

Market Consultation on Transmission Services Fluxys 67 & Balansys 11



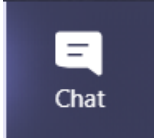
Info-session



Welcome and way of working



- Microphones are muted by default
- Meeting will be recorded, Presentation + Recording will be published on websites
- Questions can be asked in written via the chat and will be addressed at the end of the session
- For further questions after this info session, reach out to our Key Account Managers



Today's speakers

- Ilse Guedens, Fluxys Belgium & Balansys, **Marketing Manager**
- Geoffroy Hallaux, Fluxys Belgium & Balansys, **Product Manager**



Today's talk

- **Update of Connection agreements**
 - End-Users
 - Local Producer compatible gas
- **Clarification on the offer of Dunkirk LNG Terminal entry capacity**
- **Redesign L-market as the L2H conversion is being finalised**
 - L-Zone will not offer any flexibility anymore
 - Nominations rules on L-Zone
 - Trading services will not be offered anymore for the L-Zone
 - Others
 - Balansys considerations
 - Specific settlements rules for Aug 31st 2024



Fluxys
Consultation 67

Balansys
Consultation 11





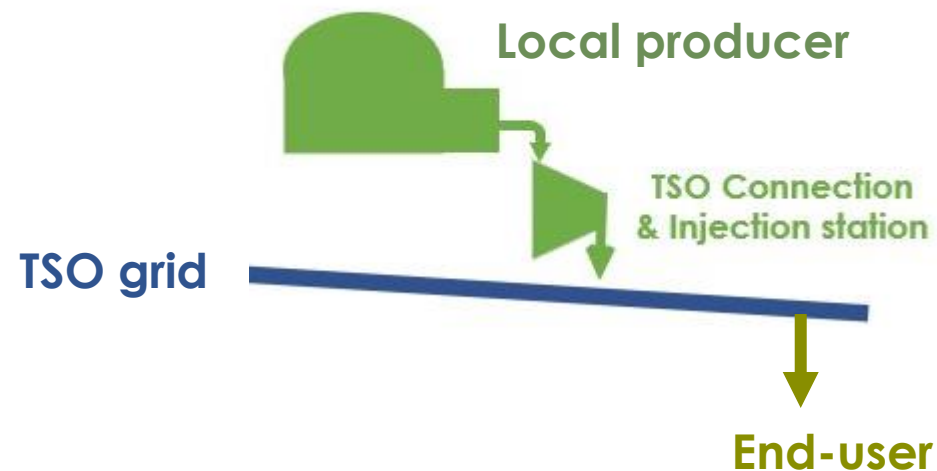
Update of connection agreements

Connection Agreement – End Users – 1/3

- In case a local producer connects to the grid

→The TSO will inform the relevant end users

- End-users which could be significantly impacted by the Gas Quality
- Information: local production connection date & potential gas quality parameters impacted
- Timing : within 2 months following the connection agreement with the local producer (typically 2 years before injection)



Connection Agreement – End Users – 2/3

- **Updating the operational Annex 1,4,7**

- Clarification of the responsibility limits: provision of diagrams
- Minimum design requirements for the receiving station: Pressure Equipment Directive (2014/68/EU)
- Metrological requirements
 - » Gas meter capable of providing a digital index at the request of the TSO
 - » Maximum allowed error of the components and composition of the reference gases (new tables)



Requirements for Ultrasonic meters

- Minimum diameter and calibration
- Consultation with TSO to determine linearization and temperature correction
- Thermal insulation of metering line



Connection Agreement – End Users – 3/3

- **Updating the operational Annex 1,4,7**
 - Operational clarifications
 - » Need for emergency plan for the event of odorant leakage
 - » Technical and administrative requirements for the TSO's telemetering system
 - » New appendix Z for the execution of a golden weld
 - » Simplification of the procedure for gas-filling of the receiving station



Connection Agreement – Local Producer compatible gas

- **Clarification of applicable quality specifications in Annex 7**

- Reference is made to the quality specifications of Synergrid G8.01

	Eenheid/Unité	Min.	Max.
Calorische Bovenwaarde / Pouvoir Calorifique Supérieur	kWh/m ³ (n) (25°C -0°C)	10,7	12,77
Wobbe-index / Indice de Wobbe	kWh/m ³ (n) (25°C -0°C)	13,82	15,47
Druk / Pression	barg	15	18
Temperatuur / Température	°C	2	38
Zuurstof / Oxygène (O₂)	ppm (mol)	/	< 5.000
Koolstofdioxide / Dioxide de carbone (CO₂)	% (mol)	/	< 2,5
Waterstof / Hydrogène (H₂)	% (mol)	/	< 2
Ethyleen /Ethylène (C₂H₄)	% (mol)	/	< 0,5

