the right to exclude from the selection process offers for units whose overall unavailability (unavailability due to revisions and restrictions of the connection and transmission network operator) lasts too long. Definition of "too long"?

Answer:

The aim is to cover the grid reserve requirement for the entire period. For this it is necessary to distribute all displayed revisions as evenly as possible. The need for revision postponements and the requirement for the maximum revision duration depend on the revisions of all units reported



in the offer phase. The unavailability is cause for exclusion if it is longer than 50% of the maximum product duration. Independently of an exclusion caused by too little availability, an exclusion based on chapter 8 is possible.

Question 54:

Ad chapter 3.4 and 2.g General Terms and Conditions: The General Terms and Conditions stipulate that restrictions caused by the connection network operator are dealt with in accordance with the provisions of Chapter 13 (Revision) and chapter 2.g. However, in accordance with the conditions of the connection network operator, the power plant operator as a network customer has no formal opportunity to coordinate with the connection network operator as required by point 3.4. A sanctioning of shutdowns in the connection network such as exceeding the planned revision periods according to point 8.2 of the General Terms and Conditions represents an unbalanced regulation for the power plant operator, especially since the power plant operator cannot influence the measures in the network. What kind of support can the system operator expect from APG when coordinating with the access network operator? Can this coordination, for example, be carried out directly by APG on the basis of its network cooperation agreements with the network operators?

Answer:

In the event that the actual duration compared to the unavailability planned at the time of the offer is extended by the connection network operator and this is beyond the control of the system operator, it is considered as force majeure in accordance with Chapter 10 (for example disruptions that are beyond the control of the plant operator).

Question 55:

ad chapter 4.1 in conjunction with chapter 6.4 of the General Terms and Conditions: Item 4.1 regulates that test activations due to legal requirements as well as for ramps and drive-through requirements remain unaffected by this item 4.1. In point 6.4 this option is extended to technically necessary test drives. In order to maintain the availability of our power plant, as in the past, test drives must be carried out no later than 30 days after the previous use, as otherwise corrosion damage and thus impairment of availability can occur. Is our understanding correct that it is also possible to carry out these operationally required test drives after consultation with APG, although these are not explicitly excluded under point 4.1?

Answer:

Yes, according to Section 6.4 of the General Terms and Conditions, it is permissible to carry out test drives of the grid reserve unit if and to the extent that this is necessary for technical or legal

reasons. The other requirements of point 6.4 must be observed: The energy is marketed via the operator of the power plant. The power plant operator bears the costs for the test drives, including the costs for balancing energy. The time of the test drive must be agreed with APG before the planned implementation and, in the case of reserve systems connected to the distribution network, the distribution network operator must be notified in writing or electronically. APG can request that the test drive is carried out at a different time if this is necessary for the functionality of the grid reserve and technically possible.

Question 56:

ad chapter 6.4 General Terms and Conditions: Chapter 6.4 regulates that APG can request that the test drive be carried out at a different time. Do we understand correctly that delays resulting from revision measures, which result from the request or the specification of postponements of commissioning trips, are not punished with the consequences according to chapter 13.2? Furthermore, chapter 6.4 regulates that test drives should not exceed a duration of 12 hours. In fact, commissioning after revisions and test drives may require them to last longer than 12 hours. Do we understand correctly that the 12 hours may be exceeded in appropriate (exceptional) cases?

Answer:

If necessary for technical or legal reasons, the maximum duration of the test drive may be exceeded slightly in exceptional cases.

Question 57:

ad chapter 7.4 General Terms and Conditions: Chapter 7.4 of the General Terms and Conditions stipulates that overcompensation must be repaid by the system operator, including interest, if the NRA or the European Commission should determine that excess proceeds have been paid out to the power plant operator. How can such a disbursement of excess revenue or overcompensation come about in the context of a market-oriented tendering process? In our opinion, such an overcompensation is only conceivable in the scenario of a decommissioning ban according to § 23c ElWOG, in which the plant operators are compensated annually for the economic disadvantages and costs associated with the provision of the grid reserve. Is this view correct? Chapter 7.4 of the General Terms and Conditions also stipulates that the operators are obliged to pay this "overcompensation" including interest to APG within a reasonable period of time in the event of initially inadmissible contracts which it subsequently turns out that the legal requirements for a contract were not met to repay. Are we correctly assuming that in such cases a



plant operator in good faith would get his frustrated expenses (such as the costs of a concluded gas supply contract) reimbursed by APG?

