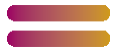


Market Consultation 51

One Page Note



New commercial storage model



Introduction

In a continuous effort to further improve its service offering, Fluxys Belgium is proposing adjustments to its storage services with a focus on (i) a new simplified and optimized SBU product, (ii) introducing new selling mechanisms, (iii) offering interruptible storage services, (iv) adjusting the billing procedure for volume exceeding, (v) new start date of the storage year and (vi) several technical improvements.

i. New simplified and optimized SBU product

In order to simplify the main storage product, Fluxys Belgium proposes to introduce a new SBU product – golden SBU. On the one hand, the conditional part of the golden SBU for injection, withdrawal and volume capacities will be removed. On the other hand, when booking golden SBUs, storage users will no longer receive injection and send out capacities in m³/h but instead in kWh/h. This way, each part of the SBU will be expressed and booked in energy units. Finally, the composition of the golden SBU is modified, compared to the existing SBU, so that all commercial capacity is offered to the market.

ii. Introducing new selling mechanisms

Today, Fluxys Belgium already has different selling mechanisms to sell its storage capacities (auction ; subscription window ; first-committed-first-served). In order to give storage users more flexibility during the booking process, Fluxys Belgium would like to introduce two new selling mechanisms.

Firstly, Fluxys Belgium proposes to have the possibility for auctioning its storage services via call options. The call option ensures that the storage operator will 'reserve' storage services requested by the storage user for a predefined period. During this period, the storage user has the right, but not the obligation, to exercise its call option and buy storage services accordingly, at the strike price (a tariff defined by the storage operator).

Secondly, Fluxys Belgium proposes to have the possibility for selling its storage services in a 'one step' auction by using an auction form. With this selling mechanism, the storage operator sends an e-mail to storage users including an auction form and the terms and conditions of the auction. The bidder indicates on the auction form the requested quantity, the duration and the price at which he would like to buy the storage service.

iii. Interruptible storage services

In order to give storage users the possibility to speed up their SBU, Fluxys Belgium proposes to offer interruptible injection and withdrawal capacities that can be booked for a longer term (seasonal, quarterly, monthly, ...), commercialised as 'Priority



Booster Capacity'. With this product, storage users have priority on the unused capacities for the subscribed period and with a maximum amount conform the subscribed Priority Booster Capacities. For the avoidance of doubt, these capacities are interruptible since the unused capacities depends on the daily nominations of storage users.

iv. Adjust billing procedure for volume exceeding

Today, if a storage user exceeds his volume rights in a specific month, he needs to pay the maximum exceeding for the entire concerned month. Fluxys Belgium proposes to adjust this billing procedure by charging the highest exceeding measured only for the concerned gas day.

v. Start date of storage year

Fluxys Belgium proposes to start the storage year from 01 April instead of 15 April.

vi. Technical improvements

Next to the abovementioned changes, several textual adjustments have been realized in order to improve the readability of the text. These textual adjustments can be found in Attachment B, C1,2,3, D1,G and H1 of the Access Code for Storage (ACS) and in the Storage Program. Furthermore, some adjustments have been made in the Standard Storage Agreement (SSA) to add and adjust definitions and provide more clarity on service reductions in case of an incident on the transmission system and creditworthiness.