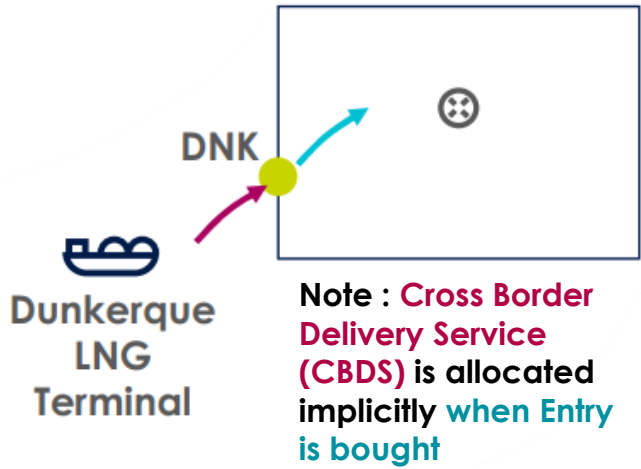




Offer of Dunkrik LNG Terminal entry capacity

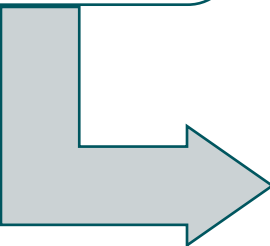
Offer of Dunkirk LNG Terminal entry capacity

- **No change** to current situation
 - Only a footnote in TP & ACT is reformulated
 - Clarification of offering sequence



Call for Market Interest
Dunkirk LNG Terminal

- The **entry capacity** is offered first for participants of the “call of market interest” organised by Dunkirk LNG Terminal



FCFS

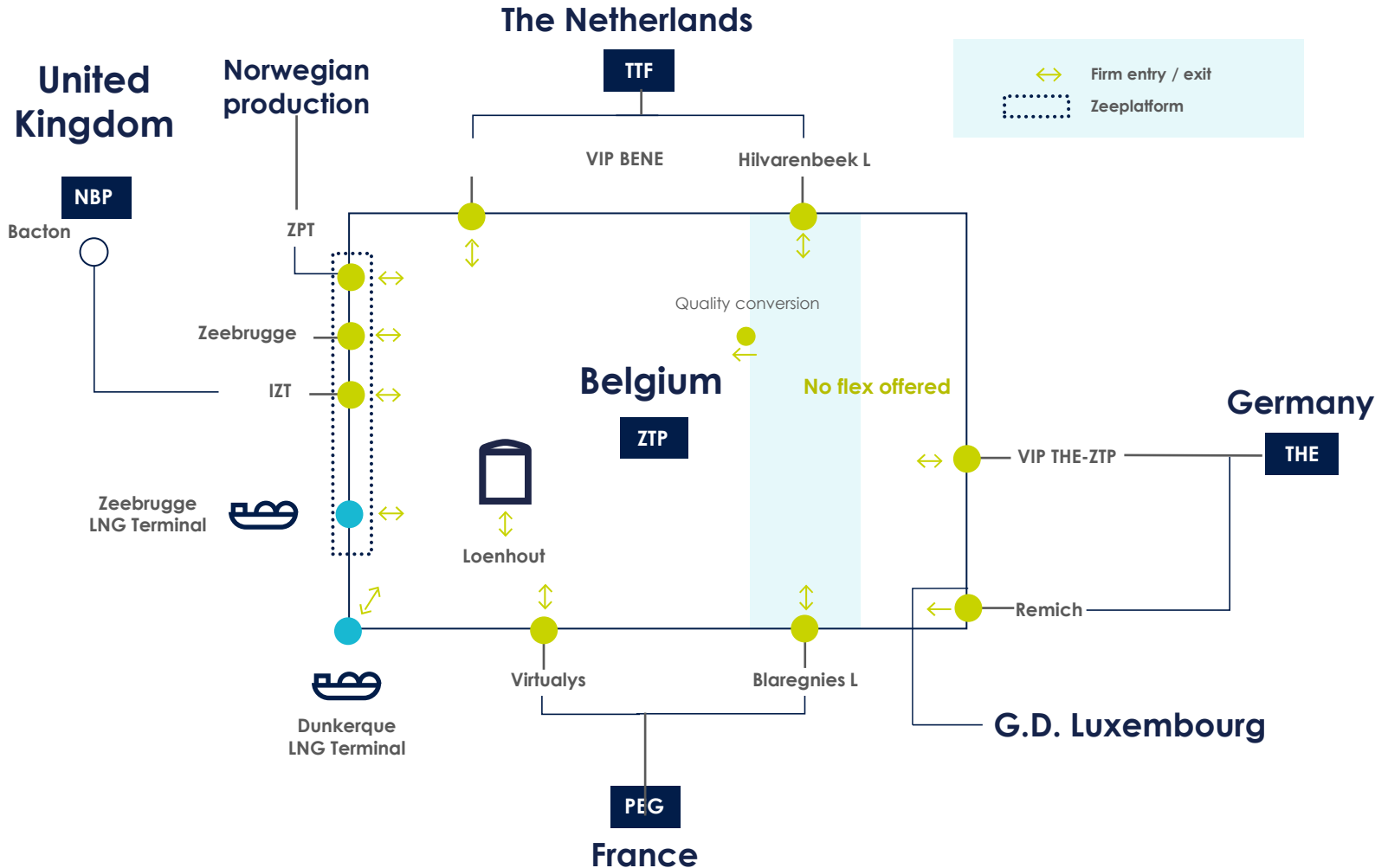
- If left, the entry capacity is offered under the FCFS principle





