

Consultation Report 20

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1. INTRODUCTION

From 6 June 2016 till 1 July 2016, Fluxys Belgium consulted the market on amendments of the transmission regulatory framework, i.e. the Standard Transmission Agreement (STA), Access Code for Transmission (ACT) and the Transmission Programme (TP). The latest version of those documents has been approved by Commission for Electricity and Gas Regulation (CREG) on 19 May 2016, building upon previously approved documents. This consultation primarily aims at (i) integrating Hub Services into the Standard Transmission Agreement and related Access Code for Transmission, (ii) introducing the possibility to subscribe within-day capacities on IP Zeebrugge Beach and (iii) extending the possibilities to use PRISMA for secondary market purposes.

2. CONSULTATION PROCESS

Fluxys Belgium launched this market consultation by announcement of the proposed documents on its website - at the usual location for such consultations, supported by an announcement on the homepage - and via direct e-mailing to all duly registered market participants and associations. During the period from 6 June 2016 till 1 July 2016, stakeholders were invited to submit their written feedback and, if needed, seek additional information through bilateral contacts with Fluxys Belgium. An information session was also organised at Fluxys Belgium headquarters on 15 June 2016, where the proposed changes have been detailed and discussed with around 20 market participants. Taking into account the different comments received, Fluxys Belgium submits for approval to the CREG, the new version of the STA, ACT and TP.

3. OUTCOME OF CONSULTATION PROCESS

All comments received are listed and individually treated in the “Q&A” which makes part of the consultation report submitted to CREG – see appendices.

Feedback – generally speaking broadly positive and supportive of the changes proposed - was received from 8 parties, including two representing organizations, and mainly concerned:

- the HSA integration into the STA;
- the offering of within-day services on Zeebrugge Beach;
- the extension of 2nd market on PRISMA;
- textual improvements
- topics outside the scope of the consultation:
 - o Surrender improvements;
 - o Trading services fees;
 - o Pricing of within-day services;
 - o PRISMA functionalities for the 2nd market;
 - o Unbundled capacity conversion.

HSA integration into the STA

No specific comments were received concerning these changes. The proposed changes are therefore submitted as consulted upon.

Offering of within-day services on Zeebrugge Beach

Besides one market participant that strongly opposes to the development of short-term services, other respondents do generally welcome the introduction of this additional service. One representing organisation suggests, on behalf of its members, to reduce the booking lead-time from full-hour+3 to full-hour, to the extent technically and operationally possible. After careful consideration, Fluxys Belgium proposes to reduce the lead-time to full-hour+2, aligned with renomination lead-time.

There are two main operational reasons for not further reducing the lead time:

- On the one hand, given the renomination lead-time, it would be impossible to (re-)nominate this capacity in due time, making it impossible to actually use those two additional hours, unless such capacity would have been nominated before being actually acquired. This latter case would imply that previous confirmation cycles would have (partly) rejected this nomination, possibly unnecessarily triggering the activation of reductions or back-up services on the Zeebrugge Beach, or reductions on interconnection points – a situation which is to be avoided for operational reasons, for both TSOs and network users.
- On the other hand, allowing to change the contracted capacity situation within the 2 hours of the confirmation cycle is generally speaking to be avoided in order to ensure a reliable process. It is indeed possible that TSO's need to run confirmation algorithms several times during those 2 hours to yield a comprehensive matched situation on all interconnection points. If the contracted situation was allowed to change during that time interval, each iteration would differ in results potentially voiding the results of the previous iterations.

From bilateral talks held with market participants, the main concern to be addressed was the ability to book until the last moment possible in order to be able to nominate the capacity. This “last” moment being full-hour+2, we deem it appropriate to change our proposal in that sense.

Considering the comments received, the proposed changes are submitted as consulted upon, with the exception of the booking lead-time (ACT – attachment B) which is adjusted to full-hour+2.

Extension of 2nd market on PRISMA

The proposed changes are generally speaking welcomed by market participants. One representing organisation suggests reducing the processing time – today 4 working days as defined on PRISMA – and potentially consider the necessary investments in automation of the process. The currently applicable lead-time relates back to the back-office processing which is operated during business hours. Given that working days at European level may differ from Fluxys Belgium working days, the 4 days lead-time is necessary to ensure timely processing of the requests submitted through PRISMA. Necessary investments for automating the process - and reducing the lead times - have been considered as unjustified given the volume of transactions so far observed through this channel.

It is furthermore suggested – supporting our proposal made during the information session - to implement a dropdown list for selecting the source contract on PRISMA when creating a 2nd market transaction from the seller's side. This is a necessary information to be included with the 2nd market request in order for Fluxys Belgium to be able to correctly process it and report it to ACER in the framework of “fundamental data reporting” for REMIT. As detailed during the information session, this feature will be developed on PRISMA in the course of 2016, giving sufficient time to market parties to get accustomed with the concepts relating to source contract.

Considering the comments received, the proposed changes are submitted as consulted upon and will be activated on PRISMA by October 1st, 2016 at the latest.

Textual improvements

One representing organisation suggests improving the definition of Gas Price (GP_d) in ACT attachment A in order to be more precise on the actual location and content of the description that will be made available on the website. The text will be adjusted following the suggestion. The same organisation remarks that the description of maintenance rules in ATC attachment C1 seems – generally speaking – less restrictive than the currently applicable framework. After careful considerations, the text is deemed equivalent to the current practise, even though we acknowledge that the text was significantly adjusted.

Remarks or suggestions concerning topics not under consultation

The consultation was used by four stakeholders as an opportunity to give their feedback on other topics not specifically under this consultation:

- Surrender improvements
- Trading services fees
- Pricing of within-day services
- PRISMA functionalities for the 2nd market
- Unbundled capacity conversion

Regarding the possibility of submitting Surrender requests through PRISMA, as suggested by one market party, Fluxys Belgium notes that this option is already foreseen in today's ACT attachment E. A technical problem however prevented the correct implementation of this feature, which will be corrected by October 1st, 2016 at the latest.

With regard to suggestions concerning trading service fees or tariffs applicable to within-day services, we refer to CREG decision (B)151029-CDC-656G/31.

The suggestions concerning PRISMA features have been forwarded to PRISMA for further consideration.

Regarding unbundled capacity conversion, referring to CREG decision (B)160519-CDC-1531, the topic is being evaluated.

We further thank the stakeholders for these remarks and suggestions. Since these topics are out of the scope of the present consultation, they are not discussed in detail in this specific consultation report. They can nevertheless be treated within the scope of Fluxys' regular contacts with stakeholders even if it should be noted that a number of these points were already addressed during previous consultations.

4. APPENDICES

4.1 Appendix 1: Market consultation – public material

4.2 Appendix 1: Market consultation – confidential material

1. Market consultation - public material

- a. E-mail: invitation to submit comments
- b. List of documents in consultation
- c. Adjustments to Transmission Services – Information Session 15/06/2016 in Brussels
 - I. Invitation
 - II. Agenda
 - III. Slides
- d. Questions & Answers
- e. Printed copy of written comments -Public