Answer:

The regulation of the clawback clause ("in favor of the TSO") corresponds to the requirements of the statutory provisions in the EIWOG as well as the explanatory remarks to the law. See Section 23b (7) EIWOG 2010 and the associated explanatory remarks. The amount of overcompensation or the connection with any frustrated expenses depends on the individual case and cannot be assessed from today's perspective.

Question 58:

ad chapter 9 General Terms and Conditions: Chapter 9 does not regulate the handling of sales tax. Is our assumption correct that all regulations regarding fees or reductions in fees are understood without sales taxes and that these are applied in accordance with the respective standards?

Answer:

Net amounts must be stated in the offer and in all contracts. In the case of invoicing / credit offsetting, the sales tax is shown separately.

Question 59:

ad chapter 10 in connection with point 8.1 General Terms and Conditions: Chapter 10 regulates the cases in which Chapter 8.1 does not apply. Do we understand the relevant wording in chapter 10, last sentence correctly, so that "essential system parts" include all those parts of the power plant which, in the event of a failure or malfunction, impair the ability of the unit to generate electricity, and which do not have to be large-scale units? In connection with the points mentioned, how is the restriction to "issues not in the area of responsibility of the power plant operator" to be understood? Is our assumption correct that a failure or a restriction of the upstream network or the access network falls under sentence 1 of point 10?

Answer:

Cases of force majeure or disruptions in the execution of the contract must be considered and checked on a case-by-case basis. A general statement cannot be made. The phrase "the causes of which are not the responsibility of the power plant operator" should be read and understood together with the last part of the sentence "and the power plant operator has regularly carried out maintenance in accordance with the state of the art".

Question 60:

ad item 13.3 General Terms and Conditions or ad item 5.6 Tender Documents: Point 13.3 stipulates that APG can request that the time of the revision be postponed to another date. Postponing revisions can have a negative impact on the availability of the power plant in addition to additional costs. How is it ensured that such a postponement of the revision only takes place on mutually agreed terms? With regard to unavailability that could arise in connection with changed inspection times, are we correctly assuming that remuneration will continue to be paid during such unavailability and that these are not subject to the other provisions of unavailability? Otherwise, the possible consequences of a postponement of revisions requested by APG would have to be taken into account in advance in the offer price.

Answer:

Chapter 5.6 of the tender documents stipulates that justified additional costs that the provider incurs as a result of a postponement ordered by APG can be compensated via congestion management in accordance with Section 23 Paragraph 2 Clause 5 or Paragraph 9 ElWOG 2010. The need for revision postponements depends on the revisions of all units reported in the offer phase.

Question 61:

ad chapter 14 General Terms and Conditions: Chapter 14, last sentence, allows disclosure only to authorities and courts, including the Court of Auditors. How can the connection network operator be informed to the required extent within the scope of this chapter?

Answer:

The passing of absolutely necessary information to the connection network operator is covered by the wording in Chapter 14: "Unless otherwise agreed, the contractual partners undertake to use received data, documentation and other essential information exclusively for the fulfilment of the contract ...". Coordination with the connection network operator is essential for the fulfilment of the contract.

Question 62:

ad chapter 7.7 Tender Documents: We ask for confirmation that - if the operator plans to make use of chapter 7.7 in the 2nd stage of the tender and submit several offers (with different offer quantities and offer values) for the same unit named in the expression of interest - he is not required to already name all conceivable units and combinations of units for the 2nd stage, but in

the 1st stage it is sufficient to name each plant or sub-plant only once and the possible grid reserve power for each plant or sub-plant at an ambient temperature of ≤ 2 °C.

Answer:

In the expression of interest, those units must be specified with which individual offers are submitted in the offer phase. These individual offers can also be combined into sum offers in the offer phase. It is therefore not necessary to name all combinations of units in the expression of interest.

Question 63:

Can partial units be shortened that were not classified as suitable on their own (e.g. because of Appendix II, 3.4. E. Emissions > 550 g CO₂ / kWh electricity) and therefore no partial offer was made? Example two gas turbines with a common steam turbine, the product period should be shortened for only one of the two gas turbines. The remaining subunit in the grid reserve meets the suitability criteria.

Answer:

The grouping of subunits into a combination offer (with regard to question no. 49 or Tender Documents, Chapter 5.10) is only possible if individual offers have also been submitted for the subunits. It must therefore also be possible to classify the subunits as suitable. However, for technically connected systems it is possible that the grid reserve period is shortened within the tolerance months for only parts of these units. For this it is necessary that all subunits can be operated independently and that the subunits remaining in the grid reserve fulfil all suitability criteria of the network reserve. In this case, the fee for the unabridged subunits is calculated aliquot from the ratio of the grid reserve power of the available subsystem to the grid reserve power of the entire plant. In the expression of interest, the data of the entire unit as well as the data of the partial units available during the tolerance months are to be named.

Question 64:

Can another criterion (e.g. calendar month) be specified in addition to the grid reserve power at ≤ 20 °C? As a CHP system, the possibility of heat dissipation is an essential factor. Is there a possibility of a time restriction for the grid reserve power offered?

Answer:

A grid reserve unit must be available to APG for redispatch activations for the entire duration of the contract with the agreed grid reserve capacity. Revisions agreed with APG and other unavailability is excluded from this (General Terms and Conditions, Chapter 3 and Chapter 13).

The duration of the contract depends on the selected product (Tender Documents, Chapter 4). It is not possible to vary the network reserve capacity during the term of the contract.

Question 65:

Are the redispatch activations and grid reserve tenders made from the same units and is the allocation of activations made exclusively cost-based (€ / MWh)?

Answer:

All grid reserve units are also managed as possible redispatch units. Participation in the grid reserve is not a decision criterion for a redispatch activation. The decision to the activation of redispatch is made based on the availability, effectiveness and cost of the unit.

Question 66:

Can the activation costs be offset in full, including the total production downtime costs and replacement procurement measures?

Answer:

For redispatch activations, only the economic disadvantages and costs may be offset in accordance with Section 23 Paragraph 2 Number 5 ElWOG 2010. The costs directly related to the activation may be offset (replacement procurement), whereby the saved costs (e.g. energy and material costs) must be offset. In accordance with Chapter 3, Article 35 of Regulation (EU) 2015/1222 (CACM Guideline), the disclosure of the activation costs must be made in a transparent manner and detailed cost components must be shown.

Question 67:

How is contractual penalty in chapter 8 of the General Terms and Conditions regulated? Is there a cap on the maximum possible contractual penalty in the amount of the annual fee or can this be exceeded?

Answer:

There is no cap for the maximum contractual penalty according to Chapter 8 of the General Terms and Conditions. If a request from APG cannot be complied with several times during the contract period, the contractual penalty will be charged several times. It is therefore possible that the sum of contractual penalties exceeds the annual remuneration.

Question 68:

How often can a activation test be carried out (once a month, once a year)?



Answer:

APG may carry out up to 10 activation call to the grid reserve units per contract year with the full grid reserve capacity without prior notice to the operator. Operators may carry out test runs of the grid reserve unit if and to the extent that this is necessary for technical or legal reasons. The time of the test runs initiated by the system operator must be agreed with APG before the planned implementation and, in the case of reserve unit is connected to the distribution network, communicated to the distribution network operator in writing or electronically.

Question 69:

Where should the revisions be announced in the entire first year (outside the product period, e.g. for summer products and revisions in January) in the software tool? In the software tool guide chapter 4.1c.) (Page 4) it says: "... The specified revisions are included in the evaluation of the products (according to Chapter 13 of the General Terms and Conditions) ...". A contradiction to the selection criteria, where only revisions are used during the maximum product period.

Answer:

In the case of seasonal products, the revisions must be announced throughout the first year of the observation period, even if they are outside the product period. However, only the revision times during the maximum product period are used to evaluate the offers. The announcement of the revisions outside of the product period is nevertheless necessary, as APG has to carry out the revision coordination for the whole year. The specification of revisions outside the product period is also made via the software tool.

Question 70:

Do trial starts / performance tests / gas turbine tuning that have to be carried out after revisions fall under unavailability? Does the unit has to be ready for use and fully tested on the first day after the maintenance?

Answer:

Yes, the unit must be ready for use and fully tested on the first day after the maintenance.

Question 71:

Does the obligation for decommissioning notifications only concern operators who have a grid reserve contract with APG (i.e. who offer grid reserves)?

Or does the notification obligation also concern units without grid reserve contracts?



Answer:

The obligation to submit a notification of decommissioning is regulated by §23a ElWOG 2010. This holds for all generation units subject to the definitions pursuant to § 7 (1) Z 20 ElWOG. Consequently, all generation units >20 MW are obliged to submit a decommissioning notification. The notification obligation is therefore independent of the contractual regulations regarding the grid reserve. A submitted notification of decommissioning is, however, a prerequisite for generation units greater than 20 MW to participate in the grid reserve.

Question 72:

Concerning the decommissioning notifications: Do the 20 MW mean the power output of a single machine or the output of the entire plant?

Answer:

This does concern the power output of the entire plant and not the one of a single machine of the plant.

Question 73:

Concerning the decommissioning notifications: What is meant by the term “partial capacity” (in the form for decommissioning notification)? For example, is there an obligation to report the decommissioning of a machine supplying the in-house demand?

Answer:

All changes to the power output of a generation unit are to be subsumed under partial capacities. This means that in case the decommissioning of a machine supplying the in-house demand leads to the reduction of the power output of the generation unit, reporting is mandatory.

Question 74:

Regarding the decommissioning notifications: in the table (in the form for decommissioning notification) the terms decommissioning and revisions/maintenance of power plant blocks are used – what is the definition of power plant blocks?

Answer:

The term power plant block refers to an individual, technically complete power plant, which can be operated individually or together with several blocks at the site. In general, a notification of decommissioning for generation units is required, pursuant to §23a ElWOG 2010.



Question 75:

Concerning the decommissioning notifications: are frequency transformers also concerned by the obligation to submit a decommissioning notification?

Answer:

Frequency transformers are no generation units and consequently no decommissioning notification has to be submitted pursuant to §23a ElWOG 2010.

Question 76:

How are combined heat and power plants treated in the grid reserve? Is the revenue from the heat output still deducted from the electricity revenue?

Answer:

The heat revenues of combined heat and power plants, which result from an EPM-activation (i.e. redispatch activation), are to be deducted from the costs and have to be reported in the detailed cost sheet for EPM-activations.

Pursuant to § 23 (2) 5 ElWOG 2010, for EPM-activations only the economic disadvantages and costs may be charged, whereby the cost savings (e.g. energy and material costs) and other revenues have to be offset.

Question 77:

In the grid reserve tender 2021, more grid reserve capacity was contracted than initially published (2970 MW published, 3235.03 contracted). Why is this the case?

Answer:

As already indicated in the grid reserve tender 2021 (Tender documents, chapter 5.6), the published grid reserve demand is based on an optimized revision (maintenance) planning. If larger revisions occur, this reflected in an increased grid reserve demand (which was the case in 2021). In addition, the announced grid reserve demand may be exceeded due to the granularity of the submitted offers/grid reserve capacities. In any case, the selection of the offers is based on the statutory requirement to cover the grid reserve demand in the first year of the period under consideration at the lowest costs (see Section 23b (6) ElWOG 2010).

Question 78:

Chapter 5.2 (h) of the General Terms and Conditions of the grid reserve tender 2021 states: "The electronic communication system EPOS (SOAP interface and XML format) must be implemented for all grid reserve units after the second year as a grid reserve unit." For some grid reserve

providers, this is the 01.10.2022. When will APG start using EPOS and when will the necessary definitions for communication and interfaces be available?

Answer:

According to the current development status, EPOS is put into operation by August 2022. The power plant operators will receive the necessary information in due time and enough time for the implementation. This was also considered in the General Terms and Conditions of the grid reserve tender 2022 (Chapter 5.2 (h)): “The electronic communication system EPOS (SOAP interface and XML format) must be implemented for all grid reserve units within a reasonable period of time after EPOS goes live.”

Question 79:

Our power plant is temporarily and seasonally decommissioned for the summer period and not contracted as a grid reserve unit. We consider reducing the decommissioning period. Is this possible?

Answer:

If the reduction of the decommissioning period is based on the usage of the tolerance month according to § 7 (1) 66b ElWOG (e.g. for the April or September), please to refer to questions 45 and 18. The usage of the tolerance months must be reported no later than 2 weeks before the start of the respective tolerance month.

If this does not concern the reduction of the decommissioning period based on the usage of the tolerance months, the conditions pursuant to § 23d (3) ElWOG apply and a request has to be made to E-Control.

Question 80:

Are the results of the grid reserve tender published?

Answer:

APG publishes the following results within reasonable time after the selection procedure is completed (see Tender Documents, Chapter 9): The contracted capacity for the winter and the summer in the first year of the period under consideration and the names of the providers selected by APG in the selection procedure. The results of the 2021 grid reserve tender can be found at <https://markt.apg.at/netz/netzreserve/ausschreibungen-2021/>.



Question 81:

In the form “Expression of Interest”, as well as in the other forms related to the selection procedure of the grid reserve, the “first name and surname of authorized signatories in block letters” is required.

With the addition: An excerpt from the commercial register (or equivalent proof) must be submitted as proof of the power of legal representation. If this form is signed by a person who is not authorised to represent the provider according to the company register, a signed power of attorney from the persons authorised to represent the provider must be submitted.

Are the formal prerequisites of the selection procedure also fulfilled if the above mentioned, for this selection procedure required documents are signed by persons, who are not authorised to represent the provider according to the company register but by a company-signed power of attorney? In particular, this question relates to the signing of the form “Expression of Interest” and the Form V. Is it required that the special power of attorney related to this selection procedure is notarized?

Answer:

It is not necessary to notarize the power of attorney. Concerning this, please refer to Question 51. The prerequisite is fulfilled if the special power of attorney unambiguously authorizes the person(s), who represent the company, to carry out the mentioned actions for the company in the grid reserve tender in a legally binding way (e.g. signing the form “Expression of Interest” including attachments) and if this power of attorney is signed by authorized signatories of the company. The signatory powers have to be proofed (commercial register, etc.).

Question 82:

Due to the current situation on the gas market (May 2022):

Are there any plans from APG to contract gas storage in order to supply grid reserve units in case the gas supply is interrupted?

Answer:

Currently the contracting of gas storage by APG is neither provided for by law nor planned by APG. Pursuant to Chapter 3.7(f) of the General Terms and Conditions of the grid reserve, the provider shall “procure all fuel and auxiliary materials as well as emission allowances required for the provision of the grid reserve unit or grid reserve capacity independently and in good time and use the necessary procurement, storage and contract management.” If or if not an interruption of the gas supply represents a case of force majeure pursuant to Chapter 10 of the General Terms and Conditions needs to be determined on an individual basis.

Question 83:

Due to the current situation on the gas market (May 2022):

If the current discussion leads to an obligation for power plant operators (power plants contracted by APG for redispatch (EPM)) to physically store gas: Can the costs for contracting the gas storage be passed on to APG or will there be a compensation payment?

Answer:

In case of new or adapted legal framework with regard to gas storage, these changes and their consequences on the legal and regulatory requirements for the bearing of costs are to be reviewed and if necessary considered. In the currently implemented market-based procurement of the grid reserve the costs for contracting gas storage, which might be necessary for the provision of the needed fuel, can be considered in the offer value.

Question 84:

Is it possible to adjust the product period in the second round of the offer phase?

Answer:

Pursuant to the Tender Documents, the product period may not be adjusted in a potential second round of the offer phase. It is only possible to reduce the offer value, pursuant to Chapter 6.8, 6.9 as well as Chapter 4.2 (b) of the Tender Documents. This is in line with the principles of the grid reserve tender pursuant to § 23b (1) ElWOG 2010.

Question 85

What is the framework for the next tender of the network reserve (2025/26) with regard to the consulted changes in the course of the new network reserve? By when will the new rules be decided? If the changes do not become legally effective before the next tender, how will the timetable for the tender change (expression of interest, bidding phase, award of contract, ...)? What impact will subsequent changes have on the decommissioning notifications and until when is a withdrawal permissible?

Answer:

The tendering schedule is independent of the changes consulted for the new network reserve and follows a similar schedule to the schedule of the previous tenders.

The decommissioning notifications must be submitted in accordance with § 23a para. 1 ElWOG 2010 by 30.09.2024. Withdrawal of decommissioning notifications is possible under the existing



legal situation (sections 23a-23d ElWOG 2010) by analogy with section 23d para. 3 ElWOG 2010 until the start of the expression of interest phase if the reasons and circumstances originally decisive for the decommissioning have changed significantly and the plant remains fully available for EPM calls during the relevant period. After the start of the offer phase, a withdrawal of the decommissioning notification and a return to the market is only possible if the conditions set out in § 23d ElWOG 2010 are complied with.

Should the tendering procedure change due to a change in the law and approval under state aid law, the market participants will be informed in good time. The consulted changes of the new network reserve are still in the process of being drafted (including state aid approval) and are dependent on the entry into force and the actual design of the ElWG.