Redesign L-market as the L to H conversion is being finalised

There is no Domestic Exit Point in L-Zone after Sept 01st 2024



- Conversion is commercially finalised by 1st of September 2024
 - L-Zone will consist of
 - 2 IPs : Blaregnies L and Hilvarenbeek L
 - 1 Installation Point : Quality Conversion Point (QCP)
 - Market **flexibility is not offered** anymore
- ➔ Impact on the nominations



Nominations in the L-zone have to be hourly balanced for the whole L-Zone

- Each hour, required to use **combined and equal** Entry Services at Interconnection Point(s) with Exit Services at Interconnection Point or Installation Point
 - “**Nominations Entry**” = “**Nominations Exit**”
- “Lesser of all Entry or Exit Nominations” rule
 - IF the sum of the entry nominated quantities at Interconnection Point(s) is different than the sum of the exit nominated quantities at Interconnection Point and/or Installation Point,
 - THEN **Confirmed Quantity** shall be the **lesser** of the sum of Entry nominated quantities and the sum of Exit nominated quantities
 - **Priority Reduction is applicable**



Additional info for Nominations

- **New shipper code** for L-Zone will be created
- Nominations on Quality Conversion Point (QCP) remain unchanged
 - Entry Nomination on H-Zone is enough*
- Later this year after CREG/ILR decision, **communication will be done to ask shippers if they want to be active in the L-zone**
 - Operational details (a.o. new shipper code) will be sent to those specific shippers
- In case of practical questions in the meantime on nominations, reach out to nominationsupport@fluxys.com

* Nominations on L-zone are also allowed



Trading services will stop accordingly on the L-Zone as there is no L-gas domestic market anymore

- 1. EEX will progressively delist ZTPL Contracts from the Exchange**
 - 5 contracts in total (WD, DA ,Weekend, Saturday, Sunday)
- 2. EEX/EEC and Fluxys will inform market about the changes to come and associated schedule**
 - **Next communications** are foreseen (from EEX/EEC and from Fluxys) **Mid June**, after CREG/ILR approval
- 3. Everything remains unchanged for the ZTP contracts**



Additional info on L Capacity Switch Service

- **Switch Service for Exit*** : Service will be **removed** as there is no more booking with a booking date earlier than Oct 1st 2021
- **Switch Service for Entry**** : Communication $P_{LH,2023}^{***} = 100\%$ will be done very soon

* possibility to transfer (part of) existing Exit capacity on a L-gas IP to Exit capacity on another L-gas IP

** possibility to transfer (part of) the existing Entry Capacity on L-Zone to new Entry on Interconnection Points of the H-Zone

*** Percentage of L-gas Entry capacity that can be transferred under the L Capacity Switch Service





BALANSYS Market Consultation 11
Redesign L-market

29 March 2023

List of changes introduced by MC 11

- As L-gas market zone (L-zone) will not offer any flexibility anymore, **Balansys will not do any residual balancing activities** anymore for the L-Zone
- All screens on Electronic Data Platform will be adapted accordingly
- **H-Zone will be renamed BeLux zone**
- **Everything else will remain unchanged for the H-Zone (BeLux Zone)**

Specific Settlements rules for last WD settlements and the EOD settlements on Aug 31st 2024, for the L-Zone

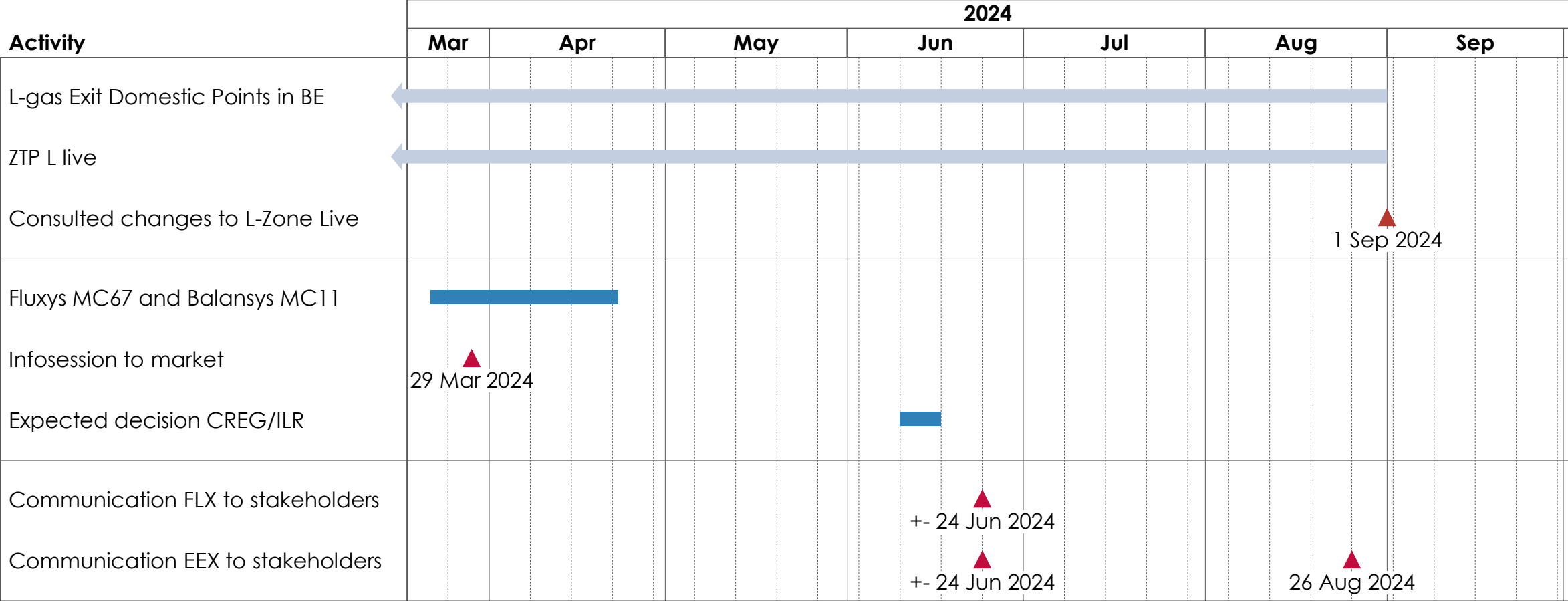
- Trading services will not be offered anymore on L-zone as from Sept 01st 2024 at 06h00 (GH1) and contracts will be delisted
- **WD settlements for Gas Hour 20 up to Gas Hour 24 (if any) and EOD settlement of Aug 31st 2024 will**
 - be impacted as the products to resolve the imbalance will not be offered anymore at those times
 - be **therefore settled on ZTP**
- In case of 2 Within-Day settlements happening at the same time, in order to distinguish quantity and price of each settlement, L-zone imbalance will be settled first
- **The quality conversion fee will not apply for those settlements.**



Timeline

shaping together
a bright energy
future

Estimated Timeline for Implementation



Summary

Fluxys Belgium and Balansys are adapting the L-market

- **L-zone modifications will be live as from Sept 01st 2024**
- L-Zone will not offer any flexibility anymore → new nominations rules
- Trading services will not be offered anymore for the L-Zone
- Please send your feedback to marketing@fluxys.com and/or marketing@balansys.eu before Apr 22nd 2024 COB

Fluxys Belgium is updating the standard connection agreements

- TSO to inform end-users in case of new local producer
- Technical requirements for gas receiving stations
- Clarification of gas quality specifications for local producers compatible gas
- Please send your feedback to marketing@fluxys.com before Apr 22nd 2024 COB



Your commercial contacts in case of questions



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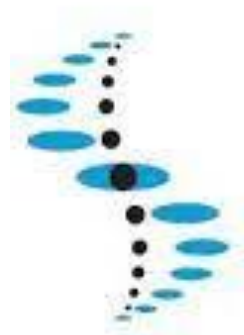
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