

SEFE Marketing & Trading Limited UK
20 Triton Street
London
NE1 3BF

06 December 2022

Dear Sir/Madam,

RE: Fluxys Market Consultation 59: Proposal for the Transmission tariffs 2024-2027

Thank you for the opportunity to respond to the consultation covering transmission tariffs for the next regulatory period from 2024 to 2027.

General comments

SEFE Marketing & Trading (SM&T) notes positively that Fluxys proposes an amount of circa 460M€ will be returned from the regulatory account into to the 2024-2027 tariffs through a reduction of the allowed revenue. Despite this effort, tariffs at VIP and other IPs are meant to increase for year 2024 and likely for following years as well. We encourage Fluxys to continue to use the regulatory balance surplus to diminish the increase in future transmission tariffs. At the same time we believe the operator should strive to manage its network in an even more efficient way and maintain its tariffs as low as reasonably possible, especially avoiding cross subsidisation from current shippers into investment in infrastructures to be used in the future by other users. In that respect we encourage a split in regulatory accounts so to increase transparency.

Views on specific points:

OCUC

SM&T has considered OCUC product very useful in the past as offered with a discount but it is now going to be discontinued. We understand that with the current new set up OCUC services may seem redundant. However, provided the OCUC basic feature is not changed i.e. there is no tenor or seasonality factors applied to it, we would still consider this as a useful product and would like to see it maintained.

Investments

Investments to reduce congestions and in the context of energy transition are part of a larger plan to make the energy system more efficient and reliable. We support this view.

That said, we consider important to maintain a clear split in the different parts of the bigger pictures and in particular between the gas grid, storage and LNG terminals. Also, it is very important to maintain a clear distinctions between cost related to the gas grid and investment in infrastructure dealing with other gases e.g. hydrogen. We do believe that cross-subsidisation should be avoided and where considered an absolute necessity, its application should be discussed and relevant information disclosed in a clear and transparent way.

We hope our comments will be taken in consideration and we would be happy to engage in further bilateral discussion on any aspects of our response. Please do not hesitate to contact us if you have any queries. Please consider the response confidential.

Yours sincerely